

Compliance Strategy COVID-19 Pandemic

1. Purpose

The purpose of this compliance strategy is to describe the framework and principles NOPSEMA will apply in the discharge of its regulatory functions and activities to ensure it effectively and efficiently regulates the offshore energy industry during the COVID-19 pandemic.

This policy has been published as final (revision 0, dated 30 March 2020) and will be regularly updated due to rapidly evolving nature of the pandemic. Subscribe to NOPSEMA news channel on our website home page to ensure you are advised of new revisions that supersede this version.

2. Scope

This policy applies to the discharge of all NOPSEMA's regulatory functions and activities during the COVID-19 pandemic.

3. Principles

NOPSEMA has adopted the following principles for guiding decisions and actions to be taken during the pandemic:

- Targeted & Proportionate
- Accountable & Fair
- Informed & Flexible
- Systematic & Consistent
- Transparent & Consultative

4. NOPSEMA's regulatory approach during the COVID-19 pandemic

NOPSEMA will discharge all regulatory functions with focus given to the provision of advice, assistance and support to duty holders so that offshore energy activities can continue to be carried out in a safe and environmentally responsible way

NOPSEMA will give priority to facilities and activities that are providing an essential service in the form of contributing to, or maintaining energy needs in the short and medium term

NOPSEMA recognises that the significant challenges presented by the COVID-19 pandemic requires an agile, responsive regulatory approach to ensure the energy security needs can continue to be met in a safe and environmentally responsible way.

NOPSEMA will continue to discharge all of its regulatory functions and activities in an integrated and coordinated way across the Agency. Where practicable all regulatory activities will be guided by existing policies and procedures unless certain actions are needed to deal with the rapidly evolving pandemic.

Regulatory effort continues to be directed to addressing major hazards to the safety, and health of personnel, well integrity and major impacts and risks on the environment. A particular focus will be given to



facilities and activities that are providing an essential service in the form of contributing to, or maintaining energy needs in the short and medium term¹.

A particular focus will be given to the provision of advice to duty holders to promote and encourage regulatory compliance and appropriate risk and impact management during the COVID-19 pandemic.

4.1. What advice will NOPSEMA provide?

NOPSEMA will inform, consult and cooperate with Industry so that regulatory expectations and good practice safety, health, integrity and environmental management practices are widely understood and adopted

NOPSEMA will inform Industry, stakeholders and the public about regulatory expectations and good practice advice. We will regularly publish updates on our website and via our email subscriber service.

NOPSEMA will consult duty holders to discuss their circumstances regarding requirements of permissioning documents and appropriate risk and impact management. Key points of contact remain your nominated focal point coordinator or lead inspector unless otherwise advised.

NOPSEMA will work cooperatively with Industry Associations, federal, state and territory government agencies, international counterparts and other key stakeholders to identify and address common areas of challenge faced by Industry in responding to measures taken to address the COVID-19 pandemic.

5. What do duty holders need to do during the COVID-19 pandemic?

Duty holders are expected to make prudent decisions informed by a good understanding of changes to management of major safety, health, integrity and environmental impacts and risks

The COVID-19 pandemic presents major challenges to the offshore energy industry in terms of protecting offshore worker health and ensuring energy security needs can continue to be met in a safe and environmentally responsible way.

Duty holders are expected to make prudent decisions regarding the continued conduct of activities where the risk gap is high and the activity does not address a short or medium term energy security need.

In order to understand the implications to major safety, health, integrity and environmental impact and risk management during the COVID-19 pandemic, all duty holders should undertake a review and risk assessment to establish the risk gap presented by changes taken to address COVID-19 restrictions or measures for each facility or activity.

The review and risk gap analysis should be documented as part of implementing duty holders' existing management of change processes and used to inform the management of major safety, integrity and environmental impacts and risks.

¹ NOPSEMA's decision regarding what constitutes an essential service will be informed by advice from relevant Government agencies



5.1. Will regulatory approvals be needed?

Regulatory approvals will be needed to address significant change and NOPSEMA will prioritise assessments of those facilities or activities that are providing an essential service and require changes to address major safety, health, integrity or environmental impacts and risks

NOPSEMA will continue to assess the full range of permissioning documents submitted by proponents in accordance with the relevant regulations, policies and guidelines.

NOPSEMA will prioritise and expedite assessment efforts to facilities or activities that are providing an essential service in the form of contributing to, or maintaining energy needs in the short and medium term and where a duty holder has found that changes are necessary for the management of major safety, integrity and environmental impacts and risks in response to COVID-19.

NOPSEMA recognises the need for duty holders to be agile and respond rapidly to change as part of addressing COVID-19 related measures and restrictions. NOPSEMA's expectation is that only certain significant changes will result in the need to obtain a regulatory approval. In the majority of cases, changes can be managed in accordance with existing duty holder risk, change management and regulatory reporting processes described in permissioning documents.

Duty holders are encouraged to liaise with NOPSEMA to understand their obligations regarding regulatory submissions and refer to the guide provided in Appendix A to understand when one may be needed.

5.2. What inspection and compliance monitoring will be done?

NOPSEMA will apply a risk based approach with priority directed to measures taken to prevent the transmission of COVID-19 in the offshore workforce and/or action taken as a consequence of COVID-19 and implications to the management of major safety, health, integrity and environmental impacts and risks

During the pandemic, efforts will be directed to monitoring measures taken by duty holders to prevent the transmission of COVID-19 in the offshore workforce. Effort will also be directed to monitoring measures taken by duty holders as a consequence of COVID-19 and the implications to the management of major hazards to the safety and health of personnel, well integrity and major impacts and risks to the environment.

Inspections will typically be undertaken remotely, with inspectors collecting information, documentation and evidence through tele/video conferences and via written requests to the duty holders to limit COVID-19 exposure risks to the offshore and regulatory workforce.

NOPSEMA will consult with duty holders when developing inspection schedules. Inspections will be coordinated across NOPSEMA and where practicable multi-disciplinary teams used to mitigate impact to the operations of regulated entities.

NOPSEMA will actively monitor regulatory reports or change management information provided by duty holders, intelligence from government agencies, international counterparts and other stakeholders to inform the conduct of its inspections and other regulatory activities.



5.3. Will NOPSEMA still investigate matters of poor practice?

NOPSEMA will give priority to investigating notifications and complaints relating to COVID-19 matters or a significant offshore incident that may, or has resulted in a major accident or environmental event

NOPSEMA conducts investigations where it has gathered information that justifies seeking evidence of non-compliance with the law as a basis for potential enforcement.

During the COVID-19 pandemic, NOPSEMA will continue to investigate duty holder notification of accidents, dangerous occurrence and environmental reportable incidents and complaints from the workforce and community.

Resources will be directed to those notifications and complaints relating to COVID-19 matters, to a significant offshore incident or risk to safety of offshore personnel, significant risks to well integrity or significant impacts and risks to the environment.

5.4. Will NOPSEMA still enforce requirements?

NOPSEMA will take enforcement action for serious breaches of the legislation during the COVID-19 pandemic for matters that may, or have resulted in a major accident or environmental event

NOPSEMA will continue to take appropriate enforcement actions in response to breaches of the legislation during the COVID-19 pandemic.

Effort will be directed to taking enforcement action when there are serious breaches of legislation associated with the management of COVID-19 related matters and those associated with any significant offshore incident that may, or have resulted in a major accident or environmental event.

In making a decision about the form of any action(s) to be taken, NOPSEMA will take into account factors such as compliance history of the duty holder, behaviours and the level of cooperation of the responsible parties involved along with relevant strategic factors.

5.5. Related documents

N-00000-PL1696 – Compliance Strategy

N-02000-PL1523 – Inspection

N-03000-PL1697 – Investigation

N-04000-PL0050 – Assessment

N-05000-PL0067 – Enforcement

N-06000-PL1698 – Advice and Promotion

N-05000-PL0157 – Exemptions

N-04750-PL1347 – Environment Plan Assessment

N-04750-GL1705 – When to submit a revision of an environment plan



Appendix A: Guide to inform when regulatory approvals may be needed

The following guide has been prepared so that duty holders understand when to engage with NOPSEMA and discuss regulatory approvals that may be needed.

Extent of change in response to COVID-19	Criteria for deciding type of tool/mechanism to use	Mechanism/ Tool	Engagement with NOPSEMA	NOPSEMA action	Priority
Some change	<ul style="list-style-type: none"> Change does not result in a material change to intent of measures described in permissioning documents; Applies to all petroleum facilities and activities 	Internal management of change processes followed	Not required	Not required	N/A
Moderate change	<ul style="list-style-type: none"> Change does not result in the occurrence of any significant new impact or risk, or significant increase in any existing impact or risk described in permissioning documents Applies to all petroleum facilities or activities 	Internal management of change processes followed	Engagement with NOPSEMA encouraged to discuss the nature of the change and measures proposed	NOPSEMA will decide if an inspection is necessary to monitor the change	N/A
	<ul style="list-style-type: none"> Only facilities or activities providing essential services² in contributing to, or maintaining energy needs in the short and medium term; Change does not result in the occurrence of any significant new impact or risk, or significant increase in any existing impact or risk described in permissioning 	Regulatory exemption to act in a different manner to that described in a permissioning document	Engagement with NOPSEMA required. Submission of covering letter; Risk, HAZID or ENVID assessment; and management of change documentation	NOPSEMA will provide consent if it believes that activity will not result in the occurrence of any significant new impact or risk, or significant increase in any existing impact or risk	As soon as practicable (<7 days)
Significant change	<ul style="list-style-type: none"> Change will result in the occurrence of a significant new impact or risk, or significant increase in an existing impact or risk described in permissioning documents All facilities or activities 	Revised permissioning document (Safety Case, Environment Plan or Well Operations Management Plan)	Engagement with NOPSEMA required to discuss form and content of revised permissioning document	NOPSEMA will provide an acceptance decision if criteria described in relevant regulations have demonstrated to be met	<p>As soon as practicable for facilities or activities providing essential service (<30 days)</p> <p>Within statutory timeframes for all other facilities or activities</p>

² What constitutes essential service will be informed by advice from relevant Government agencies