

# the Issue 3 : 2016 REGULATOR

### From the CEO

Welcome to the third issue of the Regulator for 2016. At NOPSEMA we are committed to engaging with our many stakeholders to ensure we understand their views and can advise them on dealing with the regulatory regime we administer.

As part of this commitment we have increased our focus on stakeholder engagement and liaison activities. During 2015-16, NOPSEMA staff conducted over 700 liaison meetings with duty holders, government, industry, non-government organisations and the community. These liaison meetings focused on a range of safety, well integrity and environmental management matters.

NOPSEMA has also recently implemented initiatives to improve the transparency of our environmental management assessment processes. These initiatives include online publishing of information on the status of environmental assessments, proactive online notifications to stakeholders and requiring environment plan summaries to include a full report on consultation. We are also developing more collaborative networks with our stakeholders to share information and solve complex problems in offshore environmental management.

In 2016-17, NOPSEMA is continuing to build open and accountable relationships with stakeholders in support of improved transparency. Under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act), building and maintaining trust in the safety and environmental integrity of the Australian offshore petroleum industry is ultimately the responsibility of industry, with NOPSEMA actions supporting these responsibilities. Industry has to earn and maintain its 'social licence to operate' by actively engaging with the broader community about their environmental concerns and the welfare of the offshore workforce. This task is currently being highlighted by public interest in proposed petroleum activity in the Great Australian Bight.

Open community engagement can assist the industry in demonstrating its commitment to maintaining high safety and environmental standards and improving community and workforce confidence. NOPSEMA recognises that some companies with interests in the Great Australian Bight have already undertaken engagement activities that go beyond existing legislative requirements. These activities are to be applauded as they reflect the need for continuous improvement and the Australian community's expectation of increased transparency when areas such as



the Great Australian Bight are concerned. NOPSEMA also welcomes the policy consideration being given to increased transparency for the environmental regulatory regime by the Department of Industry, Innovation and Science.

Transparency and engagement between regulators at an international level, including information sharing, can also contribute to improved safety and environmental outcomes and increased community support. For example, there has recently been public interest in connector bolts used in offshore equipment in the United States such as risers and subsea blowout preventers. NOPSEMA considered this matter when it first arose in early 2013 and has been in liaison with the United States Bureau of Safety and Environmental Enforcement (BSEE) since that time. Further information on NOPSEMA's response to this matter may be found at page 3 of this issue.

Our engagement with BSEE is indicative of the value gained through NOPSEMA's participation in the International Regulators' Forum (IRF) for global offshore safety, and the International Offshore Petroleum Environmental Regulators (IOPER) forum for environmental matters. NOPSEMA is an active participant in the IRF and IOPER, being one of the three members of the IRF Management Committee (along with BSEE and the Norwegian Petroleum Safety Authority). NOPSEMA utilises these international networks to drive innovation and improvement in offshore petroleum regulation, foster collaboration and the sharing of knowledge and experience.

I encourage the industry to take a collaborative approach to increasing transparency and improving consultation with the community, and I hope the topics discussed in this issue of *the Regulator* are helpful for industry in planning future engagement with stakeholders.

Stuart Smith, CEO

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## Equipment integrity in offshore oil and gas operations

In response to media reporting and related commentary, regarding potential safety concerns of some offshore oil and gas drilling equipment, NOPSEMA wishes to clarify actions taken in Australia regarding this matter.

In early 2013 NOPSEMA contacted all drilling rig operators in Australian waters requesting them to inspect the connector bolts used in offshore equipment such as risers and subsea blowout preventers (BOPs). This request related to a recall by the connector bolt manufacturer, General Electric (GE). As a result of this request by NOPSEMA, an inspection program was undertaken by all operators of offshore oil and gas mobile offshore drilling units (MODU) facilities in Australian Commonwealth waters. Any bolts from the batch of GE manufactured bolts subject to the recall were immediately replaced by operators.



While no incidents involving the failure of subsea bolts have occurred in Australian waters, NOPSEMA continues to follow-up during planned inspections of facilities to confirm that operators are ensuring that all equipment, including risers and subsea BOPs, remains fit for purpose.

#### Ongoing investigation by US authorities

The Bureau of Safety and Environmental Enforcement (BSEE) in conjunction with other US government agencies and the American Petroleum Institute (API) are currently investigating the cause of recent bolt failures in an attempt to identify modes of failure and to isolate which bolts or bolt types may be affected.

NOPSEMA has not been advised that BSEE has taken any actions regarding replacement of bolts as a result of the current investigation.

Primarily through our membership of the International Regulators Forum, NOPSEMA maintains close relationships with our international regulatory

counterparts, including BSEE. NOPSEMA is continuing to liaise with BSEE as their investigation progresses, to ensure that any outcomes are understood, communicated and are able to be followed-up in Australian waters if required.

Key objectives of Australian's offshore regulatory regime include reducing risks to a level that is as low as reasonably practicable (ALARP) and continuous improvement by the offshore petroleum industry. As these objectives relate to both current activity and future plans, the industry must continuously review available standards and take steps to ensure any identified gaps are assessed and addressed as appropriate. NOPSEMA will continue to monitor compliance with the legislation to ensure a safe and environmentally responsible Australian offshore petroleum industry.

## Inspection and maintenance of safety critical equipment

Inspection and maintenance of safety critical equipment promotes safety of personnel during offshore operations. This objective is best attained through a combination of equipment reliability and management of risk.

Safety critical equipment, including safety systems and emergency equipment can be very complex and failure to perform safety critical equipment inspection and maintenance decreases assurance that the equipment is still fit for purpose. This can also diminish confidence that it will perform on demand in an emergency situation. Undetected failures in components may result in an unacceptable increase in risk levels to personnel at the facility.

The frequencies and tasks associated with inspection and maintenance are specified in the operators computerised maintenance management system (CMMS) and are derived from strategies such as:

- reliability centred maintenance
- risk based inspection
- · safety integrity level assessment
- · equipment and process condition monitoring
- equipment manufacturer recommendations
- · international standards
- · recommended practices
- · industry and operator experience.

NOPSEMA expects that inspection and maintenance of safety critical equipment will be executed in accordance with the operator's plan for scheduled frequencies and defined tasks and also in line with good industry practice.

However, in the unlikely event that inspection or maintenance cannot be executed as originally planned, the operator must have a defined process for the safe deferral of safety critical inspection or maintenance. To ensure that the consequences of continuing to use the safety critical equipment and also continuing offshore operations is fully understood, safety critical inspection or maintenance deferral must be:

- undertaken within pre-defined timeframes and for defined time extensions only
- · supported by engineering assessment
- supported by risk assessment
- supported by safety studies (where appropriate).

The deferral should include a demonstration that the method and structure of the original analysis that led to setting and specification of the inspection or maintenance



interval has been considered in order to increase the time interval and/or modify the task scope. For example any deferral process should adequately consider the failure process (failed state), specifications or tolerances, measure or check of the conditions against a standard, including FMEA (failure modes and effects analysis), to identify all the events which are reasonably likely to cause each failed state. Any changes to the design or configuration of the equipment or a change to the way the equipment is operated must also be considered.

From these assessments and studies, interim and additional control measures must be implemented to provide increased assurance that the safety critical equipment remains fit for purpose, that the reliability of the safety critical equipment is not compromised, and that the risk to personal at the facility, associated with the safety critical equipment.

#### CONTINUED...

#### Inspection and maintenance of safety critical equipment



## Inspection and maintenance of Blowout Prevention Systems (BOPs)

The BOP system is a critical safety system in any drilling operation. It is the final and ultimate line of defence in protecting life and the environment throughout drilling operations.

In the Gulf of Mexico in 2010, a catastrophic well blowout and explosion resulted in the loss of 11 lives and the sinking of the Transocean operated Deepwater Horizon drilling rig (the Macondo disaster). The oilwell flowed uncontrolled for 87 days, causing environmental and economic damage on an unprecedented scale. The lack of effectiveness of the Deepwater Horizon BOP equipment was a significant factor in this industry changing event.

In the aftermath of the Macondo disaster the more stringent American Petroleum Institute (API) Standard (STD) 53 on blowout prevention equipment systems for drilling wells was introduced in November 2012. The information presented in the standard is based on wide-ranging industry experience, which was garnered through major drilling contractors, production operators, regulators and standards organisations working together in order to achieve a minimum standard that is accepted industry wide.

The objective of API STD 53 is to assist the oil and gas industry in promoting safety of personnel and preservation of the environment during drilling operations.

Drilling contractors specify five-yearly safety critical inspection and maintenance on their BOP equipment, this five-yearly major inspection and maintenance is in alignment with the timeframe specified in API STD 53.

Adequate forward planning is required to procure long lead time items of equipment for this major BOP inspection and maintenance. Contingency planning also needs to be considered with respect to on-going drilling operations should equipment delays be experienced.

During facility inspections, NOPSEMA has assessed, and will continue to assess operator compliance with their defined planned inspection and maintenance requirements, deferral system and also good industry practice. Where non-compliance to maintain emergency equipment is identified, NOPSEMA will take appropriate enforcement action to ensure that operator's comply with their "specific duties" under Clause 9(2) of Schedule 3 to the OPGGS Act.



#### **APPEA HSR FORUM**

## Human performance in process safety

NOPSEMA is once again participating at the annual APPEA HSR Forum. The 2016 Forum will focus on the role of human performance in delivering a step change in process safety performance. NOPSEMA's contribution will comprise a presentation followed by facilitated breakout sessions.

The NOPSEMA presentation will provide an overview of human factors and error risk management with a focus on process safety; describing how things can go wrong in the field leading to poor process safety outcomes and identifying opportunities for Health and Safety Representatives (HSRs) to contribute to effective process safety risk management.

Following the presentation, NOPSEMA inspectors will facilitate breakout sessions utilising a case study format to highlight how HSRs can actively engage in process safety risk management with their workgroups.

The 2016 Forum is being held on 26 October at the Perth Conference and Exhibition Centre. For program and registration details please see the APPEA website here.

#### What is process safety?

The Centre for Chemical Process Safety defines process safety as:

"A disciplined framework for managing the integrity of hazardous operating systems and processes by applying good design principles, engineering, and operating practices. It deals with the prevention and control of incidents that have the potential to release hazardous materials or energy. Such incidents can cause toxic effects, fire or explosion and could ultimately result in serious injuries, property damage, lost production and environmental impact."

Within this definition of process safety, human performance interacts with each of the mechanisms for integrity management throughout the life cycle of a facility – people interact with organisational and physical structures and systems to design, construct, operate, and decommission a facility.

## NOPSEMA's commitment to HSRs

NOPSEMA's participation at the 2016 HSR Forum is part of our commitment to engage with and support HSRs. NOPSEMA inspectors regularly meet with HSRs during inspections of offshore facilities. NOPSEMA also provides accreditation to HSR training course providers and publishes a HSR Handbook with associated policy and guidance documents to assist HSRs fulfill their duties.



### **HSR Handbook update**

Since its first publication, the HSR Handbook has proved to be a useful tool in assisting HSRs to understand their role under the OPGGS Act. The latest edition of the Handbook provides HSRs with concise and easy-to-read guidance that is of value to both new and experienced HSRs.

While there have been no significan legislative changes to the HSR role, there have been a number of minor legislative changes that have required updates in the new edition. There changes relate mainly to terminology, for example, 'OHS inspectors' are now called 'NOPSEMA inspectors'. The new edition also contains the latest references to NOPSEMA guidance and includes a range of new information previously not available.

To view the updated <u>Handbook</u>, information on accredited HSR training courses and providers, and other information to assist HSRs see the Health and Safety Representatives page at <u>nopsema.gov.au</u>.

## **NOPSEMA Compliance Strategy**

NOPSEMA is developing its Compliance Strategy as an overarching strategic policy document outlining the framework and principles applied by the regulator in undertaking its regulatory activities.

The strategy aims to ensure that offshore petroleum activities are carried out in a safe and environmentally responsible way by encouraging, monitoring and enforcing compliance with the law.

NOPSEMA's approach to compliance is reflected in our core and non-core regulatory activities comprising advice and promotion, assessment, inspection, investigation, and enforcement. The Compliance Strategy explains the linkages between these activities and how regulatory intelligence is used to improve safety and environmental outcomes.

Over the last two months, NOPSEMA has sought feedback from stakeholders on its Compliance Strategy and related policies. We thank those stakeholders who have provided input into this process and we will now review and consider the feedback received. To view the Compliance Strategy and for future updates, please visit the Compliance Strategy webpage at <a href="mailto:nopsema.gov.au">nopsema.gov.au</a>.



### Dropped objects data analysis

Dropped objects are an ever present hazard for occupational health and safety (OHS) in the offshore petroleum industry. A dropped object may be defined as any object with a potential to cause death, injury, or equipment/environment damage that falls from its previous static position under its own weight.

#### What could go wrong?

Using the internationally recognised 'Drops Calculator' produced as part of an industry initiative 'Dropped Objects Prevention Scheme', a mass of as little as 700 grams falling from a height of 15 metres could result in a fatality. While it is expected that responsible operators cordon off or barricade areas where a dropped object hazard has been identified, it should be kept in mind that dropped objects can bounce on impact and end up in an area not anticipated in the risk assessment for the work being undertaken.

The most significant dropped object risks involve lifting operation failures. These failure mechanisms are attributed to, for example:

- incorrect slinging techniques resulting in a unplanned load release
- failure to adequately inspect and maintain lifting equipment in general and prior to use
- · failure to develop and apply job-specific lift plans
- inadequate competency of workers involved in lifting operations
- · insufficient adherence to exclusion zones.



Examples of other common dropped object risks include:

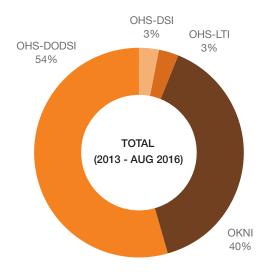
- · unsecured hand tools used at height
- tools and equipment left unsecured after working at height
- equipment dislodged due to wear, corrosion, vibration or environmental conditions
- integrity associated with scaffold equipment and accessories.



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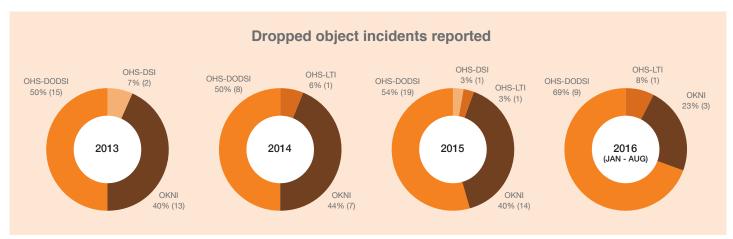
#### Dropped objects data analysis

#### Dropped objects analysis and learning's - 2013 to 2016



#### Key

OHS-DSI = death or Serious Injury (actual harm)
OHS-LTI = resulted in lost time injury (actual harm)
OHS-OKNI = other kind needing immediate investigation
OHS-DODSI = could have caused death or serious injury (potential harm)



In the first eight months of 2016 the percentage of dropped object events categorised as 'could have caused death or serious injury' has increased by almost 20% on previous years.

Between 2013 and August 2016, the main risk factors identified through operator reporting were:

- proximity of workers in relation to the dropped object either where it landed or ended up
- safety measures such as barriers and exclusion zones were not considered in determining the potential for workers to be struck by the dropped object or were bypassed.

In each case the heights and weights of the dropped objects were processed through the 'Drops Calculator'.

The indicated potential outcome in all cases was a fatality if the dropped object had struck a worker.

Main contributors to dropped object risks as identified through NOPSEMA OHS inspections include:

- deficiencies in maintenance management implementation for lifting equipment including facility cranes
- deficiencies in risk management processes to assess critical changes to lifting procedures, lifting equipment inspection frequency changes, dropped object protection barriers, edge protection and exclusion zones
- human error and violations, such as incorrect slinging of loads or failure to follow lifting procedures.

#### **CONTINUED...**

#### Dropped objects data analysis

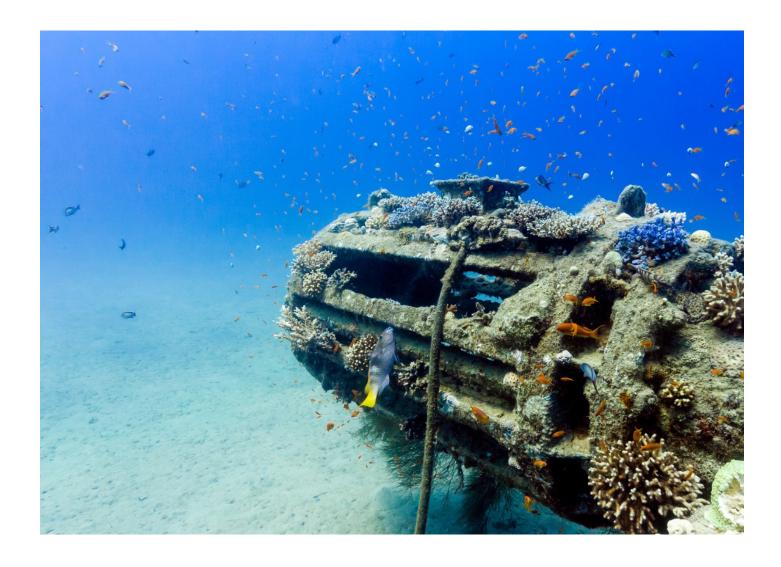
#### What can operators do?

NOPSEMA re-emphasises the need to appropriately apply the hierarchy of controls to dropped object hazards. In particular, operators are reminded that the risk management focus should be on elimination, substitution and engineering controls before consideration of administrative controls. Administrative controls, such as creating safety zones and areas of restricted access, may assist in protecting members of the workforce from dropped objects, however, all reasonably practicable steps to eliminate the dropped object hazard altogether, substitute the dropped object hazard with a safer alternative, and effectively engineer out the dropped object hazard should be considered first and action taken if practicable.

#### **Key lessons**

- Thorough pre-task risk assessments should address dropped object hazards.
- The hierarchy of controls should be applied to ensure an appropriate balance of prevention and mitigation in relation to control measures identified and implemented.
- Risk assessments should consider areas outside of the anticipated dropped object area.
- Regular dropped object prevention inspections should be undertaken, with any resulting action items attended to in a timely manner.
- Consideration should be given to including competent members of the workforce who do not regularly work in the area to be inspected as a 'fresh pairs of eyes' in dropped object prevention inspection teams.

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#### **UPDATE**

## IOPER annual general meeting and new research outcomes on sound and marine life

NOPSEMA helps drive international developments in offshore petroleum environmental regulation through its membership and participation in the International Offshore Petroleum Environment Regulators (IOPER) Forum. The IOPER is a collaborative group of national regulators whose members are dedicated to raising environmental performance standards within the offshore petroleum industry.



In July, NOPSEMA was represented at the IOPER Annual General Meeting (AGM) in Dublin, Ireland where members explored current and emerging topics of common interest including:

- · change in ownership of petroleum production assets
- transparency and public participation in decision-making
- scientific research to reduce uncertainty and support decision-making
- · oil spill preparedness.

Separate IOPER stakeholder engagement sessions were held with industry and environmental conservation groups to hear updates on key scientific research being pursued, explore areas that could benefit from additional research and gain a perspective on key issues of interest. In particular, the AGM focused on promoting the need for industry to continue supporting research to underpin environmental assessments and decision-making for seismic survey and other noise inducing activities.

IOPER also held a planning meeting for the newly formed IOPER Sound and Marine life working group. The group explored and consolidated common science and management key challenges facing industry and regulators in the future including how:

- regulators can promote and incentivise the development of quieting technologies
- · sensitive areas can be better identified and protected
- · information sharing and access can be improved
- standards are developed and whether IOPER members could harmonise their guidelines for seismic surveys
- · modelling of impacts can be improved
- · masking effects can be better understood
- · detection tools can be improved
- baseline biologics can be used to support predictive modelling and improve impact assessment and modelling.

The next steps for the working group will involve refining ideas and supporting projects to address the key challenges.

IOPER also progressed plans to continue engaging with the petroleum industry on the topic of 'oil spill preparedness – how much is enough?' A range of activities addressing this question, including a conference paper and presentation, are planned to coincide with the <a href="International Oil Spill Conference">International Oil Spill Conference</a> in 2017 to be held in Long Beach, USA.

Participation in IOPER continues to grow with Ireland's offshore regulator attending the AGM for the first time, along with continued input from the USA, UK, Norway and Canada.

Updates to all IOPER's priority issue areas will be available in the coming months here.

#### Sound and effects on marine life research

The IOPER AGM coincided with the 4th International Conference on the Effects of Noise on Aquatic Life (the Conference), providing NOPSEMA a unique opportunity to engage directly with international peak bodies from industry, conservation and the broader research community.

Research findings presented at the Conference proceedings demonstrated substantial progress in improving the understanding of a range of sound and marine life issues, including underwater acoustics, regulation and management, the effects of noise on behaviour and physiology of animals plus a broad range of other impact research outcomes. NOPSEMA expects titleholders to consider the most up-to-date research outcomes from this source, as

well as others such as recent Fisheries Research Development Corporation (FRDC) funded studies, and reflect their implications in environment plans impact and risk assessments. This also applies to environment plans already accepted by NOPSEMA where a titleholder's ongoing management of change process should consider whether new research findings affect the levels of impact and risk of the petroleum activity.

NOPSEMA will increase focus in this area and return new or proposed revisions to environment plans submitted by titleholders where they are found to overlook research if relevant in evaluating potential effects from sound on marine life.





## Suspended wells without an 'in force' Well Operations Management Plan

On 1 January 2016 amendments to Part 5 of the Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011 commenced. Under the transitional provisions for these amendments, specifically regulation 5.34, a well in a title area that is suspended but not yet permanently abandoned is deemed to be an activity.

If the well is not described in an accepted well operations management plan (WOMP) in force, the titleholder must make an application under regulation 5.06 for acceptance of a WOMP by 31 December 2016 to cover this activity.

NOPSEMA has published a series of guidance notes to assist titleholders to comply with their well integrity responsibilities under the amended regulations. To view the guidance note on the transitional provisions see the Well Integrity page at nopsema.gov.au.

Any queries should be directed to the NOPSEMA Well Integrity Team at <a href="www.wompguidance@nopsema.gov.au">wompguidance@nopsema.gov.au</a>.



## Working with stakeholders to address environmental management challenges

NOPSEMA continues to implement measures to improve stakeholder engagement and address environmental management challenges associated with offshore petroleum exploration and development. One of the ways NOPSEMA does this is by participating in collaborative networks which focus on specific scientific or regulatory challenges.

These networks provide a means of bringing stakeholders together to understand and address complex challenges that don't fit neatly with the boundaries or responsibilities of a single organisation. NOPSEMA participates in over twenty of these collaborative networks, which cover a range of topics, including marine pollution response, management of specific environmental impacts and risks and continuous improvement of the regulatory regime.

Some of the challenges that NOPSEMA is working with stakeholders to address through these collaborative networks include:

- the sound impacts from petroleum activities on marine life
- ensuring appropriate arrangements are in place to respond to marine pollution incidents
- · decommissioning of offshore infrastructure.

Collaborative networks allow participants to share information and perspectives, and to work together to solve complex problems in offshore environmental management. The networks themselves have both formal and informal structures, comprising representatives from government and non-government organisations.

An example of NOPSEMA's participation in collaboration networks is our involvement with the Western Australian Marine Science Institute in development of the Western Australian Marine Science Blueprint 2050. The Blueprint is an end-user driven plan designed to address identified knowledge needs for the Western Australian marine environment.

For further information on the full range of collaborative networks NOPSEMA participates in download 'Report-NOPSEMA's involvement in environmental management collaborative networks' at <a href="mailto:nopsema.gov.au">nopsema.gov.au</a>.

NOPSEMA will continue to investigate opportunities to work with stakeholders to address environmental management issues through various avenues. If you are aware of any networks relevant to offshore environmental management that you think may be relevant to NOPSEMA please email environment@nopsema.gov.au.





During an emergency situation on an offshore facility, personnel must be able to safely evacuate. If helicopter evacuation is not feasible, the primary means of evacuation is typically by Totally Enclosed Motor Propelled Survival Craft (TEMPSC). However, in an emergency situation the route to TEMPSC muster stations may be blocked, and therefore the secondary means of evacuation for personnel will usually be by liferafts.

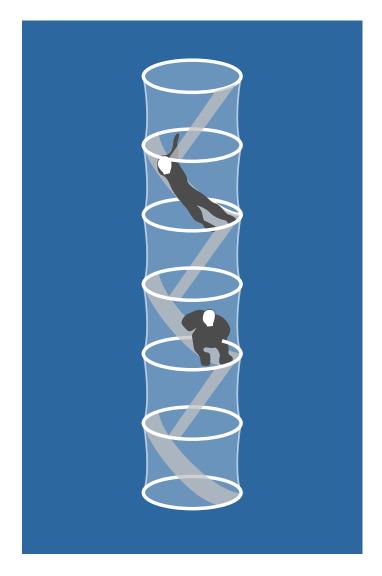
Traditionally a liferaft is launched by throwing the capsule in which it is contained over the edge of the facility into the sea. To reach the liferaft personnel must then descend to sea level via scramble nets, ladders, 'donut' descender or by jumping off the facility.

During a recent planned inspection of a new production facility, NOPSEMA inspectors had the opportunity to inspect the first chute based emergency evacuation system installed offshore in Australia. The escape chute consists of an enclosed chute made of fire-resistant materials, with integrated liferafts for safe and fast transfer of personnel to sea level. This system provides a safer alternative of descending the 30-odd metres to an integrated liferaft and eliminates the risk associated with any requirement for direct entry into the sea.

Other newly designed and constructed offshore production facilities which are soon to be commissioned in Australian waters will have these escape chute evacuation systems installed.

While the use of escape chutes are a positive personnel safety development, operators must ensure that the workforce is provided with appropriate information and training in order to be able to competently operate such emergency equipment. The Offshore Petroleum Industry Training Organisation (OPITO) has developed OPITO Approved Standard 5770 – Escape Chute Training, which outlines that escape chute training should include exercises where personnel practice:

- entering the escape chute in a safe manner with permanent-buoyancy lifejacket
- descending the escape chute in a controlled manner by adopting the correct body position
- · deploying and entering the integrated liferafts.



Regular deployment of the escape chute equipment will provide a reasonable level of assurance that the equipment can be relied upon to work effectively during an actual emergency. Operators also need to ensure that such competency is maintained over time with refresher training.

To view the OPITO Approved Standard 5770 – Escape Chute Training, see the OPITO standards library on the OPITO website here.

## Has your Environment Plan reached the end of its life? ...if so, here's how to end it!

There are a large number of activities that have long been completed, but for which the titleholder has never notified NOPSEMA (under Regulation 25A) that the operation of the environment plan has ended. These environment plans continue to live on well past the 'end' of the relevant activity.

NOPSEMA seeks the cooperation of titleholders to help complete the process by submitting notification for completed environment plans. An updated form to facilitate this notification is available at <a href="nopsema.gov.au">nopsema.gov.au</a>.

NOPSEMA will also be contacting titleholders to discuss those activities that ended prior to Regulation 25A being introduced in February 2014. NOPSEMA has also recently released an update to the guideline GL1691 - End of the operation of an environment plan, which explains how notifications submitted under Regulation 25A will be handled, including how NOPSEMA will confirm with titleholders that their notification has been accepted by NOPSEMA. The guideline can be viewed at nopsema.gov.au.

#### How does an environment plan end?

Under the Environment Regulations there are effectively three ways to 'end' an environment plan:

- NOPSEMA initiates a process to withdraw acceptance of the environment plan (to be used under particular circumstances, generally where there is non-compliance)
- 2. a titleholder submits and NOPSEMA subsequently accepts a proposed revision of the existing environment plan (noting that in this case the previous environment plan is simply replaced by a revised environment plan)
- 3. a titleholder notifies NOPSEMA under Regulation 25A that the operation of the environment plan has ended and NOPSEMA accepts this notification.

Regulation 25A specifies that the plan ends when the titleholder notifies that all activities permissioned by the plan have ended and all obligations under the plan have been completed. The plan is not ended until NOPSEMA accepts the notification.

It is important to note that notification under Regulation 25A is separate to the notification required under Regulation 29, where a titleholder notifies the regulator within 10 days of the completion of an activity itself.

Notification under Regulation 29 does not end the operation of an environment plan!





NOPSEMA has published updated information relating to OPPs submitted under the Environment Regulations. This includes the release of an OPP Assessment Policy, updates to the existing information paper on the OPP public comment process and updates to the existing guidance note on OPP content requirements.

To view the new policy and amended information paper and guidance note please see the OPP page at nopsema.gov.au.

#### **Key changes**

#### **OPP Assessment Policy**

Clarifies the requirements that proponents need to consider when preparing an OPP submission

Provides information regarding NOPSEMA's OPP assessment approach.

## **Guidance note OPP Content Requirements**

An overview of the OPP process has been included.

### Information paper OPP public comment process

Information for the public on how to submit comments and how NOPSEMA handles these.

#### When does an OPP need to be submitted?

An OPP should be submitted to NOPSEMA in the development stages of an offshore petroleum project to consider the environmental impacts and risks for longer-term, large-scale petroleum recovery activities. The exact timing of submission is a choice for the proponent.

However the timing of submissions in a proponent's project schedule should allow sufficient time for the OPP process, including public comment, as well as subsequent submission and acceptance of environment plans for petroleum activities before any petroleum activities that are part of the offshore project commence.

An OPP is not required for drilling that is only for exploration or appraisal purposes or other petroleum exploration activities such as seismic surveys – as these activities do not involve long-term, large-scale operations. However all petroleum activities, including those covered by an OPP, require an accepted environment plan prior to proceeding.

An OPP assessment is a two stage process. In the first stage, NOPSEMA assess whether the OPP is

suitable for publication and public comment. If NOPSEMA is satisfied that the OPP meets the criteria for publication, the OPP is open for a mandatory public comment period. In the second stage, the OPP is resubmitted and must include a summary of all comments received and a suitable response to each comment. NOPSEMA will only accept an offshore project proposal once it has determined the plan meets all the requirements of the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (Environment Regulations).

The acceptance of an offshore project proposal does not provide the approval for an offshore petroleum activity to commence. Each offshore petroleum activity within a project must also have an accepted environment plan in place before it can begin.

OPP's open for public comment will be published on NOPSEMA's website at <u>nopsema.gov.au</u> and on the proponent's website.

Any person (or company) progressing an offshore project in Commonwealth waters is encouraged to contact NOPSEMA at <a href="mailto:information@nopsema.gov.au">information@nopsema.gov.au</a> early in their concept identification stages to discuss the application of OPP requirements specific to their circumstances.



#### Data reports and statistics

NOPSEMA continuously collects and receives data on the safety, well integrity and environmental management performance of the offshore petroleum industry, as well as its own regulatory performance. This data is regularly analysed and converted into a series of datasets. The latest datasets are published both quarterly and annually at nopsema.gov.au. They contain many familiar performance indicators such as incident rates, injury rates, hydrocarbon releases and international benchmarks.



#### Schedule of events

Events listed below are those at which NOPSEMA is presenting or exhibiting or has an organisational role.

17-20 October International Regulators Offshore Petroleum

Health and Safety Forum, Auckland, NZ

17-20 October SPE Asset Abandonment and Emerging

Reality Workshop, KL, Malaysia

25-27 October SPE Asia Pacific Oil & Gas Conference and

Exhibition. Perth

2016 APPEA HSR Forum, Perth, WA 26 October





#### Feedback

NOPSEMA welcomes your comments and suggestions. Please direct media enquiries, requests for publications, and enquiries about NOPSEMA events to communications@nopsema.gov.au. Operators and other employers are encouraged to circulate this newsletter to their workforce. Past issues of this newsletter are available at nopsema.gov.au.



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#### Contact details

#### **Perth Office**

Level 8 58 Mounts Bay Road Perth Western Australia

p: +61 (0) 8 6188 8700 f: +61 (0) 8 6188 8737

GPO Box 2568 Perth WA 6001