



## MINUTES OF MEETING

<b>Chair</b>	Jan Hayes (Chair)	<b>Minutes</b>	[REDACTED]
<b>Present</b>	Trish Kerin (TK); Jim Limerick (JL); Ken Fitzpatrick (KF); Erica Smyth (ES); Stuart Smith (CEO)		
<b>Apologies</b>	Keith Spence Mike Lawson, Deputy Secretary, Department of Industry, Innovation and Science Lisa Schofield, General Manager, Offshore Resources Branch, Department of Industry, Innovation and Science		
<b>In attendance</b>	Bruce Wilson (BW), Head of Resources Division, Department of Industry, Innovation and Science - Observer (via telephone for Item 6) [REDACTED] and [REDACTED] (Item 7) [REDACTED] representing APPEA (Item 9)		

No.	Item
1.	<b>Welcome and apologies</b>
	<p>Members noted the apologies of Keith Spence, Mike Lawson and Lisa Schofield. The Department of Industry, Innovation and Science (DIIS) advised that Bruce Wilson would represent the Department for Item 6.</p> <p>Following discussion, members agreed that Jan Hayes should chair the meeting in the absence of Keith Spence.</p> <p>[REDACTED] welcomed [REDACTED] to the Advisory Board.</p>
2.	<b>Disclosure of interests/conflict of interest declarations</b>
	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>Members discussed whether it would be useful to maintain a record of personal interests. While noting it was not a formal requirement, all agreed it may be useful and [REDACTED] would also raise the question when BW joined the meeting.</p> <p><b>ACTION:</b> [REDACTED] to prepare a table to record conflict of interest declarations and circulate to members for input.</p>
3.	<b>Confirmation of Minutes of Meeting 20</b>
	The minutes of Meeting 20 were accepted as circulated.
4.	<b>Actions Arising – Schedule of Actions Arising</b>

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	<p>All items noted from Meeting 20 have been completed or will be discussed at this meeting, with the exception of the introduction to Derrick O’Keeffe, which will be held over for the May meeting.</p> <p>The CEO added that further to the notation of the invitation to ██████████ to attend the previous meeting, he had recently met with ██████████ and provided members with an update on those discussions. ██████████ has requested to meet with the Board whilst he is in Perth in June and the CEO would advise members when the date had been confirmed.</p> <p>██████████ asked the CEO whether any action was required by the Board in relation to the meeting with ██████████. Following discussion members agreed no action was needed at this time.</p>
5.	<b>Correspondence for Noting</b>
	The Board noted correspondence as circulated.
6.	<b>NOPSEMA Quarterly Report</b>
	<p>Bruce Wilson was called and joined the meeting at 08:55.</p> <p>Prior to commencing the CEO’s update, ██████████ asked BW whether he was aware of the progress of appointments of the new members to replace ██████████, whose terms are due to expire in March. BW advised that he would seek an update and advise members later in the meeting.</p> <p>██████████ then sought clarification from BW whether the Board was required to maintain a register for conflict of interest declarations. ██████████ added that the matter was a standing agenda item for each meeting, and members were cognisant of declaring anything that may potentially be a conflict. BW stated it was his view that if a conflict was a material issue then it should be declared and it was up to members to determine what that may be in each personal circumstance. BW noted that as advisory board members were already at arms-length from NOPSEMA decisions, the potential for a conflict of interest was low. ██████████ stated that members had discussed that it may be useful to maintain a register to strengthen the process of declarations and assist with transparency.</p> <p>The CEO stated the National Quarterly and NOPSEMA Operational reports for the period 1 October to 30 December 2016, and the Legislative Change Update that had been circulated were taken as read. There were no specific questions arising from the reports.</p> <p>The following points were noted:</p> <ul style="list-style-type: none"> <li>• Chevron were progressing with their plans for exploration in the Great Australian Bight and that fishing and other stakeholder groups had provided positive feedback on consultation undertaken to date.</li> <li>• The Commonwealth Department of Public Prosecution (CDPP) had advised that legal proceedings against Technip Oceania Pty Ltd were being considered and papers may be served shortly. This related to Technip undertaking activities prior to lodging a revision of a safety case.</li> <li>• Members agreed the actions of NOPSEMA and APPEA in relation to the outcomes of the Atwood Osprey mooring incident were to be commended. Members noted the workshop, industry led solution and subsequent presentations were excellent examples of how NOPSEMA can change industry practice and contribute to its long term safety. ██████████ added this should be included in the next Annual Report to</li> </ul>

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	<p>demonstrate to the wider community how NOPSEMA is raising the bar in relation to safety, and of its social license to regulate.</p> <ul style="list-style-type: none"> <li>• [REDACTED] stated that it would seem to be a concern that of the three assets subject to acquisition, none met the environmental management commitments in the in-force EP. The CEO agreed and stated he had raised the matter with the Minister and DIIS during recent meetings. NOPSEMA will continue to monitor acquisitions closely.</li> <li>• [REDACTED] queried whether the reference to 14 requests for further written information meant that industry was not improving their environmental submissions. The CEO replied that generally submissions were improving and reviewing this process (i.e. the number of opportunities for companies to resubmit information) was being considered within the transparency package of reforms.</li> <li>• The Minister for Resources and Northern Australia has been sent the final policy proposals by DIIS regarding regulatory change to enhance transparency and consultation provisions. The CEO believes an outcome may be provided in late March.</li> <li>• [REDACTED] noted NOPSEMA's rate of unscheduled absences was very good in comparison with similar agencies.</li> <li>• Significant reductions in expenses and revenue being higher than budgeted had resulted in a small surplus now being anticipated for the financial year 2016/17.</li> </ul> <p>BW advised that the appointment of new members was waiting to be tabled in Cabinet, but unfortunately there was no indication of when that would be. BW added that the Prime Minister can extend the existing appointments for three months if it was needed. [REDACTED] advised that even if [REDACTED] term was extended, [REDACTED] may not be available for the May meeting, which would mean there would not be a quorum for the meeting. The CEO added that he had raised with the [REDACTED] that his term expired in September 2017 and that his appointment needed to be ratified by the Council of Australian Governments (COAG). Members agreed that the appointments of new members and the term of the CEO should be raised in the letter to the Minister following the meeting. BW advised he would keep across both matters and ensure they did not slip off the radar.</p> <p>BW left the meeting at 09:55.</p>
7.	<p><b>Presentation by NOPSEMA Data Team with representatives from Safety and Integrity Division</b></p>
	<p>[REDACTED] joined the meeting and provided a presentation to facilitate discussion on dangerous occurrences, hydrocarbon releases and damage to safety critical equipment. [REDACTED] and [REDACTED] stepped through the various charts, dashboards and graphs as provided to members prior to the meeting.</p> <p>[REDACTED] stated that the dashboard view was available to all inspectors who could click through to NOPSEMA's Regulatory Management System (RMS) to give a more detailed breakdown of particular incidents. [REDACTED] and [REDACTED] advised that inspectors used the data to inform their inspection programs and areas for particular focus.</p> <p>Members examined the apparent increase in dangerous occurrences in 2016 compared to 2015 (as reflected in the graph in the Quarterly Report). [REDACTED] and [REDACTED] explained that the actual number of dangerous occurrences had decreased 17% (from 364 in 2015 to 302 in 2016) however this was not as much as the decrease in offshore hours, which had fallen 38% (from 15.7 million hours in 2015 to 9.7 million hours in 2016). This was largely due to a number of mobile facilities (MODUs and vessels) leaving the regime in 2016.</p>



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	<p>Members discussed that perhaps the FPSO and MODU data should be shown separately (or differently).</p> <p>█ provided explanations behind the data relating to hydrocarbon releases – which was largely one operator with many facilities, some of which were ageing. █ confirmed NOSPEMA were working closely with the operator in question.</p> <p>With respect to damage to safety critical equipment, █ had completed an analysis of 2016 incidents to determine the top three equipment and systems involved. The majority of incidents were on FPSOs (72%) and 69% would be investigated in upcoming inspections.</p> <p>█, █ and █ were thanked for a very informative presentation.</p> <p>█ stated it would be interesting to do the same in-depth look at environmental incidents at future meeting.</p> <p>█ added that how companies are use ‘big data’ would also be a topic for a future meeting.</p>
8.	<p><b>Discussion: Decommissioning</b></p>
	<p>█ joined the meeting at 12:30pm and provided a presentation on decommissioning, covering how NOPMSEMA assesses decommissioning and common challenges faced from both industry and compliance perspectives.</p> <p>█ was thanked for an informative presentation.</p>
9.	<p><b>Discussion: Representatives from APPEA</b></p>
	<p>█ and █ joined the meeting at 11:30. In order to facilitate discussion on APPEA’s view of NOPSEMA’s performance, the CEO left the room.</p> <p>█ sought APPEA’s views on the outcomes of the Atwood Osprey incident and the subsequent presentation by APPEA on MODU Mooring Guidelines in Tropical Waters.</p> <p>█ stated it had been a golden opportunity to have a positive outcome from a potentially very serious event and added that APPEA would certainly do the same again if the opportunity arose. █ noted that APPEA’s efforts at guidance did not often work as smoothly as this example and it was a combination of the correct level of decision makers being involved from the beginning as well as encouragement from NOPSEMA that helped to drive the outcomes.</p> <p>█ asked if APPEA had any feedback on NOPSEMA’s performance in general, as well as that of the CEO who was seeking reappointment of his term in September 2017.</p> <p>█ replied that there had been quite a change in terms of NOPSEMA’s leadership and that engagement had improvement significantly. █ added that the consistency of messaging across all levels of NOPSEMA was very good. █ noted that the clarity and openness to talk and engage was very good.</p> <p>The CEO re-joined the meeting at 11:45am.</p> <p>█ advised that the ACTU had approached NOPSEMA in regard to creating a working group on the topic of safety cases, and sought APPEA’s opinion on their involvement.</p> <p>█ replied that the terms of reference would need to be quite clear, i.e. who would be involved, who would be represented, etc. █ stated the intent of such an undertaking would need to be to make things better, and wondered if NOPSEMA could identify areas that would benefit from such a forum.</p>

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	<p>█ asked APPEA's view on the sale of assets and stated that there was data emerging that a change of ownership of facilities was providing challenges from a regulatory perspective.</p> <p>█ stated that decommissioning was a high level topic at APPEA. █ added there is a standing committee on the board of APPEA on decommissioning and APPEA were involved in a workshop on the topic in conjunction with DIIS and the WA Department of Mines and Petroleum in March.</p> <p>█ advised that APPEA had previously discussed the sale of assets with the Titles Administrator (NOPTA) and whether purchasers should have a license to operate prior to receipt of a title, however discussions had not been effective.</p> <p>█ then asked if APPEA had any feedback for NOPSEMA and the Board.</p> <p>█ stated that efforts to develop the consultancy and stakeholder engagement process had taken longer than anticipated.</p>
10.	<b>Any Other Business</b>
10.1	<p>█ tabled proposed 2018 meeting dates for member's consideration:</p> <p>#25 – 28 February (Q4)</p> <p>#26 – 23 May (Q1)</p> <p>#27 – 22 August (Q2)</p> <p>#28 – 28 November (Q3)</p> <p><b>ACTION:</b> Members to advise the █ of availability.</p>
10.2	<p>CEO asked that the █ record his thanks to both █ and █ for their significant and positive contributions to the Advisory Board and NOPSEMA over recent years. All agreed.</p>
10.3	<p>█ noted the legislative change report shows the matter of design notification is still not resolved between DIIS and NOPSEMA and that it would be of interest to know what occurred in the United Kingdom. The CEO advised he would be attending the Offshore Technology Conference in Houston in May and would seek an update from the UK counterparts.</p>
	<p><b>Meeting closed at 13:05</b></p> <p><b>Next Meeting: Wednesday 17 May 2017 (TK via teleconference)</b></p>