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“Successful risk management is not about ticking boxes or calculating numbers. And it is not about doing things to avoid sanctions. The primary goal is not to avoid a fine or a criminal record, but to stop people being made unwell or being hurt or killed by their work.”

How safe is safe enough?,
Judith Hackitt, Chair, Health
and Safety Executive, UK

From the CEO

I write this message with a heavy heart, as NOPSEMA focuses on identifying what caused the loss of two crew members on the Stena Clyde drilling facility in the Bass Strait less than a fortnight ago. For loved ones, friends and colleagues of the two men who were fatally injured, there can be few words of solace at this sad time. On behalf of NOPSEMA staff, I offer my condolences and an assurance that we are dedicating our resources to answering the questions surrounding the incident.



This tragic loss demands a response from NOPSEMA that is independent and rigorous, reflecting earlier lessons that prompted NOPSEMA’s formation in January 2012 as Australia’s national independent regulator for offshore petroleum safety, well integrity and environmental management. I’m referring not just to the PTTEP AA Montara blowout itself three years ago, or the BP Macondo blowout in 2010, but the full complement of experience, technical expertise and professional insight that informed the regulatory arrangements now in place. That lives are still being lost demonstrates the need for the offshore petroleum industry to continue to reduce those risks.

Following a lengthy and technically complex investigation and prosecution the conviction last week of PTTEP AA for offences relating to the Montara blowout demonstrates NOPSEMA’s resolve to prosecute breaches of the \ h 8 8 o and Regulations, regardless of how time-consuming or difficult the process may be. It is disappointing that the fine imposed on PTTEP AA does not ascribe in full the significance of the disaster. Three years on, the incident involving Stena Drilling (Australia) Stena Clyde facility, demonstrates the potential human cost involved in high-risk industries and the need for NOPSEMA to uncover exactly what went wrong.

Independence, professionalism and respect for due process will continue to characterise NOPSEMA’s approach, reinforced by an open dialogue with our stakeholders. There will be many opportunities to exchange perspectives and assess our performance. Whether at an offshore facility, international conference, information session or in a boardroom, I and NOPSEMA representatives look forward to continuing the constructive exchange. We should all be clear that, while particular expectations of industry, government, workers and the community may vary, protecting lives and reducing harm to the environment must remain the common goal. Furthermore, NOPSEMA is resolved to pursuing any failure to deliver this crucial protection.



Jane Cutler, CEO



PTTEP AA Montara incident 2009

Successful prosecution over Montara platform blowout

Petroleum operator PTTEP AA has been fined \$510, 000 in the Northern Territory Magistrate's Court over the Montara wellhead platform blowout on 21 August 2009.

At a sentencing hearing in Darwin on 31 August, PTTEP AA was convicted and fined for three occupational health and safety offences and one non-OHS offence. PTTEP AA entered guilty pleas to the charges.

The blowout is one of the Australian petroleum industry's most significant offshore incidents in terms of impact on community confidence, expectations for environmental management and far-reaching reform to offshore industry regulation.

The outcome is NOPSEMA's first successful prosecution under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGSA) and follows a lengthy and technically complex investigation process into the incident. NOPSEMA is considering options for appeal against the level of the fines.

NOPSEMA CEO, Jane Cutler, said the authority is resolved to pursue breaches of the OPGGSA legislation, regardless of how time-consuming or difficult the process may be,

in the interests of a safe and environmentally responsible Australian offshore petroleum industry.

"Our priority is to ensure that operators are effectively managing risks to the health and safety of workers on offshore petroleum facilities to a level that is as low as reasonably practicable," Ms Cutler said.

"NOPSEMA is prepared to dedicate significant time and effort to prosecute petroleum facility operators who have breached the OPGGSA and associated regulations," she said.

The OHS offences comprised failures by PTTEP AA to verify barriers in the well, which increased the risk of an uncontrolled hydrocarbon release, causing the wellhead platform to be unsafe and a risk to the health of any persons at or near the facility.

The non-OHS offence comprised a failure by PTTEP AA to carry out operations in a proper and workman-like manner and in accordance with good oilfield practice.



Environment plan assessments – progress report

In the first eight months of operation, NOPSEMA's environment division received 56 submissions, issued 77 notification letters, held more than 85 operator liaison meetings, accepted 31 environment plans, refused to accept three environment plans, completed four inspections and published seven policies or guidelines related to NOPSEMA's function in environmental management. It has been a busy for everyone.

On 1 January 2012, NOPSEMA started receiving and assessing environment plans including six environment plans that were handed over from the previous designated authorities. As part of this transition, NOPSEMA reviewed the assessment methods of each of the designated authorities and identified areas of potential inconsistency between jurisdictions. This review resulted in NOPSEMA developing an assessment method which could be applied consistently across the Commonwealth jurisdiction, account for the requirements of the Environment Regulations (the Regulations) and be completed entirely in electronic format.

During these first months, environment plan assessments focused on securing minimum compliance with the Regulations as operators became familiar with NOPSEMA's expectations. While the Regulations themselves had not changed substantially (with the exception of a few key areas - namely oil spill response and stakeholder consultation), the regulator had changed and with it, the approach to environment plan assessments and expectations regarding compliance with the Regulations.

Since then, NOPSEMA has observed improvements in both environment plans and the accompanying oil spill contingency plans. These improvements include:

- the concepts of 'acceptable' and 'as low as reasonably practicable' (ALARP) are better understood in an environment context with operators starting to detail methods used to determine ALARP

- commonly, performance objectives and standards are measurable and specific indicators of environmental performance (including in an emergency response situation) There remains, however, some confusion regarding standards and measurement criteria
- stakeholder consultation generally meets the new regulatory requirements and contains an assessment of the merit of any issues or claims raised by stakeholders
- operators are now consulting with the agencies and organisations expected to provide assistance or respond in the event of a hydrocarbon spill
- pre-planning for operational and scientific monitoring in the event of a hydrocarbon release is starting to occur.

NOPSEMA is continuing to find ways to contribute to its vision for a safe and environmentally responsible offshore petroleum industry, including: further advice on environment plan preparation, facilitating working groups on key challenges identified by both industry and NOPSEMA, continued operator liaison meetings, and, workshop sessions. Through this, we aim to encourage further improvements in environment plans and in environmental management of petroleum activities.



Clarifying environment plan assessments

Since 1 January 2012, NOPSEMA has engaged with industry through a number of forums including workshops, presentations and operator liaison meetings. Many stakeholders indicated that they were not clear about the decision-making process for environment plans submitted under the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (the Regulations). In response to this feedback, NOPSEMA has made changes to the environment plan assessment policy to clarify the decision-making process to more clearly reflect the Regulations.

Within 30 days of submission of an environment plan, NOPSEMA will notify the operator of a decision on the environment plan assessment [Regulation 10].

The decision will come under one of three categories:

1. **Acceptance:** If there are reasonable grounds for believing that the environment plan meets the acceptance criteria of Regulation 11(1), then NOPSEMA must accept the plan.
2. **Refusal to accept:** If, after the operator has had a reasonable opportunity to modify and resubmit the environment plan (see below), NOPSEMA is still not reasonably satisfied that the plan meets the acceptance criteria of Regulation 11(1), NOPSEMA must refuse to accept the plan [Regulation 11(3)].
3. **Unable to make a decision:** NOPSEMA may notify an operator that it is unable to make a decision within the 30 day period, and set out a proposed timetable in which to complete the assessment

[Regulation 10(1)(c)]. NOPSEMA must provide the operator with reasons for being unable to make a decision within the statutory timeframe, and these may include:

- that NOPSEMA is not reasonably satisfied that the environment plan meets the acceptance criteria of Regulation 11(1) and the operator is being given an opportunity to modify and resubmit the plan
- extended assessment time being required due to the complexity of the environment plan (e.g. for complex or large activities)
- prioritisation of environment plans in consultation with operators (e.g. when other plans from the same operator have been identified to be of a higher priority, or when timeframes for activities permit).

Reasonable opportunity to modify and resubmit

If NOPSEMA is not reasonably satisfied that an environment plan meets the acceptance criteria when first submitted, the operator must be given a reasonable opportunity to modify and resubmit the plan [Regulation 11(2)].

NOPSEMA has established that two opportunities to modify and resubmit an environment plan constitute reasonable opportunity for the purposes of the Regulations.

NOPSEMA will provide opportunities to modify and resubmit an environment plan as a written notification, which will include details of the components within the

environment plan that do not meet the requirements of the Regulations.

A resubmission as a result of an opportunity for modification does not constitute a new submission, and does not attract a new environment plan levy.

Upon resubmission of a modified environment plan to NOPSEMA, an additional 30-day period applies to decision-making for the resubmitted plan [Regulation 10(3)].

Modification of the environment plan assessment policy will provide industry with greater clarity in the decision making process and align the process more closely with NOPSEMA's overarching assessment policy

The documents are available on the NOPSEMA website at: www.nopsema.gov.au



Much ado about safety culture

In addition to monitoring and enforcing compliance under the OPGGSA and Regulations, NOPSEMA's functions also extend to promoting continuous improvement across the offshore petroleum industry. The Authority pursues this through promotion and advice functions and conducting research. Over the next year, safety culture will be one area of focus for NOPSEMA.

As an independent regulator, NOPSEMA is in a position to objectively challenge ideas and practices as a means of improving industry's approach to risk management. We all know that within the industry, if things go wrong they can do so catastrophically. It is critical that safety resources are focused on strategies that have the best chance of succeeding in protecting the workforce.

The concept of safety culture is gaining prominence across most hazardous industries, with a growing selection of tools and systems claiming to measure and improve safety culture. We know that culture is important; it is frequently identified as a contributing factor to major incidents across the industry. It is important that strategies targeting safety culture will make going to work a safer experience for the workforce. Unfortunately, there is little academic or commercial consensus regarding how to do this.

As part of its promotion and advice functions, NOPSEMA will be gathering information about the ways in which the concept of safety culture is operationalised, through measurable criteria and procedures, across the industry.

The authority is seeking to establish how duty holders understand and apply the concept of safety culture, and how this has influenced safety outcomes. We will then share this information (within legislative and regulatory constraints) as a way of promoting best practice and innovation. This research aims to determine whether various safety culture improvement strategies are likely to contribute to improved safety outcomes for the workforce, and which are most likely to do so. We will soon be contacting facility operators regarding the implementation of this national program.





Process safety performance management – the importance of continuous improvement

This issue of *the Regulator* features the first of a series of articles on process safety performance management. Process safety is a disciplined framework for managing the integrity of operating systems and processes handling hazardous substances, by applying good design principles, engineering, operating and maintenances practices.

The goal of process safety is to reduce the potential to release hazardous materials and stored energy. Such releases can result in toxic effects, fire or explosion, which could result in major accident events involving multiple fatalities.

Recent inspections conducted by NOPSEMA indicate that many operators do not have complete or comprehensive systems for monitoring health and safety performance in relation to their offshore facilities. In particular, there is a lack of systems for monitoring process safety performance.

Regulation 2.6 of the OPGGS (Safety) Regulations 2009 requires that a safety case for the facility must demonstrate there are effective means of ensuring:

- a. the implementation of the safety management system;
- b. continual and systematic identification of deficiencies in the safety management system; and
- c. continual and systematic improvement of the safety management.

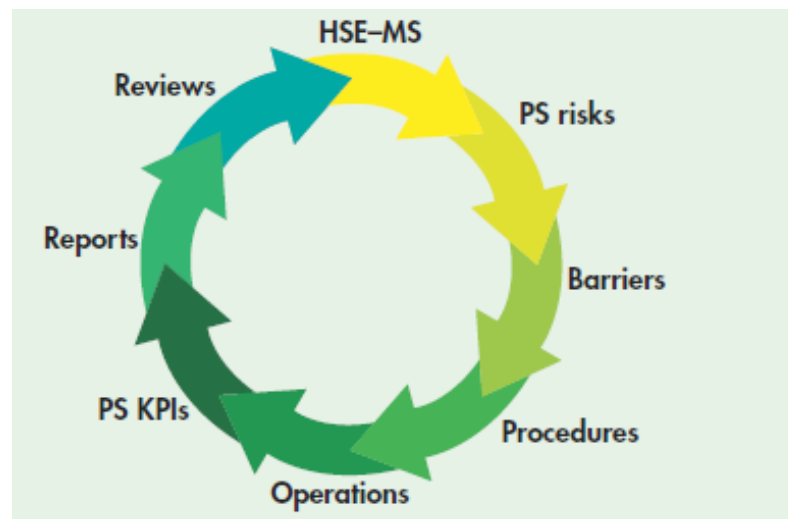
These three concepts of implementation, identification of deficiencies and continual improvement (performance management) are integral to process safety and are fundamental to any facility safety management system. Ongoing performance monitoring, measurement and management is necessary to evaluate effective implementation, and continual and systematic identification of deficiencies in the safety management system.

Continual and systematic improvement of safety management can be achieved by identifying and setting performance objectives which may include key performance indicators (KPIs). In the case of process safety, the KPIs will primarily focus on the control measures that prevent the loss of containment of hydrocarbons that could result in a potential major accident event. The role of KPIs should be one of providing the required information to assist in navigating towards the desired results. KPI results should be shared within an organisation and provide a basis for analysis, synthesis and ultimately decision making across all levels of the organisation.

The next article in the series will focus on process safety KPIs, including leading and lagging indicators.



Blowout preventer



Continuous improvement diagram – Courtesy National Association of Oil & Gas Producers



Maersk facility – Courtesy Maersk

Environmental monitoring – one size fits all?

There are no prescriptive requirements in the environment regulations for how environmental monitoring related to petroleum activities should be addressed. This could be viewed by operators as a challenge when designing monitoring programs and trying to meet the expectations of the regulator, but it is also a great opportunity to exercise the flexibility that is afforded by an objective-based regulatory regime.

It encourages operators to be innovative in their approach to designing environmental monitoring programs that suit the nature and scale and environmental setting of their activity. Under this regime, operators define the objectives against which performance in protecting the environment is to be measured. Operators then design their programs, choose monitoring techniques, propose appropriate environmental indicators and threshold levels of environmental change to ensure that the objectives are being achieved and have the ability to inform any management actions required for continuous improvement.

The responsibility lies with the operator to demonstrate to the regulator in their environment plan why the objectives, measurement criteria and any associated monitoring program is fit for purpose and is suitable for the environment in which they are operating. Likewise, if no environmental monitoring program is proposed, the operator must demonstrate that this is appropriate to the nature and scale of the activity.

Environmental monitoring programs may not always be necessary in order to achieve defined objectives for environmental protection, so before writing a program or engaging specialist advice, consider a few important questions:

- What are the environmental performance objectives that you are trying to achieve?
- What is an acceptable level of change to the environment?
- What is the level of certainty in the environmental impact predictions and do they need to be tested?
- What controls can be put in place to prevent damage to the environment?
- How could environmental monitoring be used to ensure environmental objectives are met?
- Could an environmental monitoring program help provide evidence that could be used to support future submissions?

In many cases, proposed petroleum activities are very short-term and there may be sufficient supporting data to demonstrate that potential impacts do not pose unacceptable risk to the environment. In other cases, activities may be long term and the risk of impact from operations or emergency conditions may be uncertain or obviously greater. This is where the flexibility of the system is an advantage to operators, as there is no 'one size fits all' requirement for environmental monitoring.



Reporting environmental incidents can drive continuous improvement

The direct link between environmental performance objectives and standards, and recordable incidents has the potential to lead operators to set 'easy' environmental performance objectives and standards for fear of needing to report an incident and the potential negative perceptions of this. The recording, reporting and close-out of environmental incidents, however, plays an important role in the continuous improvement of environmental performance.

The setting of appropriate environmental performance objectives in an environment plan is fundamental to an operator meeting the requirements of the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009. Environmental performance objectives should be meaningful goals related to protection of the environment that are set within the context of ecologically-sustainable development. Environmental performance objectives, performance standards and their associated measurement criteria should be:

- specific
- measurable
- achievable
- relevant
- time-bound.

There may be circumstances where an incident occurs that is a breach of an environmental performance objective or standard. Under the Environment Regulations, this constitutes a recordable incident.

Reporting and reviewing incidents represent a learning opportunity for operators and the regulator. A number of minor recordable incidents, which have been detected by fit-for-purpose performance monitoring, would demonstrate the effectiveness of an operator's implementation strategy. It would provide opportunities for continuous improvement through investigation and implementation of corrective and preventative actions. Incident identification and appropriate follow-up also provides operators with the opportunity to take account of lessons learned in future environmental management and consider this information in ALARP evaluation and demonstration for other petroleum activities.





Images: Corrosion under insulation – Courtesy Health and Safety Executive 2006

Ageing facilities – application of knowledge

In part two of this series, we focus on the application of improved knowledge, including lessons learnt, as an important part of managing ageing facilities.

Operators often use analytical techniques to assess the ongoing suitability of ageing facilities and to justify their continued operation. While guidelines and standards may support the application of such techniques, some operators ‘push the boundaries’ of particular analytical approaches without reassessing existing control measures. Operators should be mindful that in these circumstances, they should increase inspection and/or maintenance to confirm the analysis input variables. For example, while analysis may find reduced wall thickness on an ageing structure to be acceptable, the capacity to sustain further wall loss may be reduced. Furthermore, increased inspections testing is required for the life of the facility. Basic risk management calls for a robust demonstration of the reduction of risk to as low as reasonably practicable (ALARP) and this can also apply where analytical techniques are used.

Probably the most significant pool of knowledge is that gained by operators themselves from their investigations of failures and near-misses. These investigations can produce findings which can assist in the prevention of a reoccurrence. Most operators have systems and processes to capture and incorporate findings into operations; however those systems often fail to drive the requisite changes in inspection, maintenance or testing regimes. NOPSEMA’s ‘ageing facilities’ topic-based inspections uncovered some gaps in the management of ageing facilities, where clear warnings were apparently ignored. For example, one inspected ageing facility had experienced a number of instances of corrosion under insulation (CUI). During the NOPSEMA inspection, the operator indicated that previously CUI was not considered a hazard and that they had only

recently developed a CUI monitoring program for the facility. In fact, CUI is a frequently encountered form of degradation of clad pipes and it is recommended that all operators have a suitable monitoring regime in place.

NOPSEMA inspections in the past year have also signalled that some operators may be failing to act on lessons learnt from incidents, including high-profile ones such as the 2008 explosion at the Varanus Island facility operated by Apache Energy Ltd in Western Australia. In this incident, a gas pipeline ruptured at the beach crossing due to corrosion, leading to a gas release and explosion.

During the past financial year, NOPSEMA carried out planned inspections involving six pipeline operators. While all operators of all inspected pipeline facilities ran an integrity programme for their pipelines, none was considered by NOPSEMA to be industry best practice. The inspections identified a number of significant shortfalls in the integrity programme activities. As a result, NOPSEMA issued inspection recommendations and, in some cases, took enforcement action to address these shortfalls. In the interests of continuous improvement, NOPSEMA recommends that all operators heed the safety lessons from incidents and ask themselves, “could that happen to us?”

Not only is it valuable for all operators to learn from past incidents, we also encourage operators to identify and share key findings from their investigations that would benefit the industry as a whole. NOPSEMA publishes the [Offshore Health and Safety Performance Report](#) and quarterly key performance indicators for this reason. Integrating these lessons into operations, inspection, maintenance and repair strategies ensures industry realises the full benefits of lessons learned. Inspection and maintenance in relation to ageing facilities will be discussed further in the next edition of *the Regulator*.



Defining “the operator”

The transition to NOPSEMA has highlighted the different ways in which the word “operator” is applied in the Environment and Safety Regulations of the OPGGSA. This short guide may assist safety and environmental advisors in understanding the administrative and legal processes involved in making submissions to NOPSEMA.

The term “operator” is defined differently under the regulations for offshore petroleum safety and environmental management, as follows:

- OPGGS (Safety) Regulations: The operator of a facility is the person who has day-to-day management and control of operations at the facility. A representative of the operator must be at the facility whenever other people are present [OPGGSA Schedule 3].
- OPGGS (Environment) Regulations: The operator of a petroleum activity is responsible to the petroleum instrument holder(s) for the overall management of operations of the activity. If there is no petroleum instrument, the operator is the person performing the activity [OPGG(E)R Regulation 4]. The operator of the activity does not need to be one of the instrument holders.

Under both Regulations, NOPSEMA must be notified of nominated or appointed operators, and must maintain registers of these through separate and distinct processes. For facilities, the facility owner or titleholder may nominate the operator, and NOPSEMA must publish a register of operators of facilities on its website [OPGG(S)R 2.4]. For activities, the instrument holder(s) must notify NOPSEMA of the details of the operator prior to making the first submission of an environment plan [OPGG(E) Regulation 31]. There is no requirement for NOPSEMA to publish this register of operators

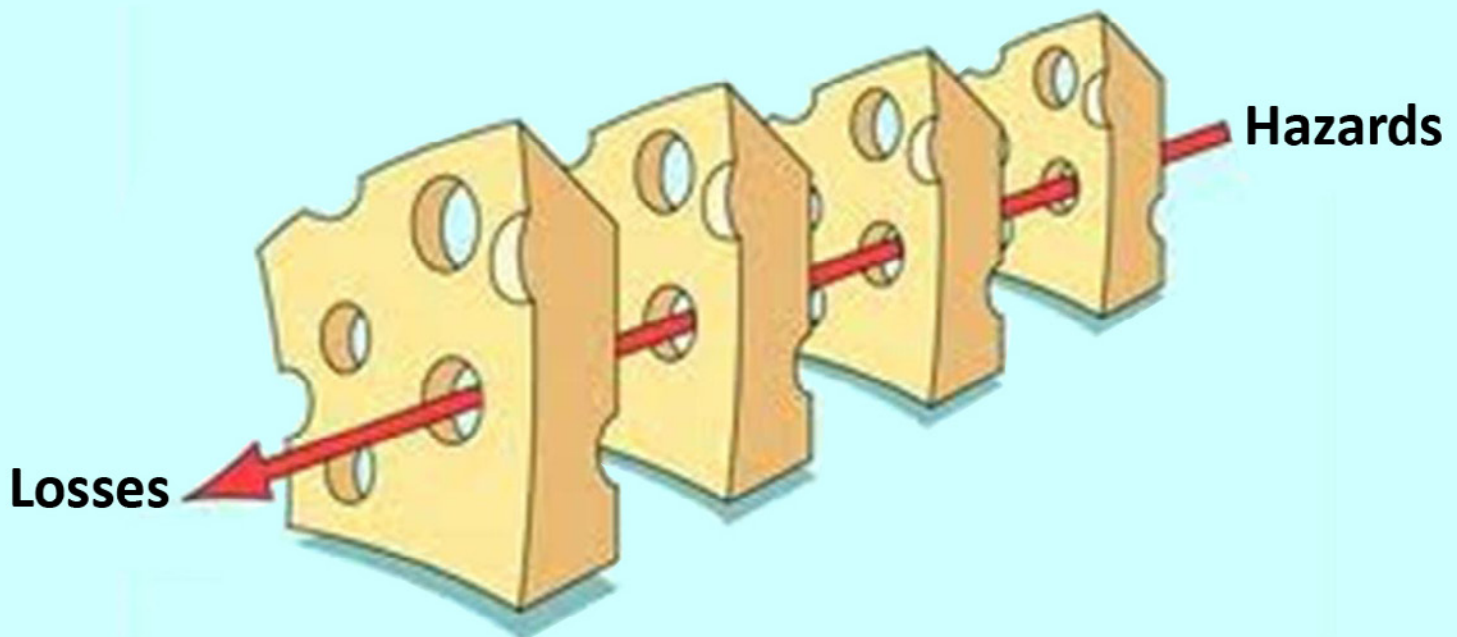
Forms available on the NOPSEMA website can be used for nomination of operators:

- For facilities (safety): [FM0008 Facility Operator Nomination](#)
- For activities (environmental management): [FM0892 Appointment of Operator](#)

These forms are for convenience only and are not compulsory; operator nominations can also be made by writing a letter to NOPSEMA.

The National Offshore Petroleum Titles Administrator (NOPTA) indicates the “operator” of a permit area on its list of titleholders in the National Electronic Approvals Tracking System (NEATS). However, this list is developed separately from the OPGGS Regulations, and does not reflect the operator for facilities and activities that has been lodged with NOPSEMA.





J.T. Reason's risk management model

Process safety – getting the layers right

Accident prevention requires a number of protection layers or control measures to overcome imperfections and latent or active failures. Recently, NOPSEMA has identified cases where the latent failures across several protection layers appear to 'line up', making the controls potentially ineffective.

Standard industry practice in Australia is to accumulate a number of layers of proactive and reactive controls. For example, reactive controls designed to prevent fire and explosion following the uncontrolled release of hydrocarbons usually include:

- fire and gas detection
- ignition controls
- isolation of inventory (shutdown)
- reduction of inventory (blowdown)
- over-pressure protection
- passive fire protection
- active fire protection
- alarm system
- evacuation pathway
- safe muster
- emergency response plan

Having numerous controls in place does not necessarily equate to risk reduction.

NOPSEMA has inspected a facility where the passive fire protection layer was designed on the assumption that the sequence of fire and gas detection, shutdown and blowdown would work perfectly. In effect, the latent failures of the passive fire protection and three protection layers were aligned. Meaning that, without active fire protection measures, the facility and workers on it would be vulnerable if the fire and gas detection, shutdown and blowdown protection layers failed.

On another facility, a review of the layout of fire and gas detectors revealed that some sections of the process, where significant gas releases could occur, were located close to non-hazardous areas (i.e. without ignition protection) and without any fire and gas detectors between the two areas. The latent failures of the two protection layers, gas detection and ignition control, were aligned in such a way that no action could be taken prior to gas reaching any potential ignition sources.



Workforce health and safety – monitoring and records

A recent investigation conducted by NOPSEMA identified that an operator of a facility did not take all reasonably practicable steps to monitor the health and safety of all members of the workforce and keep records of that monitoring. The operator only required a pre-employment medical examination for workers, but no follow-up assessment. The operator did not have any policy for regular medical examinations for members of the workforce and, therefore, had no records to demonstrate monitoring of the health of all members of the workforce. The responsibilities of operators regarding medical examinations and records are set out in Clause 9(2)(g) of Schedule 3 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Failing to comply with Clause 9(2)(g) may be a criminal offence of absolute liability with an associated penalty of 1000 penalty units, which equates to 110,000 AUD for individuals and up to 550,000 AUD for bodies corporate (at the discretion of the court).

Notification and reporting – damage to safety critical equipment

Operators are required to notify and provide a report to NOPSEMA in relation to dangerous occurrences involving damage to safety critical equipment. More guidance is available at www.nopsema.gov.au

Failing to notify NOPSEMA of an accident or dangerous occurrence may be a criminal offence of strict liability with an associated penalty of 250 penalty units which equates to 27,500 AUD for individuals and up to 137,500 AUD for body corporates (at the discretion of the court).

Consultant communication

NOPSEMA is committed to providing effective communication mechanisms to facilitate dialogue and provide advice. By broadening industry liaison, NOPSEMA aims to help both operators and consultants with future submissions and assist with the continuous improvement of exchange of information between the Authority and the offshore petroleum industry.

As part of its broader program of stakeholder engagement and regulatory effort, NOPSEMA continues to host monthly environmental management workshops and present at a variety of industry conferences and events. Recently, NOPSEMA further expanded its audience following an increasing number of queries from consultancies relating to regulator engagement. In July, the authority presented at a seminar hosted by the Environmental Consultants Association. Feedback from attendees was that it was a valuable opportunity to engage directly with the regulator.

The NOPSEMA presentation focused on the environmental management regulatory regime, in particular, the regulatory requirements, acceptance criteria and critical success factors. It concluded with



Safety helmets – Courtesy Health and Safety Executive

a Q and A session, which offered an opportunity to seek clarity about consultation and issues relating to the planning and documentation of environmental management submissions.

NOPSEMA's schedule of events is available at www.nopsema.gov.au

Regulatory activities

As at 27 August 2012

Disclaimer: Data presented here may vary as further information becomes available.

Assessments

The number of assessments submitted in August decreased significantly; specifically there were less safety case revisions and well activity applications. Four safety case assessments were rejected in August 2012.

ASSESSMENTS		Submitted			Accepted / agreed / advised			Rejected / refused / returned / declined		
		2012			2012			2012		
Assessment type	Subtype	Jun	Jul	Aug	Jun	Jul	Aug	Jun	Jul	Aug
Advice	Not applicable									
ATBA access application	Not applicable	2			1					
Diving project plan	Not applicable									
Diving safety management system	New									
Diving safety management system	Revision			1						
Diving start-up notice	Not applicable		1	1		1	1		1	
Environment plan	New	8	7	5	6	8	6			
Environment plan	Revision		3			3				
Field development plan	Not applicable									
Infrastructure development plan	Not applicable									
Pipeline safety management plan	New									
Pipeline safety management plan	Revision									
Proposed pipeline management plan	Not applicable									
PSZ access application	Not applicable									
PSZ application	New			1						
PSZ application	Renewal				1					
Request for exemption under OHS regs	Not applicable									
Safety case	New	4	1	1	3	1	5			2
Safety case	Revision	3	23	4	4	3	23			2
Scope of validation	Not applicable	9	1	5	4	6	5			
Title surrender advice to NOPTA	Not applicable		1	1		1	1			
Well activity application	Not applicable	16	12	7	11	15	9			
Well operations management plan	New	5	2		5	2	2			
Well operations management plan	Variation	1	1		1	1				
TOTAL		48	52	26	36	41	52	0	1	4

Note : In some instances, a single assessment may be submitted for multiple facilities.



Accidents and dangerous occurrences

NOPSEMA was notified of 63 reportable OHS incidents and 5 reportable environmental incidents during July and August 2012. There was a significant decrease in the total number of incidents reported in August compared to previous months.

INCIDENT TYPE		2012		
		Jun	Jul	Aug
OHS Incidents	Accidents			
	Death or Serious Injury	1		2
	Incapacitation >= 3 days LTI	1	3	1
	Accidents Total	2	3	3
	Dangerous Occurrences			
	Could have caused Death or Serious Injury	2	4	
	Could have caused incapacitation >= 3 days LTI	2	3	1
	Fire or Explosion		2	
	Collision marine vessel and facility			
	Uncontrolled HC release >1 - 300 kg		1	
	Uncontrolled HC release >300 kg		1	
	Uncontrolled PL release >80 - 12 500 L		1	
	Unplanned Event - Implement Emergency Response Plan	2	7	4
	Damage to Safety-Critical Equipment	13	12	6
	Other kind needing Immediate Investigation	16	6	9
	Pipeline - Kind needing Immediate Investigation			
	Dangerous Occurrences Total	35	37	20
OHS Incidents (Accidents and Dangerous Occurrences) Total		37	40	23
Environmental Incidents	EM - Hydrocarbon / petroleum fluid release			1
	EM - Chemical release		1	1
	EM - Drilling fluid / mud release	1	1	1
	EM - Fauna incident			
	EM - Other			
	EM Incidents Total	1	2	3
Not Reportable Incidents	OHS - Not notifiable	2	5	2
	OHS - Exercise		1	
	EM - Not notifiable		1	
	EM - Exercise			
	Other non reportable		2	
Non-reportables Total		2	9	2
GRAND TOTAL		40	51	28

As notified under OPGGS(S) Regulation 2.41.

Complaints

Two complaints were received in July 2012 (nil in August); regarding a crack in the caisson and a dropped object incident.

TYPE	2011						2012							
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Complaints	0	1	2	0	2	0	1	2	0	1	2	1	2	0

Injuries

TYPE	2011						2012							
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
INJURIES														
Lost time injuries (LTI >1 day)*	3	1	2	2	4	2	0	0	1	3	1	2	2	Data not yet available
Alternative duties injuries (ADI)	3	2	1	2	2	3	1	2	6	4	2	4	2	
Medical treatment injuries (MTI)	0	3	1	4	7	3	4	5	2	1	4	4	2	
Total recordable cases (TRC)	6	6	4	8	13	8	5	7	9	8	7	10	6	
* LTI incl. lost time injuries less than 3 days														

As reported under OPGGS(S) Regulation 2.42. (injury summaries submitted not less than 15 days after the end of each month)

Enforcements

Eight enforcement actions were issued in July and August to four facilities and one activity operator for a range of issues including: inadequate training, poor risk identification and poor management of hazardous substances. Requests for revised safety cases and environment plans arose due to inadequate controls described in the documents and/or non-alignment with current activities.

ENFORCEMENT ACTION TYPES	2011						2012							
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Direction - general									4					
Improvement notice		1	10	5	1	11	4	2	1	2	6	3	4	
Intent to withdraw SC acceptance	1													
Prohibition notice	1			3					1					
Request for revised SC													1	
Request for revised EP								2					1	
Verbal advice/warning										1				
Withdrawal of acceptance														
Written advice/warning	1	3	1			1	1	1	3	2	1		1	1
TOTAL	3	4	11	8	1	12	5	5	9	5	7	3	7	1



Inspections

The number of planned inspections can fluctuate according to operator availability and activities. There were 17 facilities inspected and 2 well-integrity related activities inspected in June.

TYPE	2011						2012							
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Facilities / activities inspected	2	7	4	12	11	6	5	7	11	7	13	19	5	50

Inspection scopes

The most common topic scopes covered in July and August 2012 inspections included:

Inspection scopes - examples – July to August 2012	
Following up previous recommendations	Inspection maintenance and repair
Meeting with HSRS	Monitoring, auditing and repair
Loss of containment	Ageing facilities

Inspection recommendations

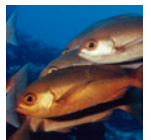
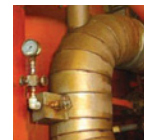
Below is a selection of recommendations issued to a MODU during the Jul-Aug 2012 inspections.

Inspection recommendations – examples from a MODU (summarised) – July to August 2012	
Update the lifting tackle procedure to reflect current good practice, e.g. quarantining of any lifting equipment showing signs of wear and non-use of two part shackles	Provide regular reminders to personnel about the hazards involved in lifting, and reinforce the need to keep hands clear of loads, and maintain escape routes.
Raise awareness of relevant personnel regarding the hazards, including vibration hazards, associated with using vibrating tools.	Consider implementing a “no certificate, no lift” rule for all 3rd party lifting equipment sent to the facility.
Implement a program of regular and comprehensive area inspections to identify and rectify unsafe equipment and practices.	Determine whether elevator attachment points for rigging used to tail in the casings are appropriate for such a task, and if not, provide a suitably engineered solution to prevent damage to the rigging.



Upcoming Events

- 11 - 13 September 2012 SPE/APPEA International Conference on Health, Safety and Environment, Perth
- 14 September 2012 Australasian Petroleum Safety and Environment Regulators Forum, Perth
- 24 - 25 September 2012 IOPER meeting, Rio de Janeiro, Brazil
- 25 - 27 September 2012 IRF Annual meeting, Rio de Janeiro, Brazil
- 5 October 2012 IChem safety cases seminar, Melbourne
- 22 - 24 October 2012 SPE Asia Pacific oil and gas conference and exhibition, Perth
- 31 October 2012 NOPSEMA environmental management workshop, Perth



Feedback

NOPSEMA welcomes your comments and ideas on offshore health and safety regulation, NOPSEMA’s role and your preferred communication methods and publications. 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 from NOPSEMA’s website at nopsema.gov.au.

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