

THE REGULATOR

2021 - Issue 4

Living with COVID-19

Adapting to a new normal
while remaining vigilant



NOPSEMA
Australia's offshore energy regulator

About NOPSEMA

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) is Australia's independent expert regulator for health and safety, environmental management, structural and well integrity for offshore petroleum facilities and greenhouse gas storage activities in Commonwealth waters.

By law, offshore petroleum and greenhouse storage activities cannot begin before NOPSEMA has assessed and accepted the required permissioning documents demonstrating how the activity will be undertaken to reduce risks to the health and safety of the workforce and the environment to as low as reasonably practicable (ALARP) and environmental impacts to an acceptable level.

In November 2021, NOPSEMA was given the role and functions of the Offshore Infrastructure Regulator following the passing of the *Offshore Electricity Infrastructure Act 2021* in federal parliament.

For more information, visit our website at nopsema.gov.au.

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Strategic
compliance
focus areas for
2021

PREVENTING MAJOR
ACCIDENT EVENTS

PREVENTING LOSS OF WELL
CONTROL

EFFECTIVE OIL POLLUTION
EMERGENCY PREPAREDNESS

RESPONSIBLE ASSET
STEWARDSHIP

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Message from the Chief Executive

The final issue of the Regulator for 2021 heralds the festive break and, for many of us, time for rest and relaxation with our family and friends. At NOPSEMA, it also marks the end of a busy and eventful year.

This year we worked hard to ensure duty holders were complying with their decommissioning obligations. We released several guidance documents outlining our approach to how we intended to bring industry into compliance. We also took appropriate and proportionate enforcement action where needed, for example to bring multiple non-producing facilities in Bass Strait back into compliance. In 2022, trailing liability will commence and this means NOPSEMA will have the power to call back previous titleholders to undertake decommissioning where the current or former titleholder cannot.

During the year, NOPSEMA's inspections have continued to indicate that the industry has appropriate and reasonable arrangements in place for managing the risk of COVID-19 transmission. Nevertheless, NOPSEMA identified that the industry could be doing more in managing the related longer-term mental health effects to the offshore workforce. COVID-19 travel restrictions have meant that many workers are spending time in isolation, working longer swing patterns and dealing with extended separations from their loved ones. These challenges can lead to psychological distress or injury and contribute to accidents and dangerous occurrences. To assist the industry, NOPSEMA recently published guidance for psychosocial risk management and will continue to monitor this issue into 2022.

A common misconception of NOPSEMA's independence is that it precludes dialogue with our stakeholders. Effective regulation, in fact, depends on meaningful communication and engagement.

A good example of this is the survey NOPSEMA undertook at the onset of the COVID-19 pandemic. The survey asked facility operators what they were doing to manage the health risks posed by virus. The responses, with examples of better practice, were published and shared with the industry to promote improved outcomes. We are now undertaking a second survey in recognition of Australia's transition toward a 'new normal' of living with COVID-19. This survey provides NOPSEMA with an opportunity to identify and share better practices for managing the ongoing health risks of the virus.

This year, NOPSEMA continued to participate in the International Offshore Petroleum Environment Regulators group, the International Regulators Forum and the Global Offshore Wind Regulators forum. Engagement with our international regulatory counterparts provides NOPSEMA with access to leading regulatory practise. It allows for the sharing of insights, benchmarking of performance and discussions on how new technology or approaches to regulation can support better practice.

A key milestone for NOPSEMA this year is the expansion of our remit to include the regulation of offshore renewable energy and offshore electricity infrastructure.

NOPSEMA was identified as the Regulator for this sector following the recent passing of the Offshore Electricity Infrastructure Bill. I welcome this decision as it recognises NOPSEMA's existing expertise and experience in the regulation of large scale, technically complex offshore energy infrastructure activities. The decision is also consistent with the approach adopted in leading international jurisdictions where the remits of many similar regulators have been extended to include oversight of offshore electricity.

In reflecting on 2021, I want to acknowledge the professional and diligent efforts of NOPSEMA's staff, the support of our Ministers and the NOPSEMA Advisory Board, and the considerable efforts of industry, the workforce and the community to ensure sound safety, well integrity and environmental outcomes. I am proud of our achievements to date and committed to ensuring NOPSEMA continues to be well placed to respond to future challenges. I wish everyone a safe and happy Christmas and New Year.

Stuart Smith
Chief Executive Officer

Living with COVID-19

It's been nearly two years since the COVID-19 pandemic began and forced people across the globe to examine and reconsider how we work and live.

The offshore oil and gas industry was not immune but, thanks to existing stringent health and safety protocols, were in a strong position to adapt and evolve to the emerging threat.

NOPSEMA adapted alongside industry, utilising a range of tools to ensure the health and safety of the offshore workforce and the environment in light of the pandemic.

This included building on operator's existing infectious disease management plans and ensuring they were robust enough to manage the COVID-19 risk. These plans were already in place for the management of diseases like chickenpox and measles and were quickly expanded by industry to incorporate COVID specific management measures.

NOPSEMA supported this through targeted inspections of each of Australia's active facility operators. These inspections allowed HSR's to communicate with NOPSEMA inspectors on how operators had implemented COVID-19 management systems and procedures.

NOPSEMA published its own COVID compliance strategy, ensuring effective regulation of the industry during the pandemic. The strategy provided a framework for how NOPSEMA would effectively regulate during the COVID-19 pandemic.

During the height of the pandemic this strategy was regularly reviewed and revised, ensuring it continued to allow for adjustments in the way offshore work must be conducted, while still retaining safeguards and controls.

The industry has continued to be proactive with a recent COVID-19 outbreak desktop exercise organised by APPEA. The exercise progressed through a COVID-19 infection scenario on an offshore petroleum production facility off the Pilbara coast. Attendees included most major operators in Western Australia, along with state government bodies involved in the industry and NOPSEMA.

The exercise highlighted some existing issues with evacuating COVID positive workers from an offshore facility, and the APPEA secretariat plans to facilitate further engagement with industry and government agencies to address this issue and strengthen engagement between offshore operators and WA Health authorities.

Despite the offshore oil and gas industry's relative security during the pandemic, COVID-19 is still a threat as was seen recently in Victorian when three crew members tested positive after returning home from an offshore facility.

It is important that both NOPSEMA and the offshore petroleum industry do not become complacent and continue to encourage vaccination and other COVID safe practices as we move into 2022.

To learn more about NOPSEMA's COVID compliance strategy, visit our website.





Securing approvals for end states

As the decommissioning of offshore oil and gas facilities continues to become a more prominent concern for titleholders, the question of complete removal versus in situ abandonment is arising more regularly.

NOPSEMA maintains that the complete removal of infrastructure and the plugging and abandonment of wells is the default decommissioning requirement under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGGS Act). The full removal base case is the conservative and pragmatic approach as it removes any future risks and resolves issues of future liabilities.

As outlined in the Department of Science, Industry, Energy and Resource's Offshore Petroleum Decommissioning Guideline, deviations to the base case can be considered, however, the titleholder must demonstrate that the alternative approach complies with all other legislative and regulatory requirements, that environmental impacts are acceptable and risks to the environment have been reduced to as low as reasonably practicable (ALARP). If all of these requirements have been met the titleholder must also demonstrate that the alternative arrangement delivers equal or better environmental, safety and well integrity outcomes compared to full removal.

The UNCLOS III framework, IMO Resolution A.672.16 and the London Protocol are globally recognised as guiding principles for managing the removal or disposal of offshore structures and installations. Australia is a signatory to UNCLOS, the London Protocol, and member of the IMO, and therefore any decision on decommissioning outcomes must be consistent with these requirements.

To comply with international conventions and the current legislative framework, titleholders must demonstrate that the property or equipment has been removed or is appropriate for leaving in-situ, that it will not interfere with other marine users and will not create unacceptable risks in the future.

As outlined in the IMO Resolution A.672(16), the regulator can make a determination that a deviation from full removal will be considered and the evaluation should consider matters including navigation, deterioration of the material and its present and possible future effect on the marine environment, the risk that the material will shift from its position, and the technical feasibility of the proposed solution. The guidelines and standards outlined in the IMO Resolution A.672(16) should be addressed when preparing an environment plan, NOPSEMA has published a table on its decommissioning page providing a description of the types of impacts and risks that need to be addressed.

In order for a titleholder to surrender their title under section 270 of the OPGGS Act they must seek approval from the joint authority. Joint authority approval is subject to NOPSEMA being satisfied that a number of conditions have been met including that all wells, equipment and property have been suitably decommissioned.

Securing certainty on these matters is best achieved through end states being described and accepted by NOPSEMA in an environment plan and a well operations management plan prior to application for surrender.

The Environment Regulations require an environment plan to be in force for any petroleum activity including decommissioning activities. The Regulations are objective-based and consider each activity on its merits, and as a result, there is not a prescriptive set of conditions and circumstances in which NOPSEMA may accept an alternative to full removal.

For an environment plan to be accepted by NOPSEMA, it must meet the Environment Regulations acceptance criteria, which require the impacts and risks of the activity to be reduced to ALARP and to be of an acceptable level. The regulations also require the activity to be consistent with the principles of ecologically sustainable development as defined in the *Environment Protection and Biodiversity Conservation Act 1999*. This includes a requirement that decisions integrate long and short term considerations.

NOPSEMA has observed titleholders using a multi criteria analysis tool to demonstrate equal or better outcomes in environment plans. This analysis determines a set of criteria to be evaluated and ranks and weights these to select a preferred decommissioning end state. This method prioritises some criteria over others and does not always address all of the impacts and risks from the activity. All impacts and risks must be addressed, and the environment plan needs to demonstrate that each of these will be reduced to ALARP and be of an acceptable level.

To learn more about NOPSEMA's decommissioning expectations, please visit our website.

Offshore industry activity



What's happening offshore?

As at 30 September 2021, NOPSEMA's regulatory oversight covered 41 production facilities, 13 mobile facilities, 91 pipelines, seven pieces of subsea infrastructure and one seismic activity.

Of the 41 production facilities we regulate, 24 are in production, one has suspended production temporarily, and eight have ceased production permanently and require timely decommissioning.

In Q3 2021, NOPSEMA undertook 27 inspections and 44 assessments of safety cases, diving safety management systems, well operations management plans, and environment plans comprising seven new submissions and 37 revisions. NOPSEMA also undertook 74 other assessments such as facility scope of validations and well abandonment reports. One exploration drilling environment plan, three seismic survey environment plans, and one offshore project proposal were published on NOPSEMA Consultation Hub for public comment.

Offshore, the number of hours worked has increased approximately 33% from the same period last year. This reflects progression toward a 'new normal' following the COVID-19 pandemic and its impact on offshore facilities from travel restrictions and social distancing requirements.

While the offshore industry has maintained its strong safety record with a consistent reduction in personal injuries, recent lost time injury data may suggest increased attention is required to prevent future incidents.

NOPSEMA continues to take a strategic approach to promoting, monitoring and enforcing compliance by regularly evaluating data, identifying emerging issues, undertaking targeted information campaigns and, where appropriate utilising a range of enforcement actions. Over the quarter NOPSEMA issued 15 enforcement actions, 13 relating to decommissioning activities and two relating to lifting operations.

Through its strategic approach to monitoring and enforcement NOPSEMA recognised the real and significant threat from lifting operations as well as dropped objects and crane failures. In response we sought to highlight this threat and promote better practice during the quarter by publishing a safety alert for lifting operations and hosting a crane safety workshop.

Protecting the offshore workforce from sexual harassment

NOPSEMA is aware of the current Western Australian parliamentary inquiry into sexual harassment against women in the mining industry.

While the inquiry has focussed on onshore mining operations, NOPSEMA recognises a real and significant possibility that similar incidents may be occurring offshore.

The inquiry has heard that while companies are taking steps to stamp out bullying and harassment of any kind, sexual harassment and sexual assault is still occurring.

NOPSEMA has not received any reports of sexual harassment or assault occurring offshore to date, however, we recognise that such incidents may be underreported.

It is a requirement of the legislation that duty holders take all reasonably practicable steps to provide and maintain a physical environment that is safe for employees and without risk to their mental or physical health.

This includes adequate management systems to prevent, and deal with, any incidents of harassment of any kind including sexual harassment and reporting of incidents to NOPSEMA as required.

Where members of the workforce feel that issues have not been adequately managed by the facility operator they may elect to make a complaint to NOPSEMA using our Feedback and Complains form.

NOPSEMA is currently developing guidance material for industry in relation to this specific issue and will take on board any relevant recommendations when the inquiry tables its final report.

An improved approach to inspections in 2022

Following public comment, NOPSEMA is finalising its policy outlining an improved approach to the way it programs inspections. The policy will be published in the coming weeks.

While NOPSEMA has always strived to be a world-class regulator, recent events including the COVID-19 pandemic, the decommissioning of the Northern Endeavour, and the Australian Government's deregulation agenda has prompted improvements to our approach to our inspections so we remain effective.

Our improved approach seeks to balance the regular inspection of all facilities and activities with the need to have resources available to undertake more frequent inspections of facilities and activities posing a higher risk or likelihood of non-compliance.

This doesn't change the fact that duty holders will continue to be responsible for managing and reducing the OHS, well integrity and environmental management, risks that they create.

Duty holders are encouraged to read the policy as it sets out a baseline, or minimum frequency for inspections. More importantly, it sets out the factors that may drive NOPSEMA to undertake more frequent inspections, such as the complexity of the activity and the stage of life of the asset.

Our inspections will be driven by the inherent and emerging risks to the health and safety of the offshore workforce, well integrity and risks to and impacts on the environment. However, a duty holder's previous compliance record, their attitude and behaviour, strategic factors, external pressures, and latent risks will also be considered.

A key improvement to our approach to inspections is the provision of formal conclusions in NOPSEMA's inspection reports. These conclusions will clearly communicate to the duty holder the inspectors findings and observations as they relate to risk or compliance.

Where a conclusion relates to serious non-compliance, immediate threat, or significant risk, NOPSEMA will consider enforcement action.

Where it relates to other non-compliance, if NOPSEMA is reasonably satisfied the duty holder can and will address it in a timely manner, then NOPSEMA will request details of the actions that have or will be taken to address the non-compliance.

What to expect from a NOPSEMA inspection

Compliance with the law is not a choice, it is a requirement, and a key function of NOPSEMA is to promote, monitor and secure compliance.

One of the ways NOPSEMA monitors and secures compliance is through inspecting a duty holders' performance in managing the risks and impacts of their activities consistent with commitments made in permissioning documents, and, more broadly, in compliance with the OPGGS Act and its regulations.

Inspections also provide NOPSEMA with an opportunity to engage with the offshore workforce so we can hear from them directly. This is a legislated requirement for OHS inspections, but we also provide an opportunity for the workforce to ask us questions or provide us with information during environmental management and well integrity inspections.

When planning for an inspection NOPSEMA will usually provide the duty holder with advanced notice. This is to manage the logistics of inspections and typically includes requests for key documents in advance, organising NOPSEMA's access and transport to the facility or premises, and ensuring appropriate representatives will be available to NOPSEMA during the inspection, such as Health and Safety Representatives (HSRs).

During an inspection, the participation of the workforce is vital.

They accompany NOPSEMA Inspectors, provide information, answer questions, demonstrate how to operate equipment or execute other procedures, and show requested items of physical plant and equipment.

Before we leave an offshore facility or a duty holder's business premises, NOPSEMA will provide an exit brief with a summary of the inspectors observations and findings and an early indication of conclusions. This allows the duty holder to take early action, where required, to address any non-compliance identified.

After full consideration of all the information collected, NOPSEMA will provide a detailed report containing our conclusions and the reasons behind them. We may also provide compliance advice indicating what the duty holder should consider when determining how to address any conclusions.

For OHS inspections, a copy of NOPSEMA's inspection report must be provided to all members the facility's health and safety committees, and if no such committees exist, to all HSRs.

Duty holders must provide NOPSEMA with details about any actions they propose to take in response to an inspection conclusion. NOPSEMA will then monitor the duty holders progress and, in subsequent inspections, verify if the duty holder has taken all the necessary actions as reported.

Where a duty holder fails to return to compliance in the agreed timeframe, and/or if new information becomes available, NOPSEMA may consider enforcement action.



NOPSEMA takes on new role

The *Offshore Electricity Infrastructure Act 2021* (the Act) passed the federal parliament on 25 November 2021, establishing a regulatory framework for offshore renewable energy and offshore electricity infrastructure activities for the first time in Australia.

Under the Act, NOPSEMA has been given the role and functions of the Offshore Infrastructure Regulator (the Regulator). As the Regulator, it will oversee the sector's work health and safety, infrastructure integrity, environmental management, and financial security.

This new role recognises NOPSEMA's expertise and long history in bringing about improvement in the OHS, structural integrity and environmental management of the Australian offshore petroleum and greenhouse gas storage industry.

This is not the first time the Australian Government has called on NOPSEMA's expertise and expanded its remit.

In 2005, NOPSEMA's predecessor, the National Offshore Petroleum Safety Authority (NOPSA), was established as the safety regulator of offshore petroleum facilities.

In 2011–12, following recommendations from the Montara Commission of Inquiry, NOPSA's role and functions were expanded to include the regulation of well integrity and environmental management. To reflect the change, NOPSA became NOPSEMA.

In 2014, NOPSEMA became the sole environment regulator in Commonwealth waters following the endorsement of its environmental management authorisation process by the federal Minister for the Environment.

The Regulator will report to the federal Minister for Industry, Energy and Emissions Reduction, The Hon Angus Taylor MP.

The Regulator's approach will be characterised by independence, professionalism, and respect for due process, and reinforced through a strong commitment to promotion and advisory activities for duty holders and other stakeholders.

The Regulator will continue to foster relationships with its equivalent domestic and international regulatory counterparts to support global collaboration in the offshore renewable energy sector.

In the same way the offshore petroleum industry bears the cost of regulation, so too will the offshore renewable energy sector through a combination of fees and levies.

The Regulator will provide specialist technical advice to the Department of Agriculture, Water and the Environment in the assessment of offshore renewable energy proposals under the *Environment Protection and Biodiversity Conservation Act 1999*. This will include advice on the assessment of Australia's first major offshore wind project, the Star of the South, proposed to be located off the south coast of Gippsland in Victoria.

Developers are encouraged to engage with the Regulator early in the project planning phase. If you would like further information about the framework or wish to clarify regulatory requirements, please contact offshore renewables@nopsema.gov.au

Guidance available for hazard identification and risk assessment



Robust hazard identification and risk assessment are essential for preventing a major accident event (MAE).

While NOPSEMA has always strived A key requirement for managing the risk of a MAE under the OPGGS Act Safety Regulations is identifying the hazards that may lead to an MAE. Operators must include in their facility's safety case a formal safety assessment demonstrating a detailed and systematic assessment of MAE hazards and the associated risk, including the likelihood and consequences of each potential MAE.

Following this, facility operators must ensure hazards continue to be identified throughout the life of an offshore petroleum activity and that there is a systematic assessment and reduction of risk to a level that is as low as reasonably practicable (ALARP). This must be demonstrated in the safety management system (SMS) of the safety case. The SMS must also demonstrate how the operator will monitor and challenge assumptions over time to ensure continuous improvement.

The formal safety assessment must include the active participation of offshore workforce as they will be the people with the most influence over day-to-day safe operations. This is why it is so important to define the hazard identification and risk assessment roles for members of the workforce in the SMS.

When NOPSEMA accepts a facility safety case, the operator must comply with the commitments made in the document, such as those described in this article, or face possible enforcement action.

To assist facility operators in hazard identification and risk assessment, the Australian / International Standard on Risk Management AS ISO 31000 provides a generic framework for establishing the context for risk management as well as identifying, analysing, evaluating, treating, monitoring, and communicating risk.

The International Organisation for Standardisation has also published guidelines on tools and techniques for hazard identification and risk assessment for managing major accident hazards (ISO 17776).

Supporting guidance notes are available on NOPSEMA's website covering Supporting Safety Studies, Control Measures and Performance Standards, Hazard Identification and Risk Assessment, Operational Risk Assessment and Critical Task Analysis.

The guidance notes indicate what is explicitly required by the OPGGS Act Safety Regulations, discuss good practice, and suggest possible approaches and methodologies that an operator could use to systematically and comprehensively identify hazards, assess the risks, and to communicate the findings effectively.

International Offshore Petroleum Environment Regulators' Forum AGM 2021

NOPSEMA recently participated in the virtual AGM of the International Offshore Petroleum Environment Regulators' Forum (IOPER).

Now in its 10th year, IOPER continues to provide NOPSEMA with an opportunity to engage and benchmark with our regulatory counterparts across key OECD petroleum jurisdictions.

In addition to sharing best practices and responses to dealing with COVID-19, participants in this year's AGM shared trends, best regulatory approaches and insights into a range of topics.

Many regulators shared common experiences on climate change considerations; ageing assets and decommissioning; growing interest in other offshore energy industries; inspection methods during the pandemic; and financial assurance.

As part of continued efforts in two key areas, IOPER working groups for marine sound and for oil spill preparedness and response reported substantial progression of their respective projects.

The marine sound working group's efforts have been focussed on building a database to support regulatory knowledge and the triage of key scientific literature on the effects of petroleum activities, in particular seismic surveys, on marine life. This will help support improved access to, and recognition and analysis of the substantial and growing body of scientific research.

The oil spill working group reported a successful close out of the project to initiate, promote and support a standardised approach to response time models for source control arrangements. The delayed International Oil Spill Conference was held virtually in May 2021 and showcased the IOGP Response Time Model Guideline and tool that was initiated as a collaborative effort between NOPSEMA, IOPER and IOGP.

Work will now shift to understanding the different mechanisms applied by the IOPER jurisdictions, and the role of the regulator, to ensure adequate Testing and Exercising: Testing Effectiveness of Response Controls.

While the AGM was held remotely in a more limited format, plans have been confirmed to progress in person meetings in Perth, Australia in October 2022 in conjunction with the IRF conference and AGM.

International Regulators Forum AGM 2021

In October 2021 NOPSEMA representatives attended the virtual International Regulator's Forum (IRF) AGM.

This year's theme was safety in the offshore petroleum industry through the pandemic and into the future.

Challenges and lessons learned from the pandemic were a key discussion topic, but changes to regulatory practices for inspections, renewable offshore energy and decommissioning also proved to be of interest to IRF members.

The importance of vaccination was noted as being the best protection against the risk of COVID-19 transmission. Lessons were also shared from jurisdictions where COVID-19 cases have occurred offshore.

"Membership of the IRF has delivered many benefits to NOPSEMA and the industry we regulate in Australia. Our approach to decommissioning and COVID-19 response are two topical examples where we've been able to draw on the experience of our internal colleagues to guide our own actions this year," NOPSEMA CEO Stuart Smith said.

Representatives of the International Association of Drilling Contractors and International Oil and Gas Producers attended part of the AGM to provide updates on their respective organisational responses to the pandemic and the industry response the IRF problem statements. NOPSEMA continues to lead the prevention of well control incidents problem statement.

The IRF is expected to resume in-person meetings in 2022 with next year's Conference and AGM to be held in Perth.

Further information on the IRF and its strategic agenda is available on the IRF website and its social media channels.

Looking ahead to 2022

Preventing major accident events

NOPSEMA's regulatory work will continue to be carried out in accordance with well-established documented policies and procedures. This includes our assessment, inspection, investigation, enforcement, and promotional and advisory activities. However, this type of work (which is focused on discrete facilities and/or activities) cannot necessarily prevent all risks from escalating into incidents.

Therefore, NOPSEMA will also use its unique access to safety related data and consolidated industry knowledge to push beyond compliance by using a problem-centric approach to managing the risk of issues that may be prevalent across the industry. This will involve focusing on frequently occurring incident types to identify and resolve root cause issues. Specific areas of interest to NOPSEMA will continue to include (but not be limited to):

- Managing human factors, such as mental health and fatigue, that may contribute to major accident events.
- Key safety management systems, including the use of management of change, operational risk assessment, performance standards and other tools. Guidance on implementation of best practice process safety management frameworks and the use of key performance indicators.
- The management of maintenance with a particular focus on corrosion of ageing assets, ensuring that facilities are maintained appropriately until the point at which they are decommissioned.
- Executive oversight and accountability. Collecting and reviewing information relating to the degree to which senior executives and boards have sufficient oversight of, and accountability for, the control of major accident hazards.

Preventing loss of well control

NOPSEMA will continue to lead the International Regulators Forum (IRF) oversight group for the prevention of well control incidents problem statement. The objective of the group is to highlight the significant risk of well control incidents to encourage the global offshore petroleum industry to address the issue collectively.

The group will continue to promote the standardisation of methods for calculating pore pressure/fracture gradients (PPFG) and its application to well design and construction.

The group invited the International Association of Oil & Gas Producers (IOGP) and the International Association of Drilling Contractors (IADC) to develop a solution, and in response, the IOGP formed a PPFG taskforce and has started developing a guideline for industry which is expected to be published in 2022.

NOPSEMA will also focus on driving improvements in the titleholder and drilling contractor interface. Industry is encouraged to consider the API Bulletin 97 Well Construction Interface Document (WCID) and the APPEA Self-Audit Checklist for Titleholders. NOPSEMA will publish a discussion paper in 2022 and host a workshop with the Australian industry.

Responsible asset stewardship

NOPSEMA recognises the decommissioning challenge faced by the offshore petroleum industry is substantial given the relatively limited experience in implementing large scale decommissioning projects in Commonwealth waters.

NOPSEMA will continue to implement its decommissioning compliance strategy and plan.

This includes ensuring duty holders have appropriate plans for decommissioning and are executing those plans in a timely manner. NOPSEMA will continue to take enforcement and compliance action against duty holders who pose a higher decommissioning compliance risk as outlined in the decommissioning compliance plan.

The first stage of the enhanced decommissioning framework, developed by the Department of Industry, Science, Energy and Resources (DISER) is set to come into effect in early 2022. This includes the commencement of trailing liability where previous titleholders may be called back to decommission infrastructure and remediate the environment where the current or immediate former titleholder is unable to do so.

Effective oil pollution emergency preparedness arrangements

NOPSEMA has continued to focus on the industry's ability to effectively respond to major oil spill incidents within Australia.

In response to widespread COVID-19 restrictions, NOPSEMA undertook several inspections to evaluate the impact of the pandemic and the mitigation strategies implemented by titleholders and oil spill response organisations to ensure they were still able to effectively respond to a major oil spill. NOPSEMA will undertake further inspections in 2022 focussed on industry's ability to implement and maintain sufficient capability and effective emergency response arrangements.

NOPSEMA will also continue to work with the APPEA Oil Spill Preparedness and Response Working Group, the APPEA Drilling Industry Steering Committee, AMOSC, OSRL, and other oil spill response service providers to gain better insights into how to implement and maintain effective oil pollution emergency preparedness arrangements.

NOPSEMA will continue to assist DISER to review the offshore petroleum oil pollution risk landscape in Australia to evaluate how the oil spill preparedness and response framework could be simplified and strengthened to enhance resilience to external pressures, protect against variations in performance, and safeguard against the changing industry risk and regulatory landscape.

Draft remake of the Environment Regulations published for comment

The Commonwealth Department of Industry, Science, Energy and Resources has commenced a consultation process to seek feedback on the exposure draft of the remake of the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (Environment Regulations).

The remake contains no substantive policy change and a full review of the environmental regulatory regime for offshore petroleum activities is anticipated to commence in mid-2022.

Comments can be made on DISER's Consultation Hub until 11.59pm AEDT on 8 March 2022.



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