

OHS Improvement Notice

Offshore Petroleum and Greenhouse Gas Storage Act 2006, Schedule 3 clauses 78, 78A and 78B

Notice No: A1186791

Date: 28/04/2025

To: Esso Australia Pty Ltd,

In conducting an OHS inspection in relation to the Bream B facility, I [REDACTED], a NOPSEMA inspector appointed under section 602 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act), am satisfied on reasonable grounds that Esso Australia Pty Ltd (EAPL) is contravening a provision of a listed OHS law

AND

As a result, there is, or may be, a risk to the health or safety of a person at the Bream B facility.

I am satisfied that EAPL is contravening a provision of a listed OHS law, being clause 9(1) of Schedule 3 of the Act.

The reasons for my opinion are:

When following up on notification 13327 notifying of an uncontrolled loss of containment of a significant amount of hydrocarbon gas (the incident), I found:

1. Installation of temporary hydrocarbon instrument tubing (instrument tubing) was not installed under a critical permit (as required by EAPL), the management of change (MOC) process, the EAPL Safe Working Practice (SWP 50.137) or good oilfield practice, specifically:
 - a. The instrument tubing was connected to a 50 barg hydrocarbon gas source which vented when containment was lost.
 - b. Esso did not check that the line had been installed correctly and fit for purpose before using it.
 - c. This installation was implemented (on a live system) without:
 - i. A critical work permit as required by Safe Working Practice (SWP) 50.137 and the Tubing Fitting Make-up Procedure (GLO MP 401 revision 5.2) and / or
 - ii. Following the requirements for management of change (in the absence of a permit).
2. EAPL failed to properly investigate and identify all likely root causes of the incident.
3. EAPL failed to suitably notify personnel and NOPSEMA of root causes of this incident.
4. EAPL failed to remediate this incident to prevent reoccurrence.

As a result of this contravention, I am satisfied that there is, or may be, the following risk to the health or safety of any person at the facility:

- Major disabling injury(ies)
- Fatality(ies).

I am satisfied on reasonable grounds that the following action(s), must be taken by EAPL to reduce or prevent the risk:

Incident investigation

1. Engage an independent and suitably qualified person to conduct and produce a report of an audit of EAPL's investigation systems and processes utilised at the facility to identify:
 - a. why root causes were not found as part of the EAPL investigation into the incident;
 - b. any deficiencies in application of the existing investigation system and processes into the incident;
 - c. any deficiencies in the existing investigation system and processes; and
 - d. recommended changes stemming from items 1.a. to 1.c. above;
 - e. Provide NOPSEMA with the audit report into 1.a. to 1.d. above and EAPL's action plan resulting from the audit findings with a schedule for implementation of the action plan by 90 days from the date of this notice.
2. Complete a new investigation into the incident following the findings of action 1. above, including providing key findings for root causes and actions to be implemented as a result, and provide a report of those findings and the actions to be implemented to NOPSEMA by 30 days from the completion of 1.e. above.
3. Ensure that appropriate EAPL personnel are informed:
 - a. of the lessons learned from the investigation
 - b. requirements to ensure that analogous incidents cannot reoccur.

Permit to work / management of change

4. Take immediate action to ensure that no changes are implemented at the facility without application of permit to work or MOC processes as described in the facility safety case and good oilfield practice.
5. Engage an independent and suitably qualified person to conduct an audit of the permit to work and MOC processes used at the facility to identify:
 - a. deviations to the requirements of the permit to work and MOC processes and good oilfield practice
 - b. the contributing factors and root causes for any identified deviations
 - c. recommended changes required to mitigate deviation from permit to work / MOC requirements AND good oilfield practice.
6. Implement the recommended changes identified in item c above.
7. Provide NOPSEMA with findings from items 4 to 6 above including a copy of the independent audit reports and the action plans resulting from the audits and a schedule for implementation of the plans.
8. EAPL is required to take the above actions 4 to 7 within 90 days from the date of this notice.


NOPSEMA INSPECTOR


28 April 2025

When the required action(s) has been completed, the Responsible Person is to submit this part of the notice to the following person via:

Post: Level 10, 58 Mounts Bay Road
Perth WA 6000

Email: submissions@nopsema.gov.au

Name: [REDACTED]
Position: **NOPSEMA INSPECTOR**
Contact number: +61 8 6188 8990

By signing below, I confirm on behalf of Esso Australia Pty Ltd that the specified action described in Improvement Notice No. 1982 has been undertaken within the period specified.

Signed: _____

Date: _____

(to be signed by responsible person only when the notice has been complied with)

Notes

1. Under clause 78A of Schedule 3 to the Act, a responsible person who fails to ensure that this notice is complied with, to the extent that it relates to any matter over which the responsible person has control:
 - a. commits an offence and may be liable to a penalty of 300 penalty units for the offence; or
 - b. contravenes a civil penalty provision and may be liable to a civil penalty of 400 penalty units.
2. For every day proceeding the initial offence or contravention the notice is not complied with, the responsible person commits an offence or contravention in respect of each day (including a day of a conviction under this clause or any later day) during which the offence or contravention continues.
3. A copy of this notice must be displayed in a prominent place at or near each workplace which work affected by the notice is being performed. It is an offence to tamper with or remove it until the notice has ceased to have effect.
4. The recipient of this notice must ensure that all relevant requirements for giving copies of the notice to certain persons and representatives are complied with in accordance with cl 78b to Schedule 3 to the Act.
5. Under clause 80A of Schedule 3 to the Act, any of the following persons may request the reviewing authority in writing to review the NOPSEMA inspector's decision:
 - the operator of the facility;
 - the titleholder, if the notice is issued to a titleholder;
 - any person to whom an improvement notice has been issued;
 - an employer, if affected by the decision;
 - a relevant health and safety representative; a relevant workforce representative, if requested by a member of the workforce affected by the decision;
 - a person who owns any workplace plant, substance or thing to which the NOPSEMA inspector's decision relates.