

OHS Improvement Notice

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

Notice No: 2130

To: Shell Australia Pty Ltd

In conducting an OHS inspection in relation to the Prelude FLNG 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 Shell Australia Pty Ltd has contravened a provision of a listed OHS law and is likely to contravene that provision again

AND

as a result, there is, or may be, a risk to the health or safety of any person at the Prelude FLNG facility.

Provision contravened

The provision of the listed OHS law that I am satisfied Shell Australia Pty Ltd has contravened and is likely to contravene again is Clause 9 (1) of Schedule 3 to the Act.

Reasons for my opinion

On 2 August 2026, a Production Technician sustained fracture injuries to their hand whilst manually engaging the turning gear during the start-up of a Steam Turbine Generator (STG) at the Prelude FLNG facility.

The incident occurred during manual engagement of the turning gear following a failure of the pneumatic engagement system. During the activity, an automated start sequence energised the turning gear motor causing movement of the barring equipment and injury to the technician.

During the OHS inspection (IVT15037), the inspectors identified that:

1. Effective engineering controls had not been implemented to prevent automatic operation of the turning gear during manual engagement activities.
2. Manual engagement activities continued to be required when the pneumatic engagement system was unavailable.
3. The activity relied predominantly on procedural controls, worker actions and communications to prevent exposure to hazardous energy.
4. Critical controls, including electrical isolation requirements and supervision of procedural compliance, were not effectively implemented or verified.

The Inspectors identified that the activity relied predominantly on administrative controls, procedural compliance and worker actions to prevent exposure to hazardous energy. The Inspectors were not satisfied that reasonably practicable control measures had been effectively implemented to prevent energisation or movement of the turning gear during manual engagement activities. Accordingly, I am satisfied that Shell Australia Pty Ltd contravened Clause 9(1) of Schedule 3 to the Act.

I am also satisfied that Shell Australia Pty Ltd is likely to contravene Clause 9(1) of Schedule 3 to the Act again because:

1. The activity remains part of operational practice when pneumatic engagement is unavailable and persons may therefore continue to be exposed to the same incident mechanism.
2. Existing controls rely predominantly on procedural compliance, communication and worker actions.

Risk to health or safety

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 Prelude FLNG facility:

- Persons undertaking manual engagement of the STG turning gear may be exposed to unexpected or uncontrolled movement of the turning gear, barring equipment or associated tooling.
- That exposure may result in a person being struck, trapped or crushed by moving equipment or between moving and fixed components. The potential consequences may result in serious injury such as fractures, crush injuries, and permanent impairment.

Actions Required

I am satisfied on reasonable grounds that the following actions must be taken by the responsible person to reduce or prevent the risk:

1. Before any further manual engagement of an STG turning gear is undertaken, implement and verify controls that prevent the turning gear motor, automated start sequence and any other relevant energy source from causing movement of the turning gear, barring equipment or associated tooling while a person could be exposed to that movement.
2. Review the design and operation of the STG turning gear engagement system and implement control measures that:
 - a. eliminate, or otherwise minimise, the need for manual engagement activities so far as is reasonably practicable;
 - b. prevent persons from being exposed to unexpected energisation or movement during manual engagement activities; and
 - c. demonstrate critical controls, including isolation, verification, supervision and procedural controls, are effectively implemented, maintained and verified.

The actions must be completed within 180 days of this notice.

[REDACTED]
[REDACTED] 10/09/2026 16:42:03 GMT+8)

[REDACTED]

NOPSEMA INSPECTOR

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 8700

By signing below, I confirm on behalf of Shell Australia Pty Ltd that the specified action described in Improvement Notice No. 2130 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.