

**From CEO John Clegg**

The year 2009 opens with a tragic reminder that health and safety must always remain the focus of our day-to-day work. NOPSA is currently investigating a fatality that occurred on Christmas Eve on the Karratha Spirit, operated by Teekay Shipping. The fatality occurred while the vessel was disconnecting from its mooring buoy.

This is the first fatality to occur in the Australian offshore petroleum industry for five years and with this in mind it is timely for the industry to focus on achieving its health and safety goals in the coming year. In particular, the industry needs to focus on supervision, training and competence, and implementation of safety systems.

Key areas of continuing concern are high personal injury rates and hydrocarbon releases. Poor hydrocarbon release performance reinforces the importance of maintaining process safety and facility integrity management systems.

Industry matters

Fatal accident on the Teekay Karratha Spirit facility

NOPSA is currently investigating a fatal accident which occurred on the Teekay Karratha Spirit facility during disconnection of the facility from its mooring buoy in response to adverse weather arising from Tropical Cyclone Billy.

The Karratha Spirit is a floating storage and offloading facility operated by Teekay Shipping (Australia) Pty Ltd and is located in the Legendre field approximately 105km north of Dampier in Commonwealth waters.

Saipem Castoro Otto Investigation

NOPSA is currently investigating an incident involving the Castoro Otto pipelay vessel, operated by Saipem (Portugal) Comercio Maritimo on contract to Eni Australia Pty Ltd for the Blacktip Gas Project offshore installation.

The Castoro Otto was located in Commonwealth waters adjacent to Western Australia, offshore in the Joseph Bonaparte Gulf region, approximately 200km northeast of Wyndham. The crew were recovering anchors in preparation to sail away to avoid a tropical low which later developed into Cyclone Billy, a Category 1 cyclone. However, they were unable to complete recovery of anchors and consequently had to weather Cyclone Billy as it passed close by.

Joint Commonwealth-State Inquiry

A joint Commonwealth-State inquiry into the Varanus Island gas explosion has been announced and the report is expected by mid-April this year. The inquiry will focus on the underlying regulatory regime and the performance of the regulators. The inquiry has also been tasked with reviewing the circumstances of the two investigations mentioned above.

Mr Kym Bills of the Australian Transport Safety Bureau and Mr David Agostini, a former Woodside executive have been appointed to conduct the inquiry.

Once the inquiry is completed the report will be referred to the Ministerial Council on Mineral and Petroleum Resources for consideration.

Noise Assessment

Operators are reminded that noise assessments must be undertaken by competent persons and it is the responsibility of an operator to be able to demonstrate the competence of noise assessors, through evidence of appropriate qualifications, experience and familiarity with the legislation.

Baker Report recommendations

Last month's CEO Newsletter mentioned the tragic explosion at BP's Texas City refinery which claimed 15 lives in 2005. As a result of this accident and other accidents at BP's U.S. refinery, the U.S. Chemical Safety and Hazard Investigation Board (CSB) urgently recommended that an Independent Safety Review Panel be established to examine the corporate safety culture in all of BP's U.S. refineries.

The report of the Panel's review (the Baker Report), contains 10 recommendations for industry. During the coming months, the CEO Newsletter will examine those recommendations.

AOG Conference February 2009

The [Australasian Oil and Gas Conference](#)¹ will be held in Perth from 17th to 19th February 2009. NOPSA will be participating in the safety seminar and will once again be exhibiting and encourages people to visit the NOPSA booth.

Safety Case Guidance Notes

NOPSA is currently in the process of developing a [set of Guidance Notes to aid in the preparation of safety cases](#)². Through consultation with Industry, the project aims to improve the quality of safety case submissions, assist operators to fulfil the requirements of the regulations and minimise safety case rejections.

NOPSA welcomes comment on these Draft Guidance notes which are available on our website (see link above).

International

Lifeboat investigation launched

The Petroleum Safety Authority Norway has launched an investigation into operator StatoilHydro and lifeboat supplier Umoe Schat-Harding following several incidents of the release mechanism on free-fall lifeboats failing.

The inquiry will focus on functional specifications, ordering, design, and procedures for testing, qualifying and maintaining components and affected systems.

Helicopter crash in USA

On the 4th January, a PHI Sikorski S-76 medium transport helicopter was involved in a fatal crash in marshlands while travelling to the Gulf of Mexico. The flight was travelling to Shell's South Timbalier 300 Block offshore platform. There were seven passengers and two PHI pilots on board. Eight people died in the accident, and there is one survivor who is in critical condition. The cause of the accident is unknown and is under investigation by the PHI and the National Transportation Safety Board.

Industry practices

Here we provide examples of good offshore industry practice from recent NOPSA inspections.



Personnel guard installed to protect winch operator during operations.



Operating station has been moved away from the winch to a safer location.

Regulatory activities

As at 28th January 2009

Disclaimer: Activity and incident quantities identified here may vary as further information becomes available. Statistics are prepared just prior to the last Friday of the month

Safety Case Assessment

January 2009 Assessment Type	Submitted	Accepted / Completed / Stopped	Rejected	Being Assessed
Safety Case NEW	1	1		14
Safety Case REVISED	8	4		9
Safety Case OTHER				
Pipeline SMP NEW				
Pipeline SMP REVISED				
Diving SMS				
Diving Project Plan				
Scope of Validation	2	4		5
Field Development Plan				1
Advice				
TOTALS	11	9		29

Inspections

Six inspections were conducted in January. Some of the issues included:

- Quality of maintenance routines
- Improved use of maintenance management system
- Workforce consultation
- Explosion proof equipment non-compliances
- Noise management

Incidents and complaints

There were a total of 26 incidents and no complaints reported in January. The incidents included 23 dangerous occurrences, one serious injury and two lost time injuries.

The major incidents included:

- one serious accident – fractured leg
- two collisions – marine vessels contacted facilities
- three dangerous occurrences that could have caused death or serious injury
 - one electric shock whilst moving redundant equipment
 - one electric shock from live refrigeration container
 - one dropped object when tugger wire parted

The significant incidents included:

- two LTIs – one back injury and one seizure
- two dangerous occurrences that could have caused injury
 - one dropped object grazed worker as it fell (working at height)
 - one pinched finger while handling load
- four gas releases (>1-300 kg)
- three incidents involving valves failing or not meeting performance standards
- two incidents involving handling of casing that required further investigation
- four unplanned events
 - two general alarms leading to muster
 - one medivac
 - one accommodation flood – result of ballast tank overfilling

Enforcement

No Written Advice/Warnings, Improvement Notices, Prohibition Notices nor Prosecution Briefs were issued in January.

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[Past issues of this newsletter](#)³ are available from the NOPSA website. Operators and other employers are encouraged to circulate this newsletter to their workforce. Please add your details to our [distribution list](#)⁴ to receive future copies of this newsletter.

Find out more

¹ <http://www.aogexpo.com.au/>

² <http://www.nopsa.gov.au/projects.asp>

³ http://www.nopsa.gov.au/CEO_emails/index.asp

⁴ info@nopsa.gov.au