

**From CEO Jane Cutler**

NOPSA continues to work closely with the operators of the Montara wellhead platform and the West Atlas drilling rig to oversee the operators' safety arrangements for those people involved in recovery operations following the uncontrolled release of hydrocarbons from the site.

Well control specialists have now re-boarded the facilities in preparation for well plugging activities after NOPSA inspectors were satisfied that the operators had taken adequate action to remove threats to health and safety.

NOPSA had required the operators to provide a very high level of detail in revised safety cases to minimise risks to people re-boarding due to the uncertainty of the situation on the facilities.

A key element of both operators' revised safety case submissions to NOPSA was a process of ongoing risk assessment and staged decision-making against all potential hazards.

Further recovery operations which may include removal/salvage of the West Atlas and remediation of the wellhead platform may entail a number of further safety case revisions by the operators which will need to be accepted by NOPSA before these aspects of recovery work can take place.

**Investigation**

The NOPSA investigation into safety related aspects of the uncontrolled release of hydrocarbons from the Montara wellhead platform is now in its final stages.

NOPSA inspectors are now documenting the analysis of the investigation information. They will shortly deliver a recommendation to me with regard to enforcement actions. Any findings of potential breaches of the regulations may be referred to the Commonwealth Director of Public Prosecutions for further action.

NOPSA's investigation is focused on regulatory compliance with health and safety laws. A separate Commission of Inquiry has been announced by the Minister for Resources and Energy, the Hon Martin Ferguson AM MP. This inquiry will have the powers and authority of a Royal Commission and will receive evidence on a 'no blame' basis.

**Industry matters****Inspection of facilities by NOPSA is mandatory**

Inspections are a vital part of NOPSA's regulatory oversight role and NOPSA inspectors must have reasonable access to an operator's facilities in order to conduct these.

While NOPSA inspectors will seek to liaise with operators regarding timing and scope of inspections where possible, deferment of inspection due to an operator's internal requirements or project schedules cannot override the legislated powers of the OHS inspector to gain access to the

facility to carry out the inspection.

Some frequently asked questions and responses are provided here as a reminder of the role and powers of NOPSA OHS inspectors. A copy of NOPSA's inspection policy can be viewed on our website at [Inspection Policy](#).

*Q What is the purpose of NOPSA inspections?*

A Planned inspections by NOPSA aim to verify the risk management commitments made by the operator in the safety case and to provide assurance that the operator is discharging its responsibility to manage risks to as low as reasonably practicable, based on the accepted safety case for the facility. NOPSA's planned inspections do not physically inspect every portion of the facility – rather they operate on a quality assurance basis. Planned inspections are a sampled evaluation of the safety systems used by the operator to manage the risks associated with the facility.

*Q When can NOPSA undertake inspections?*

A The legislation provides for OHS inspectors to conduct an inspection at any time to: ascertain whether requirements of the OHS law are being complied with; or concerning a contravention of the OHS law; or concerning an accident or dangerous occurrence that has occurred at or near a facility.

*Q What powers do NOPSA inspectors have regarding inspections?*

A An OHS inspector may: enter the facility; search the facility; require the answering of questions; the production of documents and articles; inspect, examine, take measurements, or conduct tests concerning, any workplace, plant, substance or thing at the facility

An OHS inspector may also require the operator and other parties to provide the inspectors with reasonable assistance and facilities including accommodation at the facility, and transport to or from the facility.

*Q How often does NOPSA inspect facilities?*

A NOPSA aims to inspect all fixed normally attended facilities at least once per year.

## **Understanding validation and its role in offshore safety**

Validation has a vital role to play in the provision of independent assurance that the offshore operator is properly controlling health and safety risks on its facility.

While an operator has the principal duty to ensure the health and safety of people on a facility, NOPSA's role is to provide independent oversight that the risks to health and safety are properly controlled. Validation is vital in this process. It provides NOPSA with a higher level of assurance that the offshore operator's systems and equipment will meet their safety requirements.

Validation provides for assessment by a suitably qualified independent party that the design, construction and installation of a facility has been reviewed and assessed against appropriate standards.

Before an operator of a proposed facility can submit a safety case to NOPSA for assessment, it must agree on a scope of validation with NOPSA. The scope of validation details the structures, equipment and systems that will be covered by the validation and the associated standards and codes that form the validation criteria.

NOPSA has produced a new leaflet with frequently asked questions on validation which is available from its website or copies of the leaflet can be ordered from: [publications@nopsa.gov.au](mailto:publications@nopsa.gov.au). More detailed information is available in a [guideline on validation](#)<sup>1</sup> available on NOPSA's website.

## **Common safety training on way**

Plans are underway for the launch early next year of the Common Safety Training Programme to be implemented across the offshore industry. This programme is an initiative of the industry CEO Safety Leadership Forum.

The Australian Petroleum Production and Exploration Association (APPEA) has now formally endorsed the programme which has been trialled as a pilot scheme in WA and Queensland with positive feedback. Meetings and liaison with operators and contractors to discuss implementation issues are currently underway.

The new programme has been designed so that it can be used for both offshore and onshore drilling sectors with implementation in the offshore sector to occur as of 1 April 2010.

### Case study on hand injuries available

An examination of best practices to reduce risks of hand injuries has been prepared by APPEA.

The case study, [Getting a grip – controlling hand & finger injuries<sup>2</sup>](#), part of APPEA's [Sharing Safety Solutions series](#), shows that no single barrier is effective enough on its own to protect against hand and finger injuries. Therefore control measures at each level of the hierarchy of controls need to be used. The case study provides examples of best practice to assist reduction in the incidence of such injuries

### News sheet on offshore health and safety now available

The latest edition of NOPSA's *Boot Room News* which highlights health and safety issues for the offshore workforce has been distributed and is available on the website. Hard copies of the leaflet can be ordered from: [publications@nopsa.gov.au](mailto:publications@nopsa.gov.au)

### New poster highlights regulatory steps in offshore safety



*NOPSA occupational health and safety inspector, Craig Wallis examines regulatory steps that entrants to Australia's offshore safety regime must comply. These are highlighted in a new fold-up poster with copies available from [publications@nopsa.gov.au](mailto:publications@nopsa.gov.au).*

**Baker Report – Recommendations 9 and 10**

The Baker Report, produced after a devastating process accident at the BP Texas City refinery in 2005, looks at safety culture and contains valuable lessons for industry today. The report called on the operator to give process safety the same priority it had historically given to personal safety and environmental performance. Ten milestone recommendations were made by the Baker Report. Each recommendation has been examined in a separate issue of this newsletter with the last two listed here emphasising the need for appropriate levels of governance and responsibility.

Recommendation 9: **Board monitoring** - the board of the company should engage an independent monitor for at least five years to monitor the implementation of the ten process safety recommendations and the ongoing process safety performance. The ten safety recommendations are, in summary:

- *process safety leadership*
- *integrated and comprehensive process safety management system*
- *process safety knowledge and expertise*
- *process safety culture*
- *clearly defined expectations and accountability for process safety*
- *support for line management*
- *leading and lagging performance indicators for process safety*
- *process safety auditing*
- *board monitoring*
- *industry leader*

Recommendation 10: **Industry leader** – the company should use the experience (in this case the Texas City incident) to transform the company into a recognised industry leader in process safety management.

The Baker Panel report concluded that if its recommendations were properly implemented at refineries and related industries, then safety levels would improve. The detailed recommendations and findings in the report can be distilled into the need for the proper formation and sustainability of a process safety management system and a strong safety culture.

## International

### Research information useful for local conditions

The UK Health and Safety Executive has published a range of research reports that are relevant to offshore petroleum operations. Much of the content reflects the UK's regulatory regime, but the publications contain information that may be of interest to operators here in Australia.

Recent papers include:

- [A Monte Carlo approach](#)<sup>3</sup> to joint probability wave, tide and surge in EWL calculations. Extreme Water Level (EWL) is the total level of the water arising from wave crest, storm surge and tidal level acting in combination with each other throughout an extreme event. EWL is a key parameter in the design and safe operation of offshore installations, particularly with respect to bottom founded structures.
- [Structural integrity management framework for fixed jacket structures](#)<sup>4</sup> - is an evaluation of approaches to structural integrity management by offshore operators to ascertain their adequacy in managing aging structures.
- [Structural integrity monitoring](#)<sup>5</sup> - a review and appraisal of current technologies for offshore applications.

### Summary of last International Regulator's Forum now available

The Petroleum Safety Authority hosted the 16th annual meeting of the International Regulators' Forum (IRF) in Stavanger 14 – 16 September this year. The [minutes of the meeting](#)<sup>6</sup> have now been published at the IRF website.

## Regulatory activities

*As at 25 November 2009*

### Assessment

The following assessment activity was undertaken in November

November 2009	Submitted	Accepted / Agreed	Rejected	Stopped / Recalled	In Progress
<b>Assessment Type</b>					
Safety Case NEW		3			6
Safety Case REVISED	11	12	1	1	12
Pipeline SMP NEW					1
Pipeline SMP REVISED					
Diving SMS NEW					
Diving SMS REVISED		1			
Diving Project Plan					
Scope of Validation Field Development Plan	2	3			5
		19	1	1	24

### Inspections

Eight inspections were conducted during November. Scope items included:

- Follow-up previous recommendations
- Meet with HSRs
- Follow-up previous incidents
- Emergency Management
- Helicopter crash
- Dropped objects
- Training and Competency

## Incidents and complaints

19 incidents and nil complaints were received from industry.

The incidents comprised:

MAJOR INCIDENTS	No.	SIGNIFICANT INCIDENTS	No.
<b>Accidents</b>		<b>Accidents</b>	
Death or serious injury	1	Incapacitation LTI >3 days	4
<b>Dangerous Occurrences</b>		<b>Dangerous Occurrences</b>	
Could have caused death or serious injury	2	Could have caused an LTI >3 days	2
Fires or explosions	3	Hydrocarbon gas releases - 1 to 300 kg	
Collision marine vessel and facility	0	Petroleum liquid releases - 80 to 12 500 L	
Hydrocarbon gas releases - >300 kg		Well kick >50 barrels	
Petroleum liquid releases - >12 500 L		Unplanned Event - Implement ERP	2
		Damage to Safety-Critical Equipment	3
		Other needing immediate investigation	2
		Pipeline – risk of accident	
		Pipeline – kind needing immediate investigation	
<b>Major Sub-total</b>	<b>6</b>	<b>Significant Sub-total</b>	<b>13</b>
		<b>NOVEMBER 2009 TOTAL</b>	<b>19</b>

## Enforcement

There were nil enforcement actions issued during November.

*Disclaimer: Activity and incident quantities identified here may vary as further information becomes available*

## Feedback

We seek your comments and ideas on offshore health and safety regulation, NOPSA's performance or this newsletter. Please send us feedback to: [publications@nopsa.gov.au](mailto:publications@nopsa.gov.au)

## Subscribe

[Past issues of this newsletter](#)<sup>7</sup> 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](#)<sup>8</sup> to receive future copies of this newsletter (indicate your first name, last name and position/company if applicable).

## Find out more

---

<sup>1</sup> <http://www.nopsa.gov.au/document/N-04200-GL0525%20-%20Validation.pdf>

<sup>2</sup> [http://www.appea.com.au/content/pdfs\\_docs\\_xls/safety/sharing\\_safety\\_solutions\\_12.pdf](http://www.appea.com.au/content/pdfs_docs_xls/safety/sharing_safety_solutions_12.pdf)

<sup>3</sup> <http://www.hse.gov.uk/research/rrpdf/rr740.pdf>

<sup>4</sup> <http://www.hse.gov.uk/research/rrpdf/rr684.pdf>

<sup>5</sup> <http://www.hse.gov.uk/research/rrpdf/rr685.pdf>

<sup>6</sup> <http://www.irffshoresafety.com/annualmeetings/2009annualmeeting.aspx>

<sup>7</sup> [http://www.nopsa.gov.au/CEO\\_emails/index.asp](http://www.nopsa.gov.au/CEO_emails/index.asp)

<sup>8</sup> [info@nopsa.gov.au](mailto:info@nopsa.gov.au)