

**From CEO Jane Cutler**

As we prepare to face the challenges which will surely present themselves in 2010, there are familiar themes and lessons to be considered by industry operators. Incidents such as the uncontrolled hydrocarbon release from the Montara well head remind us that it is low-probability but high-consequence events which have the ability to cause injury to people and damage to environment and property. Therefore we must be constantly vigilant and can never afford to become complacent in this high hazard industry.

Through 2010, NOPSA will continue to encourage operators of offshore petroleum facilities to maintain the highest levels of risk management and continuous improvement of safety operations at offshore facilities. It will do this through promotional activities, monitoring and enforcement, investigation and provision of regulatory and technical advice.

Lessons learned from national and international industrial incidents continue to confirm the need for greater attention to be paid to facility integrity and maintenance. The Key Programme 3 Asset Integrity (KP3) Review from the UK Health and Safety Executive recently emphasised the need to make further progress on improving asset integrity at facilities – many of which faced challenges associated with older infrastructure.

Results from a three-year national programme run by NOPSA focussing on facility integrity reinforce similar messages. These include a need to focus on hardware and its maintenance in order to achieve effective facility integrity. Less than half of facilities inspected by NOPSA during the programme fully met the good practice expectations in facility integrity management of topsides hydrocarbon process related equipment.

In the light of these findings, NOPSA will continue to focus on facility integrity for the foreseeable future. Themed audits on asset integrity will be part of NOPSA's planned activities for the coming year.

Industry matters

Call for new way of regulating offshore petroleum well safety in Australia

The Montara uncontrolled hydrocarbon release occurred because there was a failure of the integrity of one of the wells in the Montara field.

NOPSA has provided a [submission](#) to the Commission of Inquiry into the Montara uncontrolled hydrocarbon release which includes a call for legislative change to improve the regulation of the integrity of offshore petroleum wells.

The primary responsibility for the integrity of the well rests with the titleholder of the well under the *Petroleum (Submerged Lands) (Management of Well Operations) Regulations 2004*. These regulations are administered by the State or Territory designated authorities. NOPSA has submitted that legislative change is needed to create more focused arrangements for regulating the integrity of wells.

NOPSA believes that if resourced and funded appropriately it has the expertise and would be best placed to administer legislation relating to the integrity and safety of wells.

NOPSA is responsible for regulating the occupational health and safety of people at offshore petroleum facilities. Its functions and powers do not extend to the integrity of wells.

In its submission, NOPSA says a regulatory change augmenting its role would also help promote objectivity and independence by further separating safety from the resource management and government petroleum revenue generation activities of State and Northern Territory agencies which currently have responsibility for the critical assessment of Well Operations Management Plans (WOMPs).

NOPSA is currently undertaking an investigation into the Montara uncontrolled hydrocarbon release to determine whether any occupational health and safety laws have been contravened by the operators of the Montara well head platform and the West Atlas drilling unit. Subject to NOPSA's findings it will provide a brief of evidence to the Commonwealth Department of Prosecutions for their consideration.

Safety regulation changes

A summary of changes resulting from a project undertaken by the Federal Department of Resources, Energy and Tourism (RET) to consolidate and update the safety-related regulations is available on the [NOPSA website](#). NOPSA has also developed a [concordance table](#) to assist users to identify key changes in the regulations.

Until the new regulations are mirrored by the relevant State or Northern Territory governments there will be some differences between the OHS regulatory regimes in Commonwealth waters compared to designated coastal waters. For example, pipelines that cross designated coastal waters will still be required to have an accepted Pipeline Management Plan including a Pipeline Safety Management Plan whereas pipelines in Commonwealth waters now require a safety case.

Changing sea conditions a potential hazard for lifting operations

Two recent incidents have highlighted hazards associated with unexpected worsening in sea-state during lifting operations. NOPSA has issued a [safety alert](#), available on its website, describing the incidents and highlighting the need for careful planning, identification of hazards, continuous assessment of risks and use of appropriate controls for lifting operations which are one of the most hazardous offshore activities.

The first incident took place on a construction support vessel in Australian waters. A large swell hit the vessel while a crane block was being lowered. The block collided with an empty product reel, an air conditioning unit and the walkway of another crane. There were no injuries to personnel as people had earlier moved clear of lifting equipment.

The second incident, outside Australian waters, occurred when a crane ball developed a swing due to a worsening sea swell and struck one of legs of a platform jacket and ricocheted into the frame of a personnel lifting device striking one of the occupants. The injured person was taken to hospital but released later that day.

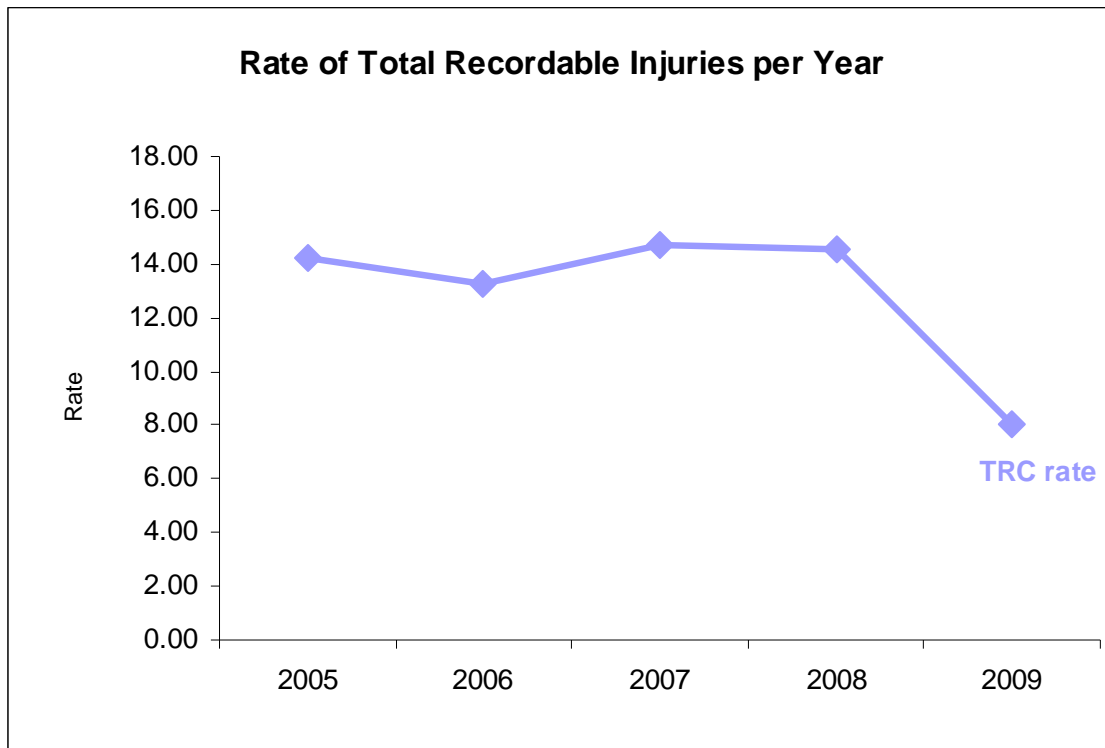
NOPSA's safety alert emphasizes that it is important that any changes in circumstances, such as congested lifting areas and potential changes in sea-state which could lead to unpredicted movement of a suspended load, are given appropriate consideration in the task safety analysis.



Platform jacket showing personnel lifting device and crane wire.

Quarterly industry report shows decrease in injuries

NOPSA has released its December quarter industry [report](#) which is compiled from incident reports submitted by industry operators of offshore petroleum facilities. The report, which is available on the NOPSA website, shows a marked decrease in recordable injuries in 2009.



What to do if you have safety concerns

Offshore petroleum workers who may have safety concerns are advised as a first step to raise the issues with their line management. If the issues are not resolved, it may then be appropriate to raise concerns with the Health and Safety Representative or the safety committee for the worksite.

If these approaches fail to produce a satisfactory outcome, then the issue can be raised with a NOPSA inspector. You can contact NOPSA's incident reporting number (08) 6461 7090 or email NOPSA on: information@nopsa.gov.au. All voluntary reports made by workers on offshore facilities are treated in confidence and can be made anonymously.

NOPSA will examine the nature of the report and decide on an appropriate course of action.

International

Dropped drill pipe causes injuries

A [safety alert](#) issued by the International Association of Drilling Contractors highlights the dangers of carrying out work without a suitable job specific analysis (JSA). Several incidents occurred involving dropped stands of drill pipe. In one instance a stand of pipe severed a rig floor crewman's toes. In the other, the dropped stand being winched back whipped into the derrickman's board which struck his leg, breaking it.

In each incident the procedure for pulling back a dropped stand was found to be inadequate and no JSA had been performed to define the hazards of the task or explain how to address them.

Regulatory activities

As at 27 January 2010

Assessment

The following assessment activity was undertaken in January

January 2010						
Assessment Type	Submitted	Notified - incomplete	Accepted / Agreed	Rejected	Stopped / Recalled	In Progress
Safety Case NEW			1		1	9
Safety Case REVISED	5	2			3	13
Pipeline SMP NEW*		1				0
Pipeline SMP REVISED*						1
Diving SMS NEW						
Diving SMS REVISED						
Diving Project Plan						
Scope of Validation						2
Field Development Plan			1			
	5	3	2	0	4	25

*Pipeline SMPs currently only apply in state waters.

Inspections

Seven inspections were conducted in January. Scope items covered included:

Scope Item	Inspections	Scope Item	Inspections
Consultation with HSRs and members of the workforce	7	Controls in place for HUC activities	1
Verification of commitments regarding the recommendations from previous inspections and audits	4	Cyclone emergency response criteria - Theme Audit (Part of AOP).	1
Follow up on previous incidents	2	Asbestos management	1
Inspection maintenance and repair	1	Emergency management	1
Loss of containment - inspection, testing and maintenance of safety critical elements including blow down valves and emergency shutdown valves.	1	Emergency management - onshore emergency management and maintenance of offshore emergency response systems	1
Themed audit - Emergency Response	1	Accommodation fire major accident event controls	1
Verification of commitments regarding the recommendations from previous inspections	1	Diving system, diving personnel, equipment and documentation Inspection	1

Incidents and complaints

24 incidents and nil complaints were received from industry.

The incidents comprised the following:

MAJOR INCIDENTS	No.	SIGNIFICANT INCIDENTS	No.
Accidents		Accidents	
Death or serious injury	1	Incapacitation LTI >3 days	5
Dangerous Occurrences		Dangerous Occurrences	
Could have caused death or serious injury	1	Could have caused an LTI >3 days	2
Fires or explosions		Hydrocarbon gas releases - 1 to 300 kg	1
Collision marine vessel and facility	1	Petroleum liquid releases - 80 to 12 500 L	1
Hydrocarbon gas releases - >300 kg	1	Well kick >50 barrels	
Petroleum liquid releases - >12 500 L		Unplanned Event - Implement ERP	7
		Damage to Safety-Critical Equipment	4
		Other needing immediate investigation	
		Pipeline – risk of accident	
		Pipeline – kind needing immediate investigation	
Major Sub-total	4	Significant Sub-total	20
		JANUARY 2010 TOTAL	24

Enforcement

There was one enforcement action issued during January. This was an Improvement Notice for accommodation noise management issues.

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

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