

**From CEO Jane Cutler**

The recent fire and explosion on a mobile offshore drilling unit in the Gulf of Mexico in the US in which 11 crew members lost their lives is a tragic reminder of the potential hazards associated with offshore petroleum operations.

Ours is a global industry and our sympathies are with the families of those crew members.

While the current focus in the US by the operators and regulators is on managing the aftermath of this major incident, investigations will take place.

The results of these investigations will be followed keenly by NOPSA and other participants in the offshore petroleum industry in order to learn lessons that will enable greater understanding of what went wrong and how to prevent such events from occurring in the future.

The US incident reminds us yet again that it is the low probability but high consequence major accident events that are a risk to people, environment and property in this industry.

This is why we can never afford to become complacent. We must learn from events like the Deepwater Horizon in the Gulf of Mexico and Australia's Montara incident so they are not repeated.

## Industry matters

**National Forum on Revision of the IAEA Basic Safety Standards**

The International Atomic Energy Agency (IAEA) is revising its International Basic Safety Standards for Protection against Ionizing Radiation. To assist in consideration of stakeholder input into the Australian response, the Australia Radiation Protection and Nuclear Safety Agency (ARPANSA) is sponsoring a [National Forum](#), to be held in Melbourne on Wednesday 19 May.

**Register soon for HSR Forum**

This year's [Health and Safety Representatives \(HSR\) Forum](#) is designed to provide offshore petroleum facility HSRs with a wealth of informative sessions on issues such as organisational culture, fitness for work, methods of resolving conflict, fatigue effects and risk perception.

Registrations for the HSR Forum to be held on August 10 at Perth's Burswood Convention Centre will open on June 15. The forum is organised by the Australian Petroleum Production and Exploration Association (APPEA) in conjunction with NOPSA. It will be followed by the APPEA Safety Conference - Safety for Generations - from August 11-12.

## New guidance note on risk assessment available

A new Guidance Note in NOPSA's series to assist operators of offshore petroleum facilities with safety case preparation is now available on our website.

The [Risk Assessment Guidance Note](#) provides information to assist operators with the process of conducting risk assessments which are an integral part of the formal safety assessment within a safety case.

The new guidance note explains risk assessment approaches which could be applied to offshore facilities and activities, and demonstrates that there is a wide range of analysis, including

qualitative, semi-qualitative and quantitative, that can be used to help operators understand the risk levels at their facilities. Hazards need to be identified and the associated risks assessed before operators can manage them properly.

The guidance note will be of use to those with responsibility for planning and developing facility safety cases, and those involved in safety case implementation, maintenance, and ongoing risk management.

This latest guidance note forms part of a sub-group of safety case guidance notes which NOPSA is developing to assist operators through the process of conducting formal safety assessments. These notes include:

- Hazard Identification (Published)
- Supporting Safety Studies ((Draft available for public comment in late May)
- Risk Assessment (Published)
- ALARP (Draft undergoing internal review prior to public comment and workshops)
- Control Measures and Performance Standards ([Draft available](#) for public comment 23 April)

A workshop with industry participants on the Control Measures and Performance Standards Guidance Note was held in Melbourne in April. A workshop scheduled for 7 May in Perth is already fully booked.



### **‘Back to basics’ on maintenance**

Findings from NOPSA’s three-year national programme on facility integrity demonstrate that the safety of offshore personnel is often compromised by a lack of basic maintenance.

The national programme on facility integrity examined issues including the operator’s onshore facility management systems, the topside maintenance systems, topsides process and pressure integrity, topsides corrosion and erosion, topsides structural integrity and small-bore piping, tubing and flexible hoses.

The programme also considered outcomes from inspections and trends from accident and dangerous occurrence reporting, including uncontrolled hydrocarbon release data.

Inspections and analysis of uncontrolled hydrocarbon releases showed areas of concern:

- maintenance backlogs generally, and particularly in conjunction with
  - inadequate management of deferred maintenance,
  - failure to test and maintain safety critical equipment
  - inadequate performance standards

A [report](#) detailing data gathered and findings from the three-year programme is available for download from the NOPSA website.

The findings contained in the report have prompted NOPSA to continue its focus on facility integrity in its offshore inspection programme.



*Facility integrity is the ability of a facility to function effectively while protecting the health and safety of people.*

### Compressor failure and fire prompts alert

NOPSA has warned of the importance of ensuring commissioning activities are correctly undertaken and verified by competent persons.

A [safety alert](#) was issued by NOPSA following the incident in which a high pressure gas compressor experienced failure which led to a fire during start-up on a floating production storage and offloading (FPSO) facility.



*Fortunately no personnel were injured during the compressor failure and subsequent fire.*

### Risk of fires from inverter drives

All transformers fed by inverter drives should be checked to see if they are rated for inverter duty, and inspected periodically for the effects of overheating. This is the advice contained in a [safety alert](#) issued by NOPSA this week.



*The effects of fire in an accommodation support vessel's thruster circuit transformer*

## International

### **Updates on Deepwater Horizon incident**

Efforts are continuing to stop the uncontrolled release of hydrocarbons after the explosion and sinking of the Transocean Deepwater Horizon mobile offshore drilling unit in the Gulf of Mexico. Progress updates are available on a joint regulator and operator [website](#).

### **Ageing facilities concern Norwegian regulator**

Challenges relating to management of safety issues concerning ageing offshore petroleum facilities including raising awareness and putting in place regulation and standards were raised in recent [seminars](#) by the Norwegian Petroleum Safety Authority (PSA).

### **Alert over handling of 'wet bulk waste' on offshore supply vessels – HSE**

The UK Health and Safety Executive (HSE) has issued a [safety notice](#) after a number of serious incidents involving the carriage of hazardous 'oil contaminated cargo' on offshore supply vessels.

### **Alert - failure of pipeline emergency shut down valve – HSE**

The failure of a spring return pipeline emergency shut down valve (ESDV) has prompted a [safety alert](#) from the HSE. The failure of the ESDV actuator spring end-plate retaining tie rods due to corrosion, led to the spring being released from the ESDV. This left the primary platform isolation device inoperable with the valve failed in the open position.

The Safety Alert recommended that following this incident, where identified valves are defined as Safety Critical Elements (e.g. ESDVs), or where release of the spring could present a risk of injury to personnel or damage to plant, duty holders should make these a priority for inspection / modification.

### **IMCA Safety Alerts**

The International Marine Contractors Association (IMCA) has issued a range of recent [safety 'flashes'](#) concerning incidents on offshore facilities. These range from a fatality during anchor handling operations, electric shock to a crew man, improper use of fall-arrest equipment, failure of hose reel bearing housing, damage to vessel deck during removal of sea-fastenings and opening of circuit breakers.

## Regulatory activities

*As at 28th April 2010*

### Assessment

The following assessment activity was undertaken in April.

| April 2010             | Submitted | Notified –<br>waiting<br>^RFFWI | Notified -<br>Accepted /<br>Agreed | Notified -<br>Rejected | Stopped /<br>Recalled | In<br>Progress |
|------------------------|-----------|---------------------------------|------------------------------------|------------------------|-----------------------|----------------|
| Assessment Type        |           |                                 |                                    |                        |                       |                |
| Safety Case NEW        |           |                                 | 1                                  |                        |                       | 7              |
| Safety Case REVISED    | 4         |                                 | 6                                  |                        |                       | 5              |
| Diving SMS NEW         | 1         |                                 |                                    |                        |                       | 2              |
| Pipeline SMP NEW*      |           |                                 |                                    |                        |                       | 3              |
| Scope of Validation    |           | 1                               |                                    |                        |                       | 3              |
| Field Development Plan | 1         |                                 |                                    |                        |                       | 1              |
|                        | 6         | 1                               | 7                                  |                        |                       | 21             |

\* State waters.

^ RFFWI – Request for further written information

### Inspections

Eight facilities had planned inspections in April.

Scope items covered included:

- loss of containment
- themed audit - contractor management
- themed audit - leadership in MAE prevention
- emergency management
- noise management
- hazardous substances
- health data and OHS policy
- heat stress
- diving system
- permit to work
- regular NOPSA activities - consultation with health and safety representatives, follow-up of incidents and previous recommendations.

## Incidents

Twenty three accident and dangerous occurrences were reported. These comprised:

| MAJOR INCIDENTS                           | No       | SIGNIFICANT INCIDENTS                      | No.       |
|---|----------|--|-----------|
| <b>Accidents</b>                          |          | <b>Accidents</b>                           |           |
| Serious injury                            | 1        | Incapacitation LTI >3 days                 | 3         |
| <b>Dangerous Occurrences</b>              |          | <b>Dangerous Occurrences</b>               |           |
| Could have caused death or serious injury | 3        | Could have caused an LTI >3 days           |           |
| Fires or explosions                       |          | Hydrocarbon gas releases - 1 to 300 kg     | 2         |
| Collision marine vessel and facility      | 1        | 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            | 6         |
|   |          | Damage to Safety-Critical Equipment        | 6         |
|   |          | Other needing immediate investigation      | 1         |
| <b>Major Sub-total</b>                    | <b>5</b> | <b>Significant Sub-total</b>               | <b>18</b> |
| <b>APRIL 2010 TOTAL</b>                   |          |  | <b>23</b> |

## Enforcement

There were no enforcement actions.

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

## Feedback

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