



The impact of NOPSA on the Australian offshore construction & pipelay industry

Paul Finnigan

Team Leader

NOPSA



INTRODUCTION

- ❖ **NOPSA's Vision & Mission**
- ❖ **Introduction to NOPSA**
- ❖ **History of NOPSA**
- ❖ **Previous regulatory regime**
- ❖ **Legislation**



NOPSA VISION

- ❖ **Health and safety risks in the Australian offshore petroleum industry are properly controlled**



NOPSA MISSION

To deliver world class offshore petroleum safety regulation for Australia.



THE IMPACT OF NOPSA ON PIPELINE MANAGEMENT, CONSTRUCTION ETC.

- ❖ Pipelay and construction vessels now require Safety Cases to operate in Australian waters, (from 1/7/05)**
- ❖ Pipeline Management Plans, (PMP's) require Safety Management Plans, (PSMP's) assessed by NOPSA**



IMPACTS OF NOPSA

- ❖ **Pipelines cannot be constructed, operated, modified, or decommissioned, without there being a registered operator of the line**



DEFINITION OF THE OPERATOR

- ❖ **Operator for a facility is the ‘person’ that has day-to-day management and control of the facility and its operations**



PRIMARY DUTY OF THE OPERATOR

- ❖ **Must take all reasonably practicable steps to ensure the facility is safe, and all work and other activities are carried out in a safe manner and without risk to people's health**



Requirements for Safety Case

- ❖ **P(SL)A 'Management of Safety on offshore facilities, (MoSOF)' regulations, Part 6, clause 48 requires Safety Case(s) for 'facilities'**



WHAT IS A 'FACILITY'?

- ❖ **Petroleum (Submerged Lands) Act 1967, Schedule 7, clause 2A subsection (1), notes 'while a vessel or structure: is being used, or prepared for use:**
 - ❖ **For the recovery of petroleum, for the storage of petroleum, or for the storage and offloading of petroleum, (or a combination of these);**



WHAT IS A 'FACILITY'?

- ❖ **The definition continues-**
 - ❖ **For the provision of accommodation;**
 - ❖ **For laying pipes, or doing work on pipes;**
 - ❖ **For erection or dismantling / decommissioning of a 'facility'**



WHAT IS A 'FACILITY'?

- ❖ **Petroleum (Submerged Lands) Act 1967, Schedule 7, clause 2A, (subsection part (3)) notes that the facility also includes any wells, plant, equipment used, and any pipes, or secondary lines connected to the facility.**



Requirement for Safety Case

- ❖ **Thus any vessel laying pipes, working on existing pipes, constructing / deconstructing a facility, or providing accommodation during all such works is a 'facility', and as such requires a Safety Case.**



MoSOF REGS – SAFETY CASE REGIME

- ❖ **The facility must be managed through a safety management system (SMS) that is comprehensive and integrated and reduces risk to ALARP**



IMPACT OF NOPSA

- ❖ **Assessment of Safety Cases by NOPSA attracts levies payable by the pipelay / construction vessel operator**
- ❖ **Assessment of PSMP's by NOPSA attracts levies**



IMPACT OF NOPSA (cont'd)

- ❖ **Safety Case Levies:**
 - ❖ **SMS Levy A\$80k pa**
 - ❖ **Facility levy A\$125k pa**
 - ❖ **SMS Levy is a minimum of A\$40k, if operating in Australian waters for less than 6 months per year**



WHY THE CHANGES?

- ❖ **Pipelay and construction vessels could be characterised by;**
 - ❖ **Large PoB**
 - ❖ **Often ‘itinerant’ workforce, hired for project**



WHY THE CHANGES?

- ❖ **Significant OHS issues, (lifting loads, welding, noise, exposure to OHS risks, (ionising radiation etc)**
- ❖ **‘Cultural’ differences between construction, and hydrocarbon, projects**



Safety Cases

- ❖ It is likely that much of the documentation, and work, that constitutes a 'Safety Case' is already available to the 'new facility' operator.
- ❖ A facility description
- ❖ A hazard register
- ❖ Some form of SMS, (eg for IMO ISM)
- ❖ Draft Guidelines for Safety Cases on our website, www.nopsa.gov.au



Pipelay / construction SC's

- ❖ **The degree of detail, and the scope of the new Safety Case should be commensurate with the risks envisaged in it's operations. It should be 'fit for purpose'.**
- ❖ **The absence of a connection to a live reservoir, (for a pipelay vessel etc), should influence the Safety Case contents.**
- ❖ **Safety Case now covers OHS issues, as well as Major Accident Events**



PSMP's

- ❖ **The Pipeline Management Plan, (PMP), continues to be delivered to, and assessed by the Designated Authority, (DA), (eg WA DoIR, NT DBIRD, Vic DPI).**
- ❖ **The safety aspects of the PMP, ie the PSMP, are referred to NOPSA by the DA, for comment.**



PSMP levy fees, (once off)

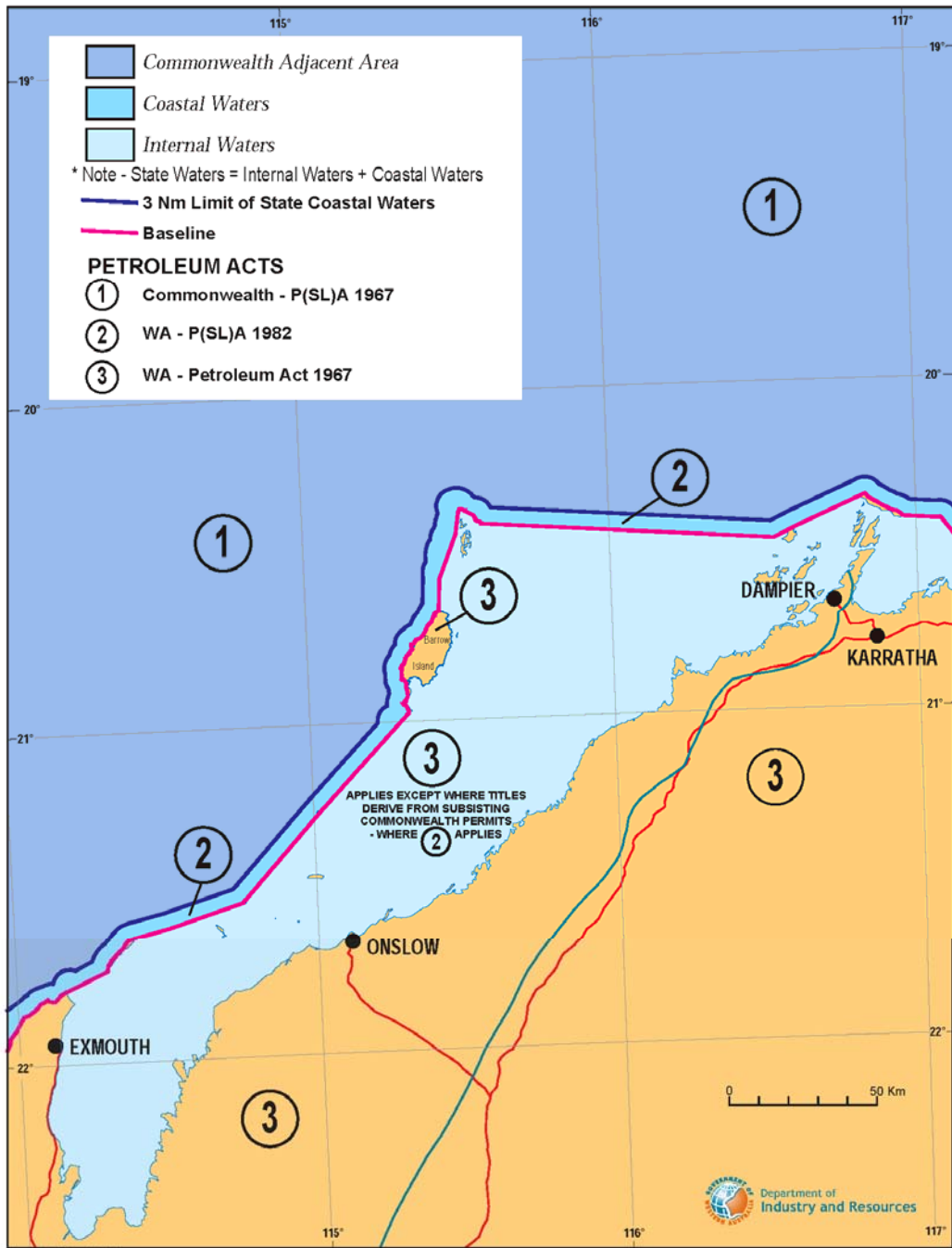
- ❖ Pipeline < 100 km long, no subsea development A\$15k
- ❖ Pipeline < 100 km long, with subsea development A\$30k
- ❖ Pipeline > 100 km long, with or without subsea development
A\$50k



THE PREVIOUS OFFSHORE SAFETY REGIME, (PRE 1/1/05)

- ❖ **Range of regulators across States / NT, (WA DoIR / Vic DPI, NT DBIRD, SA PIRSA)**
- ❖ **‘Critical mass’ difficult in any one State / NT**
- ❖ **Mix of Commonwealth and State/NT laws**

EXAMPLE AREA OF WHERE COMMONWEALTH & STATE PETROLEUM ACTS APPLY



Nat

PSA)



WHERE HAVE WE COME FROM?

- ❖ **Specialised field - difficult to retain staff**
- ❖ **Safety Case approach is comparative – limited scope of any one State / NT**
- ❖ **Industry and workforce made strong case for a single national regulator**

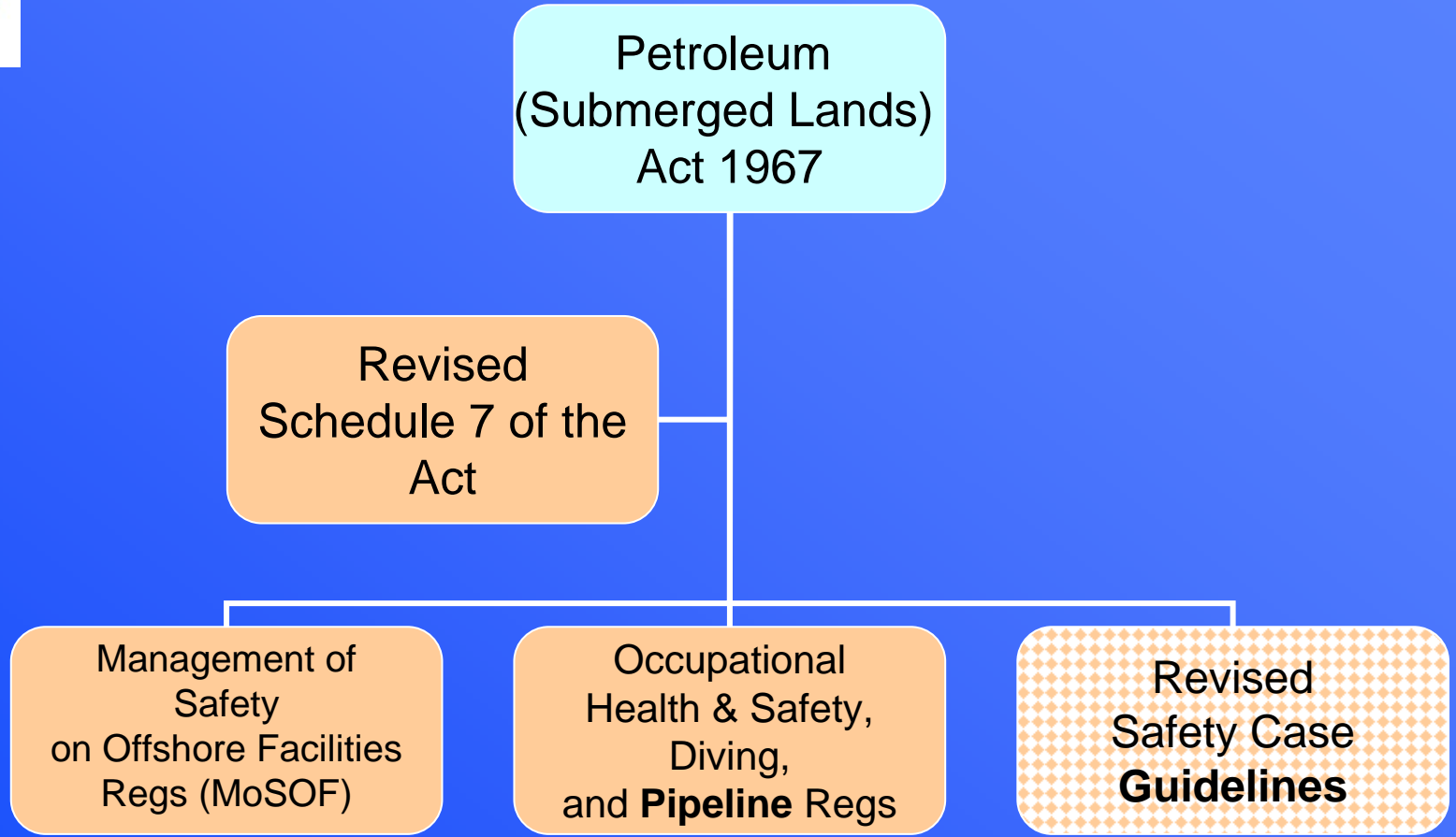


WHERE HAVE WE COME FROM?

- ❖ **Consistency, effectiveness and efficiency were all being potentially compromised in the existing regime, to the detriment of safety.**



WHAT APPLIES?





NOPSA FUNCTIONS

- ❖ **Single regulator – Commonwealth Statutory Authority with an Advisory Board and Public Service Act staff**



NOPSA FUNCTIONS

- ❖ **NOPSA started operations on 1st January 2005, after lengthy gestation & consultation period.**
- ❖ **NOPSA regulates in Commonwealth and, when conferred on NOPSA by State/NT PSLAs, in designated coastal waters**



INCIDENT REPORTING NUMBER

- ❖ **Reporting requirements remain the same**
- ❖ **Call NOPSA pager service on**

(08) 9480 9427



OHS LAWS

- ❖ *Available on the Commonwealth Attorney-General's website at;*
- ❖ **www.comlaw.gov.au**



NOPSA CONTACTS

Paul Finnigan

NOPSA

**Level 22, 44 St Georges Terrace
Perth WA 6000**

Tel: (08) 6461 7000

Fax: (08) 6461 7037

Email: paul.finnigan@nopsa.gov.au

Website: www.nopsa.gov.au

National Offshore Petroleum Safety Authority (NOPSA)