

General Direction – s 574

Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth)

Direction No: 1892

To INPEX Ichthys Pty Ltd

Issue of Direction/s - section 574 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*

I, Derrick O'Keeffe of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), make this instrument under section 574 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) pursuant to the Instrument of delegation dated 2 August 2022.

Derrick O'Keeffe
Head of Division – Safety and Integrity
wA651258

29 November 2022

1. Commencement

This direction takes effect on the date of signature.

2. Application

This direction applies to INPEX Ichthys Pty Ltd (ACN 150 217 253) (INPEX), the registered holder of WA-50-L.

3. Extended Application

Pursuant to subsection 574(3)(a) of the Act, this instrument also applies to Noble Drilling Australia Pty Ltd (formerly known as Maersk Drilling Australia Pty Ltd) (ACN 106 414 108) (Noble), the registered operator of the Maersk Deliverer mobile offshore drilling unit (MODU) facility, being persons performing work or services, whether directly or indirectly, for the registered holder.

4. Direction

The registered holder, INPEX, and by extension the registered operator, Noble, of the Maersk Deliverer MODU are given the directions contained in Schedule 1.

Schedule 1

Direction 1

Implement additional risk reduction control measures to ensure that all lifting operations at the Maersk Deliverer MODU facility are conducted in a safe manner, whilst an external third-party organisation (which is not related directly or indirectly to the titleholder or operator) undertakes:

- (a) an independent investigation of the dropped object incident which occurred on Thursday 17 November 2022, including a comprehensive root cause analysis of the incident and recommended remedial actions; and
- (b) an independent review of all lifting practices that could be used at the Maersk Deliverer MODU facility including, but not limited to, the aspects of:
 - (i) supervision;
 - (ii) work practices;
 - (iii) safety culture; and
 - (iv) the role of management and executive oversight such that lifting operations can ensure the safety of personnel.

The independent review is to provide recommendations of remedial actions.

Implementation of additional risk reduction control measures are to continue until the remedial actions identified in Direction 1(a) and 1(b) are completed to NOPSEMA's satisfaction.

Direction 2

Until the remedial actions identified in Direction 1 are completed to NOPSEMA's satisfaction, submit a written report by close of business every Wednesday to NOPSEMA describing the details of:

- (a) all implemented additional risk reduction control measures for lifting operations; and
- (b) progress against remedial actions in response to Direction 1.

Explanatory Statement

Background

On 17 November 2022 NOPSEMA received a notification from the registered operator, Noble, of a dangerous occurrence on the Maersk Deliverer MODU. The Maersk Deliverer MODU was contracted by the registered holder, INPEX, to undertake drilling operations within title area WA-50-L.

The dangerous occurrence involved a 2.7MT load of scrap steel cable (cable) which was being lifted by a crane. The cable dropped from a height of approximately 15 – 20 metres onto the deck of the Maersk Deliverer MODU.

NOPSEMA has previously issued the following Improvement Notices (IN) in relation to work practices on the Maersk Deliver MODU:

- In October 2021, NOPSEMA issued an IN to Maersk (now Noble) for a series of matters related to lifting operations. The IN required Maersk to conduct an independent audit of the control of work system as it applies to lifting operations and address any deficiencies identified. The circumstances and work practices in relation to the dropped load incident on 17 November 2022 bear similarities to the issues identified in the IN.
- In November 2021, NOPSEMA issued an IN to Maersk (now Noble) in relation to a failure to stop the job when an incident had occurred. The IN instructed Maersk to strengthen their systems of work to mandate an Immediate "Stop work" if an incident occurred, a new hazard was identified, or the risks changed during the work. The IN also instructed Maersk to strengthen the personnel Stop Work Authority. The circumstances and work practices in relation to the dropped load incident on the 17 November 2022 bear similarities to the issues identified in the IN.

On this basis, NOPSEMA considers that it is necessary to issue this Direction for additional controls on lifting operations to be applied at the Maersk Deliverer MODU, until it has been demonstrated by the registered holder and the registered operator, that lifting operations can be undertaken safely and without risk to personnel at the facility.

Instrument of direction

Direction number: 1892

Notes

Notification of a direction has an extended application

Pursuant to section 575 of the Act, as the direction above applies to:

- a) a registered holder; and
- b) a person referred to in section 574(3)(a);

the registered holder must cause a copy of the notice by which the direction was given to be displayed at a prominent position at a place in the offshore area.

Breach of a direction

Under sub section 576(1) of the Act, if a person is subject to a general direction under section 574 and the person engages in conduct that breaches that direction, the person commits an offence:

Fault-based offence – 5 years imprisonment or 2,000 penalty units, or both (10,000 penalty units for a body corporate).

Strict liability offence – 100 penalty units (500 penalty units for a body corporate).

Civil penalty provision – 525 penalty units (2,625 penalty units for a body corporate).

Continuing offences – a person who commits a fault-based or strict liability offence commits a separate offence in respect for each day during which the offence continues. The maximum penalty for each day that the offence continues is 10% of the maximum penalty that can be imposed in respect to that offence.

Continuing contraventions of civil penalty provisions – a person who contravenes the civil penalty provision commits a separate contravention in respect for each day during which the contravention continues. The maximum civil penalty for each day that the contravention continues is 10% of the maximum civil penalty that can be imposed in respect to that contravention.