



Stena Drilling Australia Pty Ltd convicted and fined

Today the Magistrates' Court of Victoria imposed a criminal penalty of \$330,000 against Stena Drilling Australia Pty Ltd (Stena Drilling) for their failure to implement and maintain systems of work that were safe and without risk to health as required under clause 9(2)(d) of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGs Act).

The conviction relates to an accident on the *Stena Clyde* mobile offshore drilling unit that occurred during drilling operations in Commonwealth waters in the Bass Strait on 27 August 2012, which resulted in the death of *Stena Clyde* floorman Peter Meddens and toolpusher Barry Denholm.

The Magistrate's decision follows a sentencing hearing which was held on 26 August 2015 where both Stena Drilling and the Commonwealth Director of Public Prosecutions presented their submissions.

When delivering her decision the Magistrate said that "The profound impact on the victims' families was in evidence in the victim impact statements".

"I note that there were systems in place. It was their implementation on the day that gives rise to the charge. Scrupulous adherence to systems is essential. The consequence of any negligence is profound".

In addition she said that "General deterrence is required, sending a message to others in the industry".

Since the accident occurred the penalty amounts under the OPGGS Act have been significantly increased. The maximum penalty for an operator of a facility negligently breaching their duties relating to occupational health and safety under clause 9(2)(d) of the OPGGS Act is now \$1,487,500 for a body corporate, an increase of 170% on the previous maximum penalty of \$550,000.

NOPSEMA CEO Stuart Smith said "This decision provides further evidence of NOPSEMA's commitment to prosecuting serious breaches of the OPGGS Act in the interests of a safe and environmentally responsible Australian offshore petroleum industry".

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