



Appreciate your comments on whether the questions are on point, and I am more than happy to have a conversation about this on Friday or early next week. I said to Dol I would give them draft questions from our side next week.

## Kind regards



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| From:                                    | @nopsema.gov.au |
|--|-----------------|
| Sent: Wednesday, 15 August 2018 11:24 AM | <del>-</del> 34 |

@industry.gov.au>;

| @industry.gov.au>;  |
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| @industry.gov.au>;  |
| @industry.gov.au>   |
| Cc: Communications nopsema < Communications@nopsema.gov.au>;  |
| @nopsema.gov.au>  |
| Subject: For information only - Discussion Paper - NOPSEMA - AMSA Review  |
|   |
| Colleagues  |
| You may recall some time last year we raised in one of our ORB catch-ups that we were approached by AMSA on some issues   |
|   |
| The attached paper (now final) was drafted by us with input from AMSA. As far as the OPGGS Act is concerned, we navigated various scenarios to establish what falls within our regime and what belongs to AMSA. Both AMSA and NOPSEMA General Counsels reviewed the paper. I had finalised it last year but we needed the AMSA Executive to endorse it before they agreed for it to be disseminated further. I think I did send you an early draft when it was under development. |
| AMSA are now ready to raise it with their policy agency (DITR) as they need to consider some areas of legislative change. The OPGGS Act is able to stand on its legs and define what's in our regime and what falls outside it.   |
|   |
| Happy to answer any questions.  |
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|   |
| Legislative Change, Communications & Stakeholder Relations  |
| National Offshore Petroleum Safety and Environmental Management Authority   |
| T: @nopsema.gov.au   W: nopsema.gov.au  |
| Interested in offshore petroleum safety, well integrity and environmental management?   |
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@amsa.gov.au>

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Sent: Wednesday, 15 August 2018 6:15 AM

To:

| Cc:                                    | @nopsema.gov.au>;     |                  |
|--|-----------------------|------------------|
| @amsa.gov.au>;                         |                       | @nopsema.gov.au> |
| <b>Subject:</b> RE: Discussion Paper - | NOPSEMA - AMSA Review |                  |
|  |                       |                  |
| Hi                                     |                       |                  |
| Apologies for the delay, please        | see the attached.     |                  |
| Regards                                |                       |                  |

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| Internal | Discussion | Paper -       |        |             |       |     |
|----------|------------|---------------|--------|-------------|-------|-----|
|          | for        | oil pollution | for an | <b>FPSO</b> | and F | FSO |

### Purpose

| This paper sets out considerations discussed by the National Offshore Petroleum Safety and              |
|---|
| Environmental Management Authority (NOPSEMA) and the Australian Maritime Safety Authority (AMSA)        |
| regimes for oil pollution related to  |
| specific operations undertaken by floating storage and off-take (FSO) and floating, production, storage |
| and off-take (FPSO) vessels located within, and external to a petroleum title area in the Commonwealth  |
| offshore area.  |

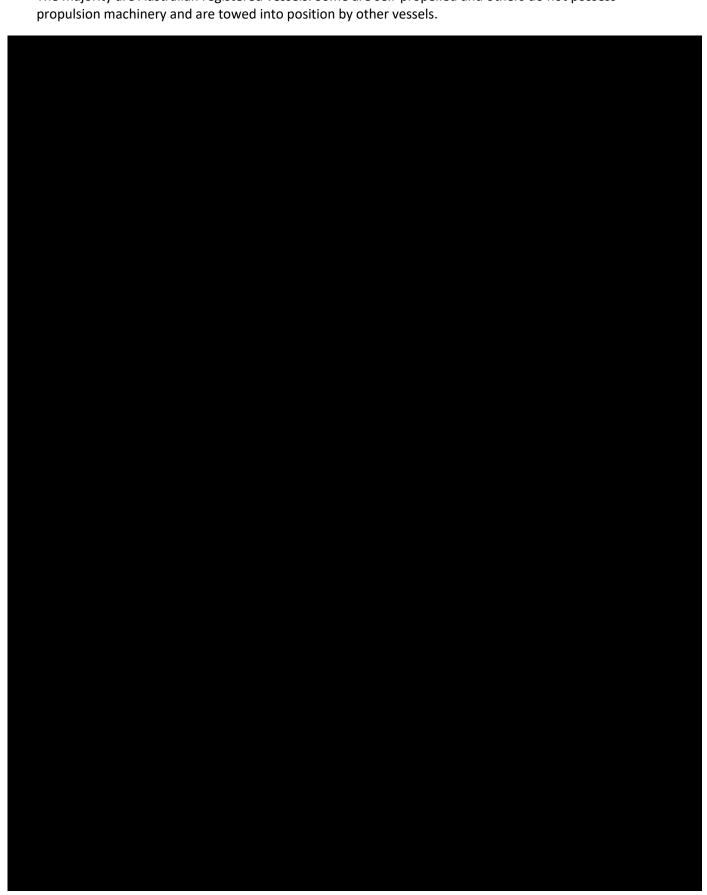
### Scope

FSOs and FPSOs may be regulated under Australian domestic law as either a 'facility' when carrying out petroleum activities in offshore locations, or a 'ship' when not operating as a 'facility' and otherwise operating in the maritime environment. In either case, Australian domestic law gives effect to Australia's international rights and obligations, most frequently arising as a result of a treaty.

# **Background**

# Offshore craft in Commonwealth waters

There are currently some nine (9) FPSOs<sup>2,</sup> one FSO and one FLNG operating in Commonwealth waters<sup>3</sup>. The majority are Australian registered vessels. Some are self-propelled and others do not possess propulsion machinery and are towed into position by other vessels.













#### Possible scenarios with variations

The following case studies are based on events that have occurred or may occur and are intended to facilitate discussion about how each regime may apply to each circumstance.

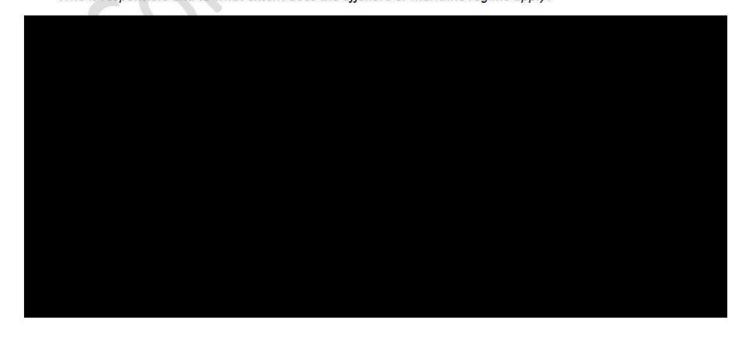
#### Case study 1(a)

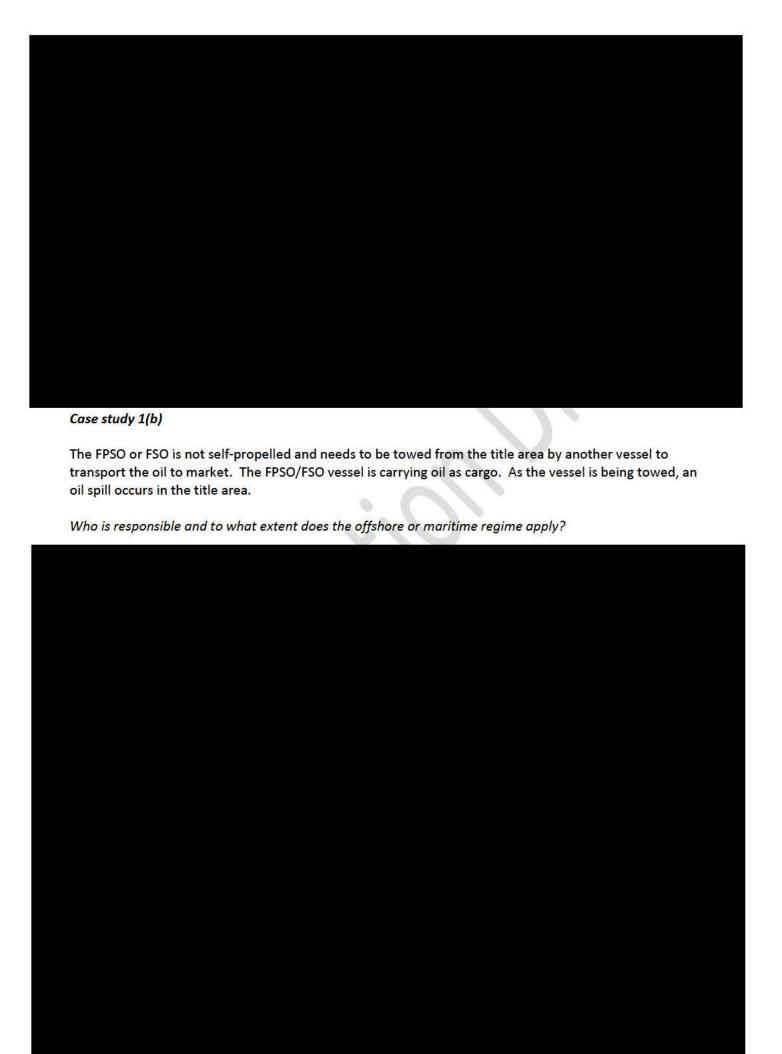
The operator of a self-propelled FPSO or FSO has planned a maintenance voyage for a vessel. The vessel completely disconnects from the facility infrastructure (is off station). The vessel is carrying persistent oil in the storage space. As the vessel undertakes its voyage an oil spill occurs in Commonwealth waters. The spill emanates from the storage space, rather than from the fuel tanks.

#### Other matters

- The FPSO or FSO holds a CLC Certificate and other ship related permissioning documents and certificates.
- The IOPC Fund Guidance provides that if a FSO leaves an offshore area for operational reasons that it would fall outside the scope of the CLC and Fund Conventions.

Who is responsible and to what extent does the offshore or maritime regime apply?





#### Variation to Case study 1(b)(i)

The vessel to be towed does not completely disconnect from the riser turret mooring or calm buoy and for whatever reason an oil spill occurs during the disconnection process.

## Case study 2(a)

The FPSO or FSO disconnects for emergency reasons related to bad weather avoidance. As the vessel transverses within the title area, an oil spill occurs from the storage space.

#### Other matters

- The FPSO or FSO holds a CLC Certificate and other ship related permissioning documents and certificates.
- The CLC provides that no liability for pollution damage is payable (if it existed in the first place) if the
  owner proves that the damage resulted from.....'a natural phenomenon of an exceptional, inevitable
  and irresistible character'. Insurance policies may also exempt a circumstance of this kind.

Who is responsible and to what extent does the offshore or maritime regime apply?



#### Case Study 2(b) - primary and secondary leaks

The FPSO or FSO disconnects from the subsea infrastructure due to a hydrocarbon leakage, 'the primary leak' identified coming from either the subsea infrastructure; or the FPSO or FSO.

The FPSO or FSO is now off station and relocates elsewhere within the petroleum area and a further oil spill, 'the secondary leak' occurs while the vessel is underway.

Who is responsible and to what extent does the offshore or maritime regime apply?



Case study 3 – reconnection of FPSOs / FSOs

The vessel is located in an offshore area and disconnected from the facility for whatever reason. The vessel is now intending to reconnect to the facility. During the reconnection activity an oil spill occurs.

#### Other matters

- The FPSO or FSO is in the title area and is in a navigable form (either self-propelled or is being towed).
- Physical connection to the sub-sea infrastructure is yet to occur.
- The master of the vessel is carrying out actions typical of supporting a reconnection activity, such as communicating instructions to crew and/or third party offshore supply vessels to support reconnection.
- The Environment Plan in force for the titleholder addresses planning to responsibly connect to a facility.
- The safety case may also likely cover the vessel being 'prepared for use' at that site.
- Offshore supply vessels may be required and are in the same location, supporting the reconnection activity.

Who is responsible and to what extent does the offshore or maritime regime apply?



| Facility Name           | Facility Operator                           | Facility Types  | Location      |
|-------------------------|---|---|---------------|
| CWLH OKHA FPSO          | Woodside Energy Ltd                         | FPSO <sup>29</sup><br>self-propelled                    | Offshore area |
| Dampier Spirit          | Teekay Shipping (Australia) Pty Ltd         | FSO <sup>30</sup> linked to a<br>production<br>platform | Offshore area |
| Ichthys Venturer        | INPEX Operations Australia Pty Ltd          | FPSO <sup>31</sup><br>barge                             | Offshore area |
| MODEC Venture 11        | Modec Venture 11 B. V.                      | FPSO<br>self-propelled                                  | Offshore area |
| Montara Venture         | PTTEP Australasia (Ashmore Cartier) Pty Ltd | FPSO <sup>32</sup><br>barge                             | Offshore area |
| Nganhurra               | Woodside Energy Ltd                         | FPSO <sup>33</sup><br>self-propelled                    | Offshore area |
| Ningaloo Vision         | Quadrant Energy Australia Limited           | FPSO<br>self-propelled                                  | Offshore area |
| Northern Endeavour NOGA | Upstream Production Solutions Pty Ltd       | FPSO <sup>34</sup><br>barge                             | Offshore area |
| Pyrenees                | BHP Billiton Petroleum Pty Ltd              | FPSO <sup>35</sup><br>self-propelled                    | Offshore area |
| Vincent                 | Woodside Energy Ltd                         | FPSO <sup>36</sup><br>self-propelled                    | Offshore area |
| Prelude FLNG            | Shell Australia Pty Ltd                     | FLNG <sup>37</sup><br>barge                             | Offshore area |
|                         | Note: Barge means does not independently    | disconnect  |               |

<sup>&</sup>lt;sup>29</sup>Australian registered ship

<sup>&</sup>lt;sup>30</sup> Attached to a calm buoy not a riser turret mooring

<sup>&</sup>lt;sup>31</sup>Australian registered ship

<sup>&</sup>lt;sup>32</sup>Australian registered ship

<sup>&</sup>lt;sup>33</sup>Australian registered ship

<sup>&</sup>lt;sup>34</sup>Australian registered ship

<sup>&</sup>lt;sup>35</sup>Australian registered ship – Pyrenees Venture

<sup>&</sup>lt;sup>36</sup>Australian registered ship – Nguijima Yin

<sup>&</sup>lt;sup>37</sup>Australian registered ship



