

THE

2022 - Issue 1

REGULATOR



A Reconciliation Plan to Reflect

—
NOPSEMA begins its reconciliation journey



NOPSEMA
Australia's offshore energy regulator

About NOPSEMA

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) is Australia's independent expert regulator for health and safety, environmental management, structural and well integrity for offshore petroleum facilities and greenhouse gas storage activities in Commonwealth waters.

By law, offshore petroleum and greenhouse storage activities cannot begin before NOPSEMA has assessed and accepted the required permissioning documents demonstrating how the activity will be undertaken to reduce risks to the health and safety of the workforce and the environment to as low as reasonably practicable (ALARP) and environmental impacts to an acceptable level.

In November 2021, NOPSEMA was given the role and functions of the Offshore Infrastructure Regulator following the passing of the *Offshore Electricity Infrastructure Act 2021* in federal parliament.

For more information, visit our website at nopsema.gov.au.

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FEEDBACK

NOPSEMA welcomes feedback from our stakeholders. Please direct all enquiries about this publication to feedback@nopsema.gov.au.

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PREVENTING MAJOR ACCIDENT EVENTS

PREVENTING LOSS OF WELL CONTROL

EFFECTIVE OIL POLLUTION EMERGENCY PREPAREDNESS

RESPONSIBLE ASSET STEWARDSHIP

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Message from the Chief Executive

Welcome to the first edition of the Regulator magazine for 2022. In this edition we highlight the launch of NOPSEMA's first Reconciliation Action Plan (RAP)—our Reflect RAP.

I am incredibly proud to begin NOPSEMA's reconciliation journey by making a formal commitment in our Reflect RAP to develop greater cultural awareness internally and externally, and take steps to strengthen our relationships with First Nations peoples.

In support of reconciliation, NOPSEMA will further emphasise the importance for offshore energy companies to appropriately manage the impacts of their activities to the Indigenous cultural values of the environment.

In the year ahead, NOPSEMA will continue its focus on decommissioning. The default requirement is for the timely and complete removal of all property and equipment from the marine environment with all wells safely plugged and abandoned.

NOPSEMA will consider alternative arrangements, but the environmental impacts of those arrangements must deliver equal or better environmental outcomes.

Delays to decommissioning may seem preferable to industry on occasion but it is NOPSEMA's view that proactive planning and timely implementation of decommissioning is of value in terms of complying with the legislative requirements, removing future liabilities, and maintaining a social license to operate.

Titleholders should be aware that from 2 March 2022, they and their related parties are subject to 'trailing liabilities' to ensure Australian taxpayers are not left to pick up the costs of any future decommissioning work.

Protecting and engaging with the offshore workforce will remain a high priority for NOPSEMA. We will continue to monitor operators to ensure they are providing and maintaining a physical environment that is safe for employees and without risk to their mental or physical health.

NOPSEMA will also continue to seek out opportunities to engage with the offshore workforce, Health and Safety Representatives (HSRs), and the bodies that represent them. These opportunities include our offshore inspections, industry conferences, HSR forums and tripartite meetings.

In the spirit of looking ahead, we welcome the new year to build on our shared learning, our resilience, and our commitment to adapt to changes in risk. I trust you find this latest edition of The Regulator informative.



Stuart Smith
Chief Executive Officer





Better practice for managing COVID-19 risks

NOPSEMA recently surveyed the Australian offshore energy industry to share and encourage the adoption of better and consistent practices to protect the offshore workforce from health risks associated with COVID-19.

“Industry have been good at quickly adapting to the changing COVID-19 situation and developing means of better protecting the health of their employees. We believe the wider adoption of these practices, where practicable and appropriate, can assist industry in keeping their workforce healthy.” said Derrick O’Keeffe, NOPSEMA’s Head of Safety and Integrity.

Some examples of better practice include:

- quarterly audits of a facility’s safety management system, including the infectious disease management
- appropriate ventilation in enclosed areas to reduce how much virus is in the air and the risk of transmission
- additional cleaning and sanitising routines and increased frequency for cleaning of points of shared contact
- communication and training provided to the workforce on new systems of work including social distancing during an emergency response muster
- psychosocial hazards are regularly assessed and reduced including providing mental health support and training to the workforce.

“Where there is an offshore or community outbreak, it is critical that operators have in place appropriate plans to ensure continued and safe operations even at the minimum manning level for the facility.”

“Safety critical equipment must be maintained and tested with any deferral of this type of work subject to a comprehensive risk assessment to ensure the balance of risk between COVID-19 and a potential major accident event hasn’t changed,” said Derrick.

NOPSEMA strongly encourages all duty holders to read the survey findings to identify opportunities to improve their current systems and practices. Members of the offshore workforce are encouraged to use the survey findings to review their facilities current practices on their facilities, and to encourage facility management to adopt better practices where possible.

Duty holders are reminded that an accident includes a contraction of a disease, and must be reported to NOPSEMA, as per Clause 82 of the OPGGS Act, as soon as reasonably practicable by calling 1300 674 472.

For more information see the **Better practice responses for managing the risks associated with COVID-19 survey.**



Protecting the endangered blue whale

To ensure the highest level of protection is given to endangered blue whales, the Australian Government has put in place a conservation management plan to minimise anthropogenic (human-caused) threats to the species. This includes specific threats from offshore energy activities.

The long-term objective of the **Blue Whale Conservation Management Plan (Blue Whale CMP)** is to protect blue whales so that the species population numbers can grow and eventually the blue whale can be removed from the threatened species list.

The Blue Whale CMP is a recovery plan under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). As Commonwealth statutory authority NOPSEMA cannot authorise actions that are inconsistent with a CMP.

Accordingly, NOPSEMA will not accept environmental permissioning documents that are inconsistent with the Blue Whale CMP.

Offshore project proposals and environment plans should include a logical, well-founded, and clear demonstration of how an offshore energy activity will be carried out in a manner that is not inconsistent with the Blue Whale CMP.

For activities that have potential to impact on blue whales, it is NOPSEMA's expectation that environmental impact assessments explicitly address the requirements of the Blue Whale CMP.

One of the specific actions in the Blue Whale CMP is that in biologically important areas any anthropogenic noise, such as the noise generated from a seismic survey, must be managed in a way that does not cause injury to blue whales and does not displace them from a foraging area.

Duty holders should consider all feasible measures to avoid undertaking offshore energy activities within an area where blue whales are likely to be foraging. Implementing precautionary control measures, like changing the design and timing of the activity, may be necessary to limit the extent of noise in time and space.

It is NOPSEMA's expectation that duty holders refer to peer-reviewed published scientific literature to inform their impact predictions and acceptable levels of impact to blue whales.

NOPSEMA also expects duty holders to recognise in their environmental permissioning documents where there is uncertainty in predicting the presence and behaviour of blue whales and explain how that uncertainty will be addressed to ensure any impacts to blue whales will be acceptable.

To assist industry, NOPSEMA has worked with the Department of Agriculture, Water and the Environment (DAWE) to **publish guidance on how DAWE interpret and apply the Blue Whale CMP**. NOPSEMA has also worked with DAWE to publish a series of **Frequently Asked Questions (FAQs) on how to apply the CMP to environmental impact assessments** required in environmental permissioning documents.

A reconciliation action plan to reflect

NOPSEMA is committed to its responsibility towards reconciliation and improving outcomes for all Aboriginal and Torres Strait Islander peoples. To begin our reconciliation journey, NOPSEMA is proud to present its first Reflect Reconciliation Action Plan (RAP) endorsed by Reconciliation Australia.

Through the RAP program, NOPSEMA joins more than 1100 corporate, government, and not-for-profit organisations that have made a formal commitment to reconciliation.

“NOPSEMA is pleased to take this significant step forward in our journey to improve our appreciation of the contribution of Australia’s First Nations peoples,” said NOPSEMA CEO, Stuart Smith.

In developing the RAP, NOPSEMA adopted a holistic approach by seeking diverse input from within the organisation and from external experts in Aboriginal and Torres Strait Islander cultures and reconciliation.

To date, some of NOPSEMA’s reconciliation initiatives includes attending events during National Reconciliation Week and NAIDOC week, undertaking Indigenous cultural awareness training, and fundraising for the Happy Boxes Project and Dresses for Grandmothers.

The Reflect RAP details the steps NOPSEMA will take over the next twelve months to develop greater cultural awareness and strengthen relationships with Aboriginal and Torres Strait Islander peoples.

“This builds on NOPSEMA’s current role to ensure offshore energy companies recognise the importance of appropriately considering and managing the Indigenous cultural values of the environment,” said, Cameron Grebe, Head of Division for Environment, Renewables and Decommissioning.

As NOPSEMA’s RAP Champion, Cameron will advocate for reconciliation and ensure that it remains high on NOPSEMA’s agenda in both its corporate and regulatory activities.

It is NOPSEMA’s objective that through the Reflect RAP we can build a strong foundation of reconciliation for the organisation and our First Nations Peoples, which will strengthen and enhance future RAPS and reconciliation initiatives.

For more information see NOPSEMA’s **Reflect Reconciliation Action Plan.**





What's happening offshore?

As at 31 December 2021, there were 41 fixed facilities, 16 mobile facilities, 90 pipelines, eight sets of subsea infrastructure, 881 wells and three seismic activities within NOPSEMA's jurisdiction.

The number of offshore hours worked increased by 33 percent in Q4 of 2021 compared to the same period last year. This continues to reflect a recovery in industry activity following the significant impact of COVID-19 travel restrictions and social distancing requirements.

Of the 41 fixed facilities under NOPSEMA's regulatory oversight, 31 were producing and ten had ceased operations permanently. The ten disused fixed facilities, eight sets of subsea infrastructure (left over from FPSO activities), and nine pipelines all require timely decommissioning.

During Q4 2021, NOPSEMA undertook 28 inspections and commenced 64 assessments of key permitting documents comprising 22 new submissions and 42 revisions.

The total number of injuries, and their rates of occurrence based on hours worked increased through 2021. NOPSEMA is engaging with duty holders to identify trends, causes and potential ways of ensuring similar incidents are not repeated in future.

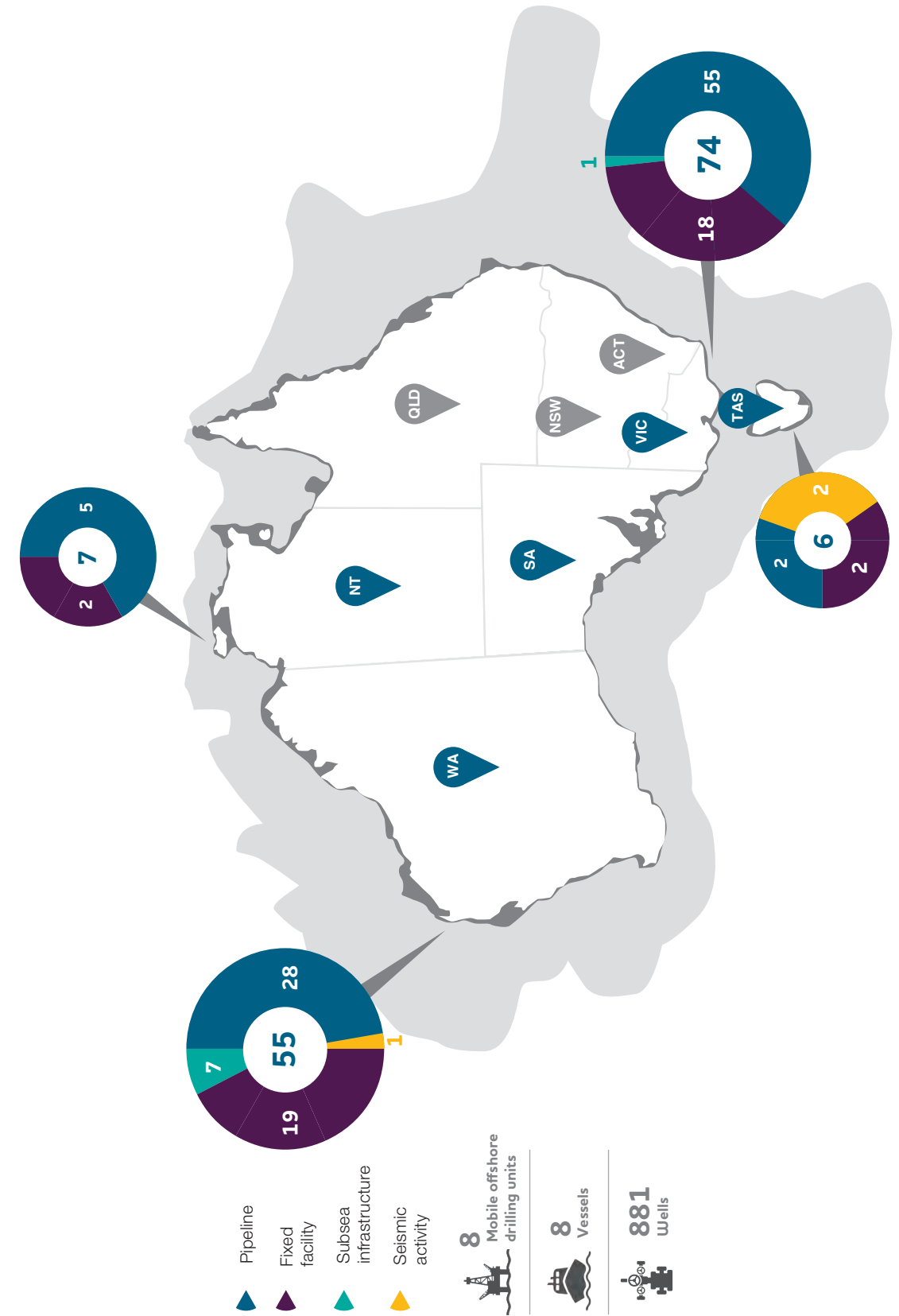
NOPSEMA issued six enforcement actions in Q4 of 2021, including two general directions, three OHS improvement notices and one request to revise a safety case.

One of the general directions related to a loss of power incident on a facility and the consequences for the health and safety of the personnel on board at that time. The direction requires the facility operator to take all necessary corrective actions and demonstrate the facility can operate safely in the event of power loss before production can recommence.

Two exploration environment plans and two seismic survey environment plans were published on NOPSEMA's Consultation Hub for public comment.

Recognising the need for further decommissioning guidance, NOPSEMA also published a **draft policy Section 270 – Consent to surrender title for comment**. The policy outlined the key information required and the principles NOPSEMA adopts when advising the Joint Authority on applications to consent to surrender a title.

Offshore activity Q4 2021



Decommissioning and the facility operator

While the legislative requirement for decommissioning is the responsibility of the titleholder, the facility operator is responsible for managing the health and safety risks associated with decommissioning activities at or near a facility.

Decommissioning is not just a consideration for a facility's end-of-life. Structures, equipment, and property often permanently cease being used during operations.

This includes drilling derricks, caissons, and any other structures or equipment made redundant during the lifecycle of the facility.

A facility safety case must include an appropriate level of detail regarding how structures, equipment and property that are in use will be maintained in good condition and repair, including to allow for full removal.

If any of the facility's structures, equipment and property have ceased being used, or are expected to be permanently disused, then the safety case must include an appropriate level of detail regarding how those items will be maintained in good condition and repair and how they will be safely removed.

If an operator is unable to provide an appropriate level of detail in the safety case regarding the maintenance and safe removal of disused structures, equipment and property, then a commitment should be made in the safety case to submit a revision for NOPSEMA's assessment that allows for removal within the timeframe specified in the associated activity's environment plan.

If an operator does not provide NOPSEMA with a sufficient level of detail in the revised safety case for the facility, this will likely lead to delays in the assessment as NOPSEMA seeks further information and may even lead to a decision to reject the safety case revision.

For more information see **NOPSEMA's Safety case content and level of detail guidance note**.

NOPSEMA implements research strategy

NOPSEMA has developed a Research Strategy to support the Australian offshore energy sector in pursuing collaborative solutions in addressing key research priorities needed to better address monitoring and management of activities.

"While NOPSEMA does not conduct or fund research, it does have a responsibility to advise industry on research priorities we identify to address knowledge gaps that lead to scientific uncertainty in environmental impact and risk assessments and offshore activity management" said Dr Christine Lamont, NOPSEMA's Chief Environmental Scientist.

Where NOPSEMA identifies high levels of scientific uncertainty, it takes a precautionary approach to decision-making. In the past, this has resulted in protracted assessment timeframes and titleholders having to implement additional conservatism in the control measures used to manage risks and impacts.

In some cases, NOPSEMA refused to accept environmental permissioning documents where the titleholder has failed to demonstrate with confidence that the environmental impacts of their activity would be of an acceptable level.

Through the **NOPSEMA Research Strategy** "we are seeking to encourage industry to adopt a more collaborative approach to prioritising, funding and designing research that will improve scientific certainty in the environmental management of offshore energy projects," said Christine.

The strategy sets the actions NOPSEMA will take to achieve its goal for industry-focussed research. This includes engaging directly with industry, the research community, and government agencies to identify needs and develop options for collaborative research frameworks and funding models. This work aims to help industry in developing similar frameworks for Australia.

NOPSEMA will also maintain and publish a list of research priorities. The priorities seek to improve understanding of species, processes, places and interactions and support environmental impact and risk assessments. NOPSEMA will promote the research priorities, and principles for planning and designing research, to support industry, the research community and government.

In providing industry stakeholders and the community with a transparent approach to identifying and addressing research priorities in the environmental management of offshore energy projects, NOPSEMA hopes to build confidence in outcomes that support the principles of ecologically sustainable development.



HSR forum highlights mental health

In December 2021, NOPSEMA, APPEA and the ACTU delivered a short virtual forum for Health and Safety Representatives (HSRs) exploring the mental health challenges facing the offshore workforce.

The virtual forum provided an opportunity for more than 70 HSRs to interact from multiple locations across Australia including from homes and offices to offshore production facilities and rigs.

The forum began with a high-level presentation from NOPSEMA's OHS Regulatory Specialist and industry Mental Health Working Group facilitator Chris Bourne. Chris provided an overview of the findings from the recent offshore workforce mental health survey, conducted by Curtin University and UWA, and spoke about the mental health challenges of living and working offshore during a global pandemic.

A HSR from Shell's Prelude facility shared their experiences and some of the issues they had to deal with over the last 18 months around mental health.

Registered Psychologist JC Lim from PeopleSense then presented on mental health first aid for the workplace. JC highlighted a range of potential warning signs that someone may be experiencing a mental health problem, and strategies HSRs could use to support their fellow workers.

The virtual forum wrapped up with an opportunity for open discussion between HSRs, the forum sponsors, and JC, with a particular emphasis on giving HSRs the opportunity to ask questions and share their experiences.

"Supporting HSRs with ongoing professional learning, and opportunities to engage with peers, ensures they are able to continue their professional development and perform their role effectively and to a high standard," NOPSEMA's Head of Safety and Integrity, Derrick O'Keefe said.

"The forum was very popular with participants joining in and some really positive feedback. We look forward to the possibility of a face-to-face forum in 2022."

To learn more about the HSR forum, please **see the the HSR forum presentation slides** on NOPSEMA's website.



If you need someone to talk to, call:

**Lifeline on
13 11 14**

**Mensline Australia on
1300 789 978**

**Suicide Call Back Service on
1300 659 467**

**Beyond Blue on
1300 22 46 36**

**Headspace on
1800 650 890**

**Qlife on
1800 184 527**

A continued focus on decommissioning

The scale and complexity of future decommissioning work for the Australian offshore energy industry is substantial with more than half of the facilities in Commonwealth waters more than 20 years old, some more than 50 years old, and several already ceasing production.

It is NOPSEMA's view that a titleholder's ability to meet its decommissioning obligations can be put increasingly at risk the longer the period that elapses between ceasing production and commencing decommissioning.

“Ideally we want to see titleholders start their planning at the earliest stage of project development and improve the maturity of those plans throughout the life cycle of the petroleum project,” said David Christensen, Decommissioning Manager.

To assist titleholders in planning for decommissioning, NOPSEMA published a **Planning for proactive decommissioning information paper** in December 2021 to encourage good practice and to outline the level of detail NOPSEMA expects to see in decommissioning plans.

Titleholders are reminded that the legislation identifies the default requirement for decommissioning as the complete removal of disused infrastructure and the plugging and abandonment of wells. An alternative to the default requirement may be proposed but it must deliver equal or better outcomes.

When planning for decommissioning titleholders should ensure their environmental permissioning document adequately demonstrates:

- maintenance of property and equipment to ensure it remains in good condition and repair and ensures complete removal
- consideration of sound scientific data to inform decommissioning proposals
- equal or better environmental outcomes for property and equipment proposed to be left in the marine environment
- consideration of the risks in perpetuity associated with property left in the marine environment, including ongoing liability

- consideration of the principles of ecologically sustainable development (Regulation 3a of the Environment Regulations) and international frameworks such as IMO resolution A.672 (16)
- compliance with the provisions of the *Environment Protection (Sea Dumping) Act 1981* and consultation provisions of the Environment Regulations
- monitoring and survey activities to confirm the final condition is as intended, has not changed over time, and control measures remain effective.

In the year ahead, NOPSEMA will continue to increase its efforts to work collaboratively with stakeholders, and to provide industry with advice and guidance for appropriate planning and undertaking of responsible decommissioning.

NOPSEMA invites community expressions of interest

NOPSEMA is pleased to invite expressions of interest from interested persons to join our Community and Environment Reference Group (CERG).

The CERG facilitates direct engagement between NOPSEMA and community stakeholders, so that NOPSEMA may improve its understanding of the varying community perspectives on offshore petroleum environmental management and its administration of the Environment Regulations.

NOPSEMA is seeking to appoint members to the CERG whom have experience in heritage and indigenous communities, conservation advocacy, and fisheries in the mid-west and south-west of Western Australia. NOPSEMA is also seeking members who can provide local community or regional perspectives from the north-west and northern regions of Australia.

Members are expected to participate as individuals. They may bring more than one perspective but cannot participate as a representative of their employer or as an affiliate or representative of any particular organisation or group.

Members will initially be appointed for a period of up to three years and will be required to meet with NOPSEMA at least twice per year. Physical attendance at the meetings is not necessary as phone or video conferencing will be made available to CERG members.

Expressions of interest should be submitted with your resume to cerg@nopsema.gov.au by 5PM AWST on 31 March 2022





NOPSEMA

Australia's offshore energy regulator

nopsema.gov.au

**National Offshore Petroleum Safety and
Environmental Management Authority (NOPSEMA)**

ABN 22 385 178 289