



REGULATION

The basis for regulating Western Australia's offshore petroleum industry is a safety case approach, which has been introduced nationally.

It is based on the premise that the ongoing management of safety is the responsibility of the operator not the regulator.

Placing responsibility for safety with an operator has been shown to be the most effective method for maintaining safety standards in complex, high-risk activities such as hydrocarbon processing facilities.

An operator must regularly inspect its facilities, assess risks, provide adequate safety training and comply with every aspect of its safety case.

A safety case is a document that describes a facility, provides details on the hazards and risks associated with that facility, and outlines a Safety Management System (SMS) designed to minimise those risks.

Up until the early 1990s, the offshore petroleum industry in Australia was regulated by a mixture of State and Commonwealth legislation.

Under the legislation, a regulator identified hazards and risks for the industry.



However, ever-changing technology and operations meant legislation and regulation needed to be constantly updated.

The impetus for change was the 1988 Piper Alpha disaster in the North Sea, which resulted in 167 deaths and substantial financial losses to the UK industry and Government.

This incident prompted the decision for Australia to introduce the safety case approach, which is underpinned by the objective-based *Petroleum (Submerged Lands) (Management of Safety on Offshore Facilities) Regulations 1996 (MoSOF)*.

Objective-based (or goal setting) regimes, including the safety case system, are based on the principle that the legislation sets the broad safety goals to be attained and the operator of the facility develops the most appropriate methods of achieving those goals. A basic tenet is that the ongoing management of safety is best managed by the operator and therefore should be the responsibility of the operator.

The *Petroleum (Submerged Lands) (Management of Safety on Offshore Facilities) Regulations 1996 (MoSOF)* set out the requirements for the contents of safety cases. A safety case for a facility must comply with the regulations.





Department of
Industry and Resources



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DOIR

The Department of Industry and Resources (DoIR) is responsible for regulating the safety and integrity of Apache Energy's facility on Varanus Island under the *Petroleum Pipelines Act 1969*.

The department carries this out based on advice from the National Offshore Petroleum Safety Authority (NOPSA) under a service level agreement.

DoIR regulates to ensure that operators have identified the risks and put in place appropriate measures to control these risks.

This is done through a program of audits and inspections of facilities, undertaken by NOPSA.

In addition, operators are required to provide an independent validation that facilities are fit for purpose at the time that facility licences are issued or renewed.

In the case of Varanus, the last independent validation was provided in 2007. Since 2005, NOPSA has conducted six planned inspections on Varanus Island.



NOPSA

NOPSA is the occupational health and safety (OHS) regulator for the Australian offshore petroleum industry. NOPSA is a Commonwealth statutory agency that regulates under the *Offshore Petroleum Act 2006* in Commonwealth waters and designated coastal waters of the States and Northern Territory, where powers have been conferred to do so.

For more information visit www.nopsa.gov.au



www.doir.wa.gov.au