

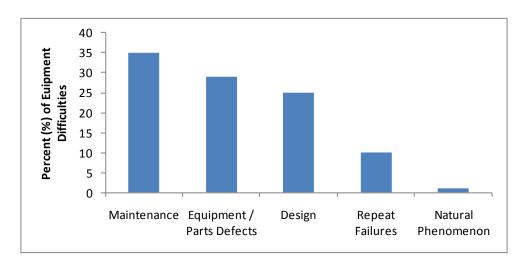
Summary of Offshore Health and Safety Performance Report 2007-08 HIMA Australia Pty Ltd

The Offshore Health and Safety Performance Report 2007-08 was produced by the National Offshore Petroleum Safety Authority (NOPSA), with the aim to "move beyond the view of safety as compliance with codes and standards and towards an overall improved safety culture within an organisation," (John Clegg – CEO NOPSA). NOPSA is a regulator of occupational health and safety for the Australian offshore petroleum industry. According to NOPSA, its role is "to work with the industry, workforce and other authorities to ensure all health and safety risks in the offshore petroleum industry are properly controlled, and to reduce the likelihood and consequences of major accident events."

The report contains statistics, trends and observations of health and safety within the Australian offshore petroleum industry for the financial year 2007-08. Areas of concern highlighted by Mr. Clegg include equipment design, risk awareness and management, procedures, ageing equipment, supervision and a shortage of skilled personnel. Although Mr. Clegg believes that the safety record of Australia's offshore petroleum industry is reasonable he says that strong leadership is required to move it to the next level. Mr. Clegg also believes that these risks "present a challenge to everyone in the industry and we cannot afford to become complacent. We must strive to uphold the highest quality of safety leadership at all levels within organisations."

National studies have shown an increasing number of gas releases. 10% of all incidents reported to NOPSA have been Hydrocarbon Topside (HCT) releases. Adding weight to the finding, Mr. Clegg had this to say "In 2007-08 there were two major gas releases, each over 300 kilograms of hydrocarbons." The analysis also determined that the top three primary causes of HCT releases were equipment maintenance, equipment parts/defects and equipment design, as shown below.

Primary causes of HCT releases January 2005 – June 2008





Notifications of accidents and dangerous occurrences are received by NOPSA and arranged into categories of either Major Accidents and Dangerous Occurrences or Significant Accidents and Dangerous Occurrences. As stated by NOPSA "Accidents and Dangerous Occurrences are classified into categories based on recognised groupings used internationally throughout the petroleum industry."

"The severity rating accorded to each incident (i.e. major or significant) was devised by the International Regulators Forum (IRF) and based on industry standards. Major Accidents and Dangerous Occurrences are considered more serious in their consequence, or potential consequences, than Significant Accidents and Dangerous Occurrences."

Based on the data received by NOPSA for the financial year 2007-08, the following conclusions have been made. Accident numbers have been relatively constant; however Dangerous Occurrences account for the 57% increase in Accidents and Dangerous Occurrences. Significant increases in the number of Major Accidents and Dangerous Occurrences were observed. The categories most reported were:

- Damage to Safety-critical Equipment
- Unplanned Event Implement Emergency Response

These findings are shown in the two tables below.

Table 1 Number of Accidents per Financial Year

Accidents	2005-06	2006-07	2007-08
Accident – Death or Serious Injury	4	6	7
Accident – Incapacitation LTI ≥3 days	24	31	29
Total	28	37	36



Table 2 Number of Dangerous Occurrences per Financial year

Dangerous Occurrences	2005-06	2006-07	2007-08
Could have caused Death or Serious Injury	30	23	47
Could have caused Incapacitation LTI ≥ 3days	44	40	48
Uncontrolled HC Release > 1-300 kg	13	19	22
Uncontrolled HC Release > 300 kg	5	1	2
Uncontrolled PL Release > 80-12 500 L	0	6	6
Uncontrolled PL Release > 12 500 L	0	0	0
Well Kick >50 Barrels	0	0	0
Fire or Explosion	7	5	14
Collision Marine Vessel and Facility	7	6	4
Unplanned Event – Implement Emergency Response Plan	16	24	56
Safety-critical Equipment Damage	17	21	62
Other kind needing immediate Investigation	35	31	36
Pipelines – Substantial Risk of Accident	0	1	2
Pipelines – kind needing immediate Investigation	0	0	0
Total	174	177	299