

2 May 2017

Richard Johnson
Environmental Protection Authority
Level 10
215 Lambton Quay
Private Bag 63002
Wellington 6140

Dear Richard

TTRL Application: Decision-making Committee Questions of Clarification for MMRs

Dear Richard,

I write in response to your email, 'TTRL Application: Decision-making Committee questions of clarifications for MMRs', dated 13th April 2017.

I should say at the outset that my comments on permissioning documents to the DMC during day 14 of the hearing were made in the light of previous discussions with the DMC on the use of safety case provisions of the Health and Safety at Work (Petroleum Exploration and Extraction) Regulations 2016 to provide environmental protection. On reviewing the transcript, I appreciate that this may not have been clear, and I welcome this opportunity to clarify WorkSafe's position.

The proposed activity does not fall within the scope of either the Health and Safety at Work (Petroleum Exploration and Extraction) Regulations 2016 or the Health and Safety at Work (Mining Operations and Quarrying Operations) Regulations 2016. Accordingly, a permissioning document is not a legal requirement for the proposed activity under health and safety legislation.

The Health and Safety at Work Act 2015 would however apply to TTRL and the proposed activity. This Act provides comprehensive duties and regulatory mechanisms for managing (generally) the health and safety risks arising from the activity, without the need for a condition from a DMC in regard to environmental matters.

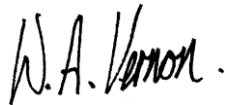
Whilst a permissioning document is not legally required from a pure health and safety perspective, it is accepted that document of this nature could bring clarity and efficiency to the regulation of the proposed operation, which is important given that the activity can move between regulatory regimes quickly and frequently. For example, such a document could identify:

- What the major hazards associated with this activity are from a safety and environmental perspective;
- What control measures are necessary to prevent harm arising from these hazards; and
- The standards that such control measures would need to meet.

In WorkSafe's view, if the DMC does consider that a permissioning document is desirable for the purposes outlined above (such that it should be a condition of the grant of consent), it may wish to consider utilising selective provisions of the safety case requirements of the Health and Safety at Work (Petroleum Exploration and Extraction) Regulations 2016. For the DMC's benefit, an indicative outline of the content of such a document is included in Appendix 1.

I hope this addresses your questions, but if you have any further queries, please don't hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink that reads "W.A. Vernon". The signature is written in a cursive style with a period at the end.

Wayne Vernon
General Manager - High Hazards and Energy Safety

1 Appendix 1 – Indicative Permissioning Document Contents.

- 1 The name and address of the operator of the installation.
- 2 Safety and environmental management systems:
 - a. A detailed description of the safety and environmental management systems that provide for all activities that will, or are likely to, take place on, or in connection with, the installation.
 - b. The safety management system must address the matters set out in Appendix 2.

3 Installation

In relation to the installation,—

- a. the particulars of all New Zealand and international standards that have been applied, or will be applied, in relation to the installation or plant used on or in connection with the installation:
- b. a description, with scale diagrams, of the plant and the equipment of the installation; and the layout and the configuration of its plant:
- c. the particulars of the types of operation, and the activities in connection with any operation, that the installation is capable of performing:
- d. the maximum number of persons expected to be on the installation at any time and for whom accommodation is to be provided:
- e. the particulars of the range of operating and environmental conditions within which the installation has been designed to operate and how the installation's structures have been designed and are maintained for the stated operating and environmental conditions:
- f. the particulars of plant, equipment, and procedures for diving support and hyperbaric rescue:
- g. a description of the areas that have been classified as hazardous, including the rated classification:
- h. a description of the systems available for early detection of events that may require an emergency response:

- i. a description of the arrangements for giving warning of an emergency by audible, and where necessary, visual alarm systems to all on board the installation:
- j. a description of the arrangements for communication during an emergency—
 - i. between persons on the installation:
 - ii. between the installation and other installations, supporting aircraft, and vessels:
 - iii. between the installation and remote support locations and emergency services:
- k. a description of the measures for limiting the extent of an emergency, including—
 - i. measures to ensure the stability of the installation; and
 - ii. emergency shutdown systems; and
 - iii. facilities for the monitoring and control of the emergency and for organising evacuation:
- l. a description of the measures taken for the protection of personnel on board from hazards arising on the installation during any period while petroleum workers may need to remain on an installation during an emergency:
- m. a description of the temporary refuge arrangements that offer protection against an escalating major accident:
- n. a description of the evacuation and escape systems.

4 Management of major accident hazards

A detailed description of the formal safety assessment for the installation, including a description of—

- a. all major accident hazards that can occur on the installation, or could be initiated by the installation through interaction with nearby activities:
- b. an assessment of the risk associated with each major accident hazard:
- c. the elimination, prevention, reduction, and mitigation control measures that have been, or will be, taken to reduce the risks to a level that is as low as is reasonably practicable:
- d. the performance standards for each control measure:

- e. the assurance processes that will be put in place to confirm that the control measure remains fit for purpose:
- f. the process used to identify major accident hazards, assess the risks, identify the control measures, and set performance standards.

5 Performance monitoring

A description of—

- a. the arrangements in place for monitoring the management of major accident hazards and other workplace hazards:
- b. the arrangements for reporting, analysing, and learning from incidents and work-related illness:
- c. the arrangements for monitoring and measuring occupational health exposures:
- d. the arrangements in place for independent and competent persons to audit the management of major accident hazards and other workplace hazards:
- e. the arrangements in place for independent and competent persons to verify that safety-critical elements remain effective:
- f. the arrangements in place for the periodic assessment of the installation's integrity.

Appendix 2 - Matters to be addressed by safety management systems for installation

(Note, similar requirements would need to be developed for environmental management, or these requirements added to cover both activities)

The safety management system must—

Policies and objectives

(a) describe the overall goal and principles of action of the operator of the installation in relation to the control of major accident hazards:

Organisation and personnel

(b) describe how the management of major accident hazards is an integral part of management's responsibilities at all levels in the organisation:

(c) describe the processes for ensuring that workers have the necessary knowledge, skills, and abilities to meet their responsibilities and perform their jobs safely and effectively:

(d) describe the processes for ensuring that workers actively participate in health and safety management activities, including the development or revision of the safety case:

(e) describe the arrangements for ensuring that workers are fully informed about—

(i) the hazards to which they may be exposed on the installation; and

(ii) the control measures and safety management system that provide the means of eliminating or reducing the risks associated with those hazards:

(f) describe the arrangements for establishing safe and effective working relationships with workers:

Standards and procedures

(g) describe the processes for the systematic identification of major accident hazards and the evaluation and treatment of risks associated with those hazards:

(i) describe the management of change process for ensuring that health and safety implications associated with changes in organisation, personnel, procedures, practices, plant, or equipment are assessed:

(j) describe the emergency plans and arrangements in place to respond effectively to all reasonably foreseeable emergencies:

(k) describe the permit-to-work system for managing the safe performance of higher-risk tasks and activities:

(l) describe the processes for ensuring that any changes to risk profiles caused by combined operations will be identified, assessed, and reduced to a level that is as low as is reasonably practicable:

Performance monitoring

(m) provide an overview of—

(i) the arrangements in place for monitoring performance in relation to the management of major accident hazards and other workplace hazards:

(ii) the arrangements for reporting, analysing, and learning from incidents and work-related illness:

(iii) the arrangements in place for independent and competent persons to audit the management of major accident hazards and other workplace hazards:

(iv) the arrangements in place for independent and competent persons to verify that safety-critical elements remain effective:

(v) the arrangements in place for the periodic assessment of the installation's integrity:

(vi) the arrangements for reviewing periodically the effectiveness and suitability of the major accident prevention policy and safety management system.