



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

Petroleum Safety Framework

Update for the Petroleum (Exploration and Extraction) Safety Act 2015

Round 2

Consultation

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Glossary of Terms and Abbreviations

List of Abbreviations

Abbreviation	Meaning
ALARP	As low as reasonably practicable
SECE	Safety and Environmentally Critical Element

List of Defined Terms

Words and phrases defined in Section 13A of the Electricity Regulation 1999, as amended, shall, unless the context otherwise requires, have the same meanings when used in this document.

Term	Definition or Meaning
Environmental Liability Regulations	<i>European Communities (Environmental Liability) Regulations 2008 (S.I. No. 547 of 2008), as amended).</i>
Framework	The collection of regulations, written regulatory documents and procedures which, taken together, describe the system the CER will use to regulate the activities of petroleum undertakings, operators and owners with respect to safety, including, without limitation the petroleum safety framework established under section 13I of the Act.
Fugitive Emissions	Fugitive Emissions arise from loss of tightness from hydrocarbon containment equipment such as valves, flanges and other connections, pressure relief devices, process drains, open ended valves, pump and compressor seal systems, agitator seals, and access door seals.
Immediate Remedial Action	Means that the operator/owner will put in place immediate risk reduction measures to reduce the risks to ALARP. Immediate remedial action refers to those immediate risk reduction measures taken by operators/owners such as fully or partially suspending production, drilling, simultaneous operations or other work activities (e.g. not allowing or not finalising start-up).
Minister	Minister for Communication, Energy and Natural Resources
Safety Case	A safety case submitted to the CER for acceptance for the purpose of gaining a Safety Permit.

Term	Definition or Meaning
Safety (and Environmentally) Critical Elements – S(E)CE	Safety (and Environmental) Critical Elements S(E)CE are such parts of an installation and its plant, including computer programs, a purpose of which is to prevent or limit the effect of a major accident, or the failure of which could cause or contribute substantially to a major accident. The environmental term is only applicable offshore and relates to the definition of a major hazard, which includes major environmental incidents offshore.
Safety Permit	A permit issued by the CER under 13P of the Act which permits the carrying on of designated petroleum activities as set out in S.I. 89 of 2013 <i>Petroleum Safety (Designation Of Certain Classes Of Petroleum Activity) Regulations</i> .
Safety Zone	The area within 500 metres of a ‘ <i>designated area</i> ’ as defined by the <i>Continental Shelf Act</i> , Number 14 of 1968, as amended

1 Introduction

1.1 Background

1.1.1 The Petroleum Safety Framework

The *Petroleum (Exploration and Extraction) Safety Act 2010* (the ‘2010 Act’) amended the *Electricity Regulation Act 1999* (the ‘Act’) to give the Commission for Energy Regulation (CER) responsibility for regulating the safety of petroleum undertakings¹ engaging in certain petroleum activities.

The Act requires the CER to establish and implement a risk based petroleum safety framework (the Framework). The *High Level Design of the Petroleum Safety Framework* (CER/13/304) provides an overview of this Framework which is currently in operation. The Framework includes a number of other documents, including but not limited to: the *Safety Case Guidelines* (CER/14/145); the *ALARP Guidance* (CER/13/282); the *Compliance Assurance System* (CER/14/146); and *S.I. No. 4 the Petroleum Safety (Petroleum Incident) Regulations 2014* and *S.I. 89 Petroleum Safety (Designation of Certain Classes of Petroleum Activity) Regulations 2013*.

The *Petroleum (Exploration and Extraction) Safety Act 2015* (the “**2015 Act**”) further amends the *Electricity Regulation Act 1999* (as amended by the 2010 Act) to give effect to Directive 2013/30/EU of the European Parliament² and, amongst other things, identifies the CER as the “*competent authority*” for offshore³ safety and extends the scope of the Framework to cover the risk and potential consequences of major accidents⁴, (including major environmental incidents). Certain responsibilities for the safety of petroleum activities being carried on offshore are also transferred from petroleum undertakings to operators and owners of non-production installations⁵.

While the existing Framework broadly aligns with the requirements of the 2015 Act, the Framework requires updates to reflect the new and amended provisions and these updates will impact the majority of the published Framework documents. To facilitate staged input into the update process, CER has split the document updates into two consultation groups. This consultation period is the second in the process and focuses on updates to CER petroleum incident related documents.

1.1.2 The European Commission Implementing Regulation (EU) No1112/2014

Following the Deepwater Horizon major petroleum accident, in the Gulf of Mexico in April 2010, the European Commission developed and published Directive 2013/30/EU on Safety of Offshore Oil and Gas Operations (the “Directive”). This Directive defines minimum requirements for preventing accidents related to offshore oil and gas operations and to limit their consequences.

¹ As defined under section 13A of the Act

² Directive 2013/30/EU of the European Parliament and of the Council of 12 June 2013 on safety of offshore oil and gas operations and amending Directive 2004/35/EC, Official Journal of the European Union, No L178, 2013, p. 66.

This is available at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:178:0066:0106:en:PDF>.

³ As defined under section 13A of the Act

⁴ As defined under section 13A of the Act

⁵ As defined under section 13A of the Act: ‘owner’, ‘operator’ and ‘non-production installation’

Article 23 of the Directive required the European Commission to develop a common data reporting format for the sharing of information on major hazard indicators by operators and owners of offshore oil and gas installations⁶, by means of an Implementing Act. The resultant document, the “*Commission Implementing Regulation (EU) No 1112/2014 of 13 October 2014*” (the “Implementing Regulation”), was published in October 2014.

Under the Implementing Regulation, operators and owners of offshore oil and gas installations must provide the CER as the competent authority, as a minimum, with the data on major hazard indicators as specified in Annex IX of the Directive, to the level of detail required by the Implementing Regulation within 10 working days of the incident.

To ensure that the CER receives the information required by the Directive and the Implementing Regulation for the purposes of common reporting to the European Commission, the CER is amending its existing petroleum incident regulations (see next section) and the Petroleum Incident Notification Form⁷ to incorporate the required provisions. This update will also impose a penalty for the non-reporting of these new petroleum incidents under the Act, as is required by Article 34 of the Directive.

1.1.3 S.I. 004 of 2014 Petroleum Safety (Petroleum Incident) Regulations 2014

The petroleum incidents that are currently reportable to the CER are based on section 13A of the 2010 Act. This section defines *petroleum incident* as: ‘an event or occurrence, in at or in the precincts of petroleum infrastructure which:

- a) Results in the loss of human life;
- b) Results in personal injury being suffered by a person;
- c) Results in damage to the structural integrity of petroleum infrastructure;
- d) Results in the structural integrity of petroleum infrastructure being compromised;
- e) Results in the failure or malfunction of plant and equipment used as part of or in a manner closely associated with petroleum infrastructure; or
- f) Is an event or occurrence of a class prescribed by regulations made by the Commission under section 13V of the Act.’

In accordance with point (f) above, the CER prescribed further petroleum incidents by regulation via *S.I. No. 4 of 2014, Petroleum Safety (Petroleum Incidents) Regulations 2014* (the Petroleum Incident Regulations 2014). These regulations were published in January 2014 following a public consultation process and have been in effect since. It is an offence for a petroleum undertaking not to notify the CER of a petroleum incident.

1.1.4 Purpose of this paper

The purpose of this paper is to provide background on the legislative reasons behind the update to the Petroleum Incident Regulations 2014 and the associated CER documents, *Guidance for Notification of Petroleum Incidents*⁸, *Compliance Assurance System* (Section 3: Safety Performance Reporting), and the *Petroleum Incident Notification Form*. This paper should be read in conjunction with the accompanying consultation papers to assist readers in identifying the updated sections.

⁶ As defined under section 13A of the Act: ‘installation’

⁷ The current CER Petroleum Incident Notification Form is available here:

http://www.cer.ie/uploads/documents/130614_-_Petroleum_Incident_Notification_Form.PDF

⁸ CER document CER/14/015 available on the CER website

Hereafter, the updated petroleum incident regulations are referred to as the “2016 Regulations”.

All sections of the Compliance Assurance System paper apart from section 3: Safety Performance Reporting have already been consulted upon by the CER as part of the first round of consultations under this Petroleum Safety Framework update. As the Safety Performance Reporting section is linked to the definition of petroleum incident, this section has now been updated. See section 1.2 for further details on the first round of consultations.

Having regard to the matters set out in the 2015 Act and to align with the requirements of the Implementing Regulation, the CER now publishes the following document for consultation alongside this paper:

1. *Guidance for Notification of Incidents* (the ‘Guidance’) (currently titled *Guidance for Notification of Petroleum Incidents*); and
2. *Compliance Assurance System – Section 3: Safety Performance Reporting*

The Guidance includes the updated classes of events or occurrences to be set out as petroleum incidents in the subsequent 2016 Regulations.

While not subject to this formal consultation process, the CER also publishes the Petroleum Incident Notification Form to give notice to interested parties on the more detailed reporting requirements which will accompany the 2016 Regulations. Should respondents wish to provide comment on this form, the CER will take these into consideration when finalising the document.

1.2 Scope of this consultation document

This consultation document is the second round of the consultation process for the Petroleum Safety Framework Update for the Petroleum Safety Act 2015. The first consultation process proposed updates to the following papers and was opened 4th September 2015:

1. Requirements of the Petroleum Safety Framework - formerly the High Level Design of the Petroleum Safety Framework;
2. Safety Case Requirements - formerly Safety Case Guidelines;
3. Compliance Assurance System (**except Safety Performance Reporting**)- formerly Part 1 of the Compliance Assurance System; and
4. CER Audit and Inspection System - formerly Part 2 of the Compliance Assurance System.

The decision papers on these documents were published to the CER website November 11th 2015. As with all updated papers under this Petroleum Safety Framework update, the papers will not come into effect until the 2015 Act is commenced.

This consultation process is focused on matters related to the definition and notification of petroleum incidents and other new reportable incidents under the 2015 Act. The scope includes the following sections of the Act:

1. 13S: The reporting of petroleum incidents and immediate danger;
2. 13T: Actions the CER may take on receipt of a petroleum incident or immediate danger notification;
3. 13U: The incidents reportable to the Minister by the CER; and
4. 13V: The development of the regulations prescribing the petroleum incidents reportable to the CER.

1.3 Next Steps

The CER invites interested parties to submit their comments on the following document published alongside this consultation paper:

1. Guidance for Notification of Incidents; and
2. Compliance Assurance System – Safety Performance Reporting.

Comments should be sent by **8th January 2015**, preferably by email to:

Alice Hanly
 Commission for Energy Regulation
 The Exchange
 Belgard Square North
 Tallaght
 Dublin 24
ahanly@cer.ie

The CER intends to publish all comments received on the CER website. Respondents wishing for their submission, or sections therein, to be treated as confidential should note this in their submission.

Should a respondent wish to meet with the CER to discuss its submission, the CER will make itself available for such meetings in the week commencing 18th January. Respondents wishing to meet with the CER to discuss their submissions should contact Alice Hanly (ahanly@cer.ie) at the CER no later than close of business 8th January.

Following the consultation process, it is proposed that the 2016 Regulations and Guidance will come into effect early 2016. The CER will notify the public of this via the CER website.

1.4 Structure of Document

The section sets out the content of the remainder of this consultation document.

- | | |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 2 | Sets out the legislative changes from the 2010 Act to the 2015 Act. |
| Section 3 | Sets out the proposed updates to the classes of events or occurrences that will comprise petroleum incidents in the 2016 Regulations and the proposed updates to the CER Guidance for Notification of Petroleum Incidents |
| Section 4 | Sets out the proposed updates to the Compliance Assurance System – Safety Performance Reporting paper |

Section 5 Sets out the next steps in the consultation process

Annex Requirements of Directive 2013/30/EU on Safety of Offshore Oil and Gas Operations

2 Legislative changes from 2010 Act

2.1 *New legislative requirements*

This section sets out in tabular form the legislative drivers behind the update to the existing regulations and guidance as well as the changes required to be made to update the Framework. Readers should note that the repeated shift in requirements from petroleum undertakings to operators and owners is not specified each time.

Section of 2010 Act	2010 Act requirement	Section of 2015 Act	2015 Act requirement	Change
Section 13A – definition of a petroleum incident.	an event or occurrence, in at or in the precincts of petroleum infrastructure which: a) Results in the loss of human life; b) Results in personal injury being suffered by a person; c) Results in damage to the structural integrity of petroleum infrastructure; d) Results in the structural integrity of petroleum infrastructure being compromised; e) Results in the failure or malfunction of plant and equipment used as part of or in a manner closely associated with petroleum infrastructure; or f) Is an event or occurrence of a class prescribed by regulations made by the Commission under section 13V.	Section 13A – definition of a petroleum incident.	an event or occurrence in, at or in the precincts of petroleum infrastructure which; a) Is an event or occurrence of a class prescribed by regulations made by the Commission under section 13V and includes all major accidents.	Parts (a) to (e) of the 2010 Act removed. CER may incorporate into proposed 2016 Regulations, where deemed necessary.
13S(1) – reportable petroleum incident.	Where a petroleum incident occurs the petroleum undertaking concerned or if the petroleum incident involves more than one petroleum undertaking, the petroleum undertakings concerned shall notify the Commission of the petroleum incident as soon as practicable after the occurrence of the petroleum incident and such notification shall: (a) be in such form, and (b) be accompanied by such additional information and particulars, as may be prescribed by regulations made by the Commission.	13S(1) – reportable petroleum incident.	Where a petroleum incident occurs, the operator and the owner concerned shall notify the Commission of the petroleum incident, without delay, after the occurrence of the petroleum incident and such notification shall be— (a) in such form, (b) provided in such timeframe, and (c) accompanied by such additional information and particulars, as may be prescribed by the Commission.	Timeframe for notification changed from ‘as soon as practicable’ to ‘in such timeframe...as may be prescribed by the Commission’.
n/a		13(2)	Where an activity carried out by an operator or an owner poses an immediate danger to human health or significantly increases the risk of a petroleum incident and the operator takes suitable measures in line with his or her	New reportable notification. CER to provide guidance on what is to

Section of 2010 Act	2010 Act requirement	Section of 2015 Act	2015 Act requirement	Change
			obligation under section 13KB(5) or the owner takes suitable measures in line with his or her obligation under section 13KC(3), the operator or owner shall notify the Commission accordingly, in such form and accompanied by such additional information and particulars as may be prescribed by the Commission, without delay, and no later than 24 hours after taking those measures.	be reported under this section.
13S(2)	On receipt of a notification of a petroleum incident the Commission shall consider the notification and where it considers that it is necessary, the Commission may request a further report giving additional details of the incident and the circumstances associated with it, and in that event the Commission shall notify the petroleum undertaking concerned and request that such further report be furnished to it within such period of time specified in the request and is reasonable in the circumstances.	13S(3)	On receipt of a notification of a petroleum incident under subsection (1) or a notification of suitable measures taken under subsection (2) the Commission shall consider the notification and where it considers that it is necessary, the Commission may request a further report giving additional details of the incident and the circumstances associated with it and any suitable measures taken, and in that event the Commission shall notify the owner or operator concerned and request that such further report be furnished to it within such period of time specified in the request and is reasonable in the circumstances.	Incorporation of new 13S(2) into existing text.
13S(3)	A petroleum undertaking which does not comply with this section commits an offence and is liable— (a) on summary conviction, to a fine not exceeding €5,000 or (b) on conviction on indictment, to a fine not exceeding €1,000,000.	13S(4)	An operator or owner who fails to comply with this section commits an offence and is liable— (a) on summary conviction, to a class A fine, (b) on conviction on indictment, to a fine not exceeding €1,000,000.”.	Wording changed from ‘a fine not exceeding €5000’ to ‘a class A fine’.
13T(1) - Actions Commission may take following	The Commission may on its own initiative or following receipt of a notification under section 13S(1) or a report under section 13S(2) appoint a petroleum safety officer to investigate the petroleum incident.	13T(1) - Actions Commission may take following	The Commission may on its own initiative or following receipt of— (a) a notification under section 13S(1) or (2) or a report under section 13S(3), appoint a petroleum safety officer to investigate the petroleum	Incorporation of new 13S(2) into existing text.

Section of 2010 Act	2010 Act requirement	Section of 2015 Act	2015 Act requirement	Change
report of petroleum incident or notification of immediate danger.		report of petroleum incident or notification of immediate danger.	incident or the suitable measures taken, or (b) a confidential report under section 13GA(3)(e), appoint a petroleum safety officer to investigate the concerns.	
13T(2)	Where the Commission receives— (a) a notification under section 13S(1) of a petroleum incident, (b) a report under section 13S(2) in respect of a petroleum incident, or (c) a report by a petroleum safety officer of an investigation under subsection (1), the Commission may issue to the petroleum undertaking concerned— (i) an improvement notice, (ii) a prohibition notice, (iii) a notice requiring the undertaking to revise its safety case, or (iv) a notice that the Commission intends to revoke the relevant safety permit	13T(2)	Where the Commission receives— (a) a notification under section 13S(1) of a petroleum incident, (b) a notification under section 13S(2) of suitable measures taken, (c) a report under section 13S(3) in respect of a petroleum incident or suitable measures taken, (d) a confidential report under section 13GA(3)(e) relating to offshore designated petroleum activities, (e) a report by a petroleum safety officer of an investigation under subsection (1), the Commission may issue to the petroleum undertaking, operator or owner concerned— (i) an improvement notice, (ii) a prohibition notice, (iii) a notice requiring the operator or owner to revise its safety case, or (iv) a notice that the Commission intends to revoke the relevant safety permit.	Incorporation of new 13S(2) into existing text. Incorporation of new 13GA(3) into existing text.
13U (1) - Reporting of petroleum incidents to Minister by CER.	The Commission shall prepare and send to the Minister a report in respect of each petroleum incident which: (a) results in the loss of human life, (b) results in personal injury being suffered by a person, or (c) results in damage to property the ownership of which is held by a person other than the petroleum undertaking concerned.	13U(1) - Reporting of petroleum incidents to Minister by CER.	The Commission shall prepare and send to the Minister a report in respect of each petroleum incident which results in: (a) the loss of human life, (b) serious personal injury being suffered by a person, (c) damage to property the ownership of which is held by a person other than the petroleum undertaking operator or owner concerned, or	Wording changed from reporting 'personal injury being suffered by a person' to 'serious personal injury being suffered by a person'. Wording changed from reporting 'damage to

Section of 2010 Act	2010 Act requirement	Section of 2015 Act	2015 Act requirement	Change
			(d) a major accident.	<p>property the ownership of which is held by a person other than the petroleum undertaking concerned' to 'damage to property the ownership of which is held by a person other than the petroleum undertaking, operator or owner concerned'</p> <p>New subsection added to require '(d) a major accident' to also be reported to the Minister.</p>
13V – Regulations (Part IIA)	<p>The Commission may, for the purpose of enabling this Part to have full effect, make regulations:</p> <p>(a) prescribing a class of event or occurrence for the purposes of the definition of petroleum incident which in the opinion of the Commission may materially increase the risk of an event or occurrence referred to in section 13U(1)(a) to (c) occurring, and</p> <p>(b) prescribing a form to be used by a petroleum undertaking in notifying the Commission of a petroleum incident, and the classes of information to be included in such form.</p>	13V – Regulations (Part IIA)	<p>The Commission shall, for the purposes of enabling this Part to have full effect, make regulations:</p> <p>(a) prescribing all major accidents as a class of event for the purposes of the definition of petroleum incident,</p> <p>(b) prescribing a class of event or occurrence for the purposes of the definition of petroleum incident which in the opinion of the Commission may materially increase the risk of an event or occurrence referred to in section 13U(1)(a) to (d) occurring,</p> <p>(c) prescribing a class of event or occurrence for the purposes of the definition of petroleum incident to enable the Commission to discharge its reporting obligations to the European Commission, and</p> <p>(d) prescribing a form to be used by operators or owners in notifying the Commission of a petroleum incident, the timeframe for such</p>	<p>Addition of new text for inclusion in the making of regulations:</p> <p>'(a) prescribing all major accidents as a class of event for the purposes of the definition of petroleum incident'; and</p> <p>'(c) prescribing a class of event or occurrence for the purposes of the definition of petroleum incident to enable the Commission to discharge its reporting obligations to the European Commission'.</p> <p>(b) updated to account for updated 13U(1).</p>

Section of 2010 Act	2010 Act requirement	Section of 2015 Act	2015 Act requirement	Change
			reporting and the classes of information to be included in such a form.	

Table 1: Changes between the 2010 Act and the 2015 Act related to reportable petroleum incidents

3 Main updates to the Petroleum Incident Regulations and the CER Guidance for Notification of Petroleum Incidents

3.1 *Main changes driving update*

The reasoning behind the required changes to the notification of petroleum incidents under the Framework are:

- A. Update of the definition of petroleum incident under the Act; and
- B. Alignment of petroleum incidents with the Implementing Regulation and associated EU guidance.

Regarding (A) above, the definition of petroleum incident is now limited to that which is set out in regulation by the CER. Therefore, the following list from the 2010 Act are no longer automatically considered petroleum incidents, and where appropriate are to be included in the upcoming 2016 Regulations:

- a) Results in the loss of human life;
- b) Results in personal injury being suffered by a person;
- c) Results in damage to the structural integrity of petroleum infrastructure;
- d) Results in the structural integrity of petroleum infrastructure being compromised; and
- e) Results in the failure or malfunction of plant and equipment used as part of or in a manner closely associated with petroleum infrastructure.

To a greater or lesser extent, the above have been included in the updated regulations. Where a class of an equivalent event or occurrence is no longer fully provided for within the updated regulations, e.g. the reporting of all personal injuries or failures of any plant and equipment, this is to focus the definition of petroleum incidents on prevention and limiting the effects of major accidents.

Regarding (B) above, CER has reviewed the requirements of the Implementing Regulation and associated EU guidance against its existing Petroleum Incident Regulations and Guidance for Notification of Petroleum Incidents, with a view to aligning to the EU Implementing Regulation and guidance where appropriate for the Irish regulatory system.

3.2 *General approach to update*

Table 2 below sets out:

- i. The proposed class of event or occurrence that constitutes a petroleum incident;
- ii. The current class where a broad equivalent is covered by the definition of petroleum incident in the 2010 Act; and
- iii. The change or reason for change from the current to the proposed class.

The text provided in the first column 'Proposed Class of event or occurrence' of Table 2 will form the basis for the list of prescribed occurrences in the new petroleum incident regulations.

Proposed Class of event or occurrence		Broadly Equivalent Current Class		Change
A: Unintended release of oil, gas or other hazardous substances, whether or not ignited				
A1	Any unintentional release of ignited petroleum	F2	An uncontrolled release of petroleum gas that could have resulted in a fatality or a serious injury	Wording refers to 'petroleum' in line with definition of petroleum in the Act. All instances to be reported now as higher test of 'that could have resulted in a fatality or a serious injury' removed.
A2a	The unintentional release, with the exception of fugitive emissions, of not ignited natural gas or evaporated associated gas if mass released $\geq 1\text{kg}$	F2	An uncontrolled release of petroleum gas that could have resulted in a fatality or a serious injury	Wording and units updated to align with EU Implementing Regulation without reference to offshore only, to aid common reporting.
A2b	The unintentional release of not ignited petroleum liquid if mass released $\geq 60\text{ kg}$	F3	An uncontrolled release of petroleum liquid that could have resulted in a fatality or a serious injury	Wording and units updated to align with EU Implementing Regulation, without reference to offshore only, to aid common reporting.
A3	The unintentional release or escape of any non-petroleum hazardous substance	F4	An uncontrolled release of a non-petroleum hazardous substance that could have resulted in a fatality or a serious injury	Wording aligned with EU Implementing Regulation. All instances to be reported now as higher test of 'that could have resulted in a fatality or a serious injury' removed.
B: Loss of well control requiring actuation of well control equipment, or failure of a well barrier requiring its replacement or repair:				
B1	Any blowout, regardless of the duration	F12	A positive flow indication from a well as a result of unplanned fluid influx	Wording aligns with EU Implementing Regulation to aid common reporting
B2	The coming into operation of a blowout prevention or diverter system to control flow of well-fluids	F11	Activation of a blow-out prevention or diversion system, or activation of any other emergency shutdown device, in each case to provide well control	Wording aligns with EU Implementing Regulation to aid common reporting

Proposed Class of event or occurrence		Broadly Equivalent Current Class		Change
B3	The mechanical failure of any part of a well, whose purpose is to prevent or limit the effect of the unintentional release of fluids from a well or a reservoir being drawn on by a well, or whose failure would cause or contribute to such a release	F16	Failure of any equipment associated with a well being worked on whose purpose is to prevent or limit the effect of the unintentional release of fluids from the associated well or reservoir, or whose failure would cause or contribute to such a release	Wording aligns with EU Implementing Regulation to aid common reporting
B4	Failure to maintain a planned minimum separation distance between two or more wells	F14	Failure to maintain a planned minimum separation distance between two or more wells	Original wording retained as wording is clearer. Reporting requirements are the same as for the EU Implementing Regulation to aid common reporting
C	Failure of a safety and environmental critical element: Any loss or non-availability of a S(E)CE requiring Immediate Remedial Action	E	Results in the failure or malfunction of plant and equipment used as part of or in a manner closely associated with petroleum infrastructure	Focuses scope on safety critical elements.
D	Significant loss of structural integrity or loss of station keeping in relation to a mobile installation: Any condition that reduces the designed structural integrity of the installation, including stability, buoyancy and station keeping, to the extent that it requires Immediate Remedial Action.	C	Results in damage to the structural integrity of petroleum infrastructure	Wording updated to align with the EU Implementing Regulation to aid common reporting. Replaces current classes C and D.
		D	Results in the structural integrity of petroleum infrastructure being compromised	

Proposed Class of event or occurrence		Broadly Equivalent Current Class		Change
E	Potential and actual vessel collisions with an offshore installation: Any collision, or potential collision, between a vessel and an offshore installation which has, or would have, enough energy to cause sufficient damage to the installation and/or vessel, to jeopardise the overall structural or process integrity.	F6	A collision by a vessel, vehicle, crane, helicopter or aircraft with any petroleum infrastructure	Wording updated to align with EU Implementing Regulation to aid common reporting
F	Helicopter accidents within the safety zone: Any helicopter accident, or a collision or potential collision, within the safety zone.	F6	A collision by a vessel, vehicle, crane, helicopter or aircraft with any petroleum infrastructure	Wording updated to align with EU Implementing Regulation to aid common reporting. See S also.
G	Any fatality	A	Results in loss of human life	None. Current guidance retained.
H	Any serious injury	B	Results in personal injury being suffered by a person	Wording updated to serious injury to focus on major accident prevention and align with the updated definition of major accident.
I	Any evacuation of personnel: Any unplanned emergency evacuation of a number or all personnel	F10	Evacuation of onshore or offshore petroleum infrastructure, other than for planned drills	Wording updated. No change to reportable incidents.
J	A major environmental incident: Any major environmental incident as defined by the Act	New	n/a	n/a
K	An uncontrolled fire or explosion	F1	An uncontrolled fire or explosion	None. Current class retained.

Proposed Class of event or occurrence		Broadly Equivalent Current Class		Change
L	Instance of a stand-by vessel not being within its defined geographical area	F7	Instance of a stand-by vessel not being in a position to provide rescue to persons on offshore petroleum infrastructure	Wording updated.
M	A person falling into the sea.	F8	A person falling into the sea	None. Current class retained.
N	Mustering on onshore or offshore petroleum infrastructure, other than for planned drills.	F9	Mustering on onshore or offshore petroleum infrastructure, other than for planned drills	None. Current class retained.
O	The detection of hydrogen sulfide in the course of operations at a well or in samples of well-fluids from a well where the presence of hydrogen sulfide in the reservoir being drawn on by the well was not anticipated.	F13	The detection of hydrogen sulfide in the course of operations at a well or in samples of well-fluids from a well where the presence of hydrogen sulfide in the reservoir being drawn on by the well was not anticipated	None. Current class retained.
P	The collapse, overturning, or failure of any load-bearing part of any lift, hoist, crane, or derrick.	F15	The collapse, overturning, or failure of any load-bearing part of any lift, hoist, crane, or derrick	None. Current class retained.
Q	Any incident that results in damage to property the ownership of which is held by a person other than the petroleum undertaking, operator, owner or contractor concerned	F17	Any incident that leads to third party property damage outside the boundary fence of the relevant onshore petroleum infrastructure or within 500 metres of the relevant offshore petroleum infrastructure	Updated in line with modified text in section 13U of 2015 Act

Proposed Class of event or occurrence		Broadly Equivalent Current Class		Change
R	The dropping of an object that had the potential to result in a major accident	F18	The dropping of an object that could have resulted in an outcome specified in paragraphs (a) to (e) of the definition of petroleum incident contained in section 13A(1) of the Act of 1999 or could have resulted in an occurrence specified in paragraphs (i) to (xvii) of the definition of prescribed occurrence under the Regulations.	Updated to focus on dropped objects that could have resulted in a major accident.
S	A collision by a vehicle, crane, or aircraft with any petroleum infrastructure		A collision by a vessel, vehicle, crane, helicopter or aircraft with any petroleum infrastructure	Current class modified to remove vessels and helicopters as already required under other reportable incidents

Table 1: Guidance on what constitutes a petroleum incident

4 Proposed updates to the Compliance Assurance System – Safety Performance Reporting

4.1 *Lagging Indicators – Key Update*

The list of lagging indicators to be reported on a quarterly basis to the CER has been updated in line with the proposed new classes of events or occurrence that will constitute petroleum incidents.

4.2 *Leading Indicators – Key Update*

Following 2 years of operation of the Petroleum Safety Framework, the CER has taken this opportunity to update the list of leading indicators to be reported on a quarterly basis by operators and owners. The proposed updates have been developed to ensure the CER is receiving the most appropriate safety information from operators and owners in order to monitor their compliance with the Act, the Petroleum Safety Framework and their approved safety case and safety permit.

5 Next Steps in the Consultation Process

The CER invites interested parties to submit their comments on the following by 8th January 2016:

1. The draft Guidance for Notification of Incidents;
2. Compliance Assurance System – Section 3: Safety Performance Reporting

Following consideration of the comments received, the CER will publish the decision paper on the updated Guidance for Notification of Incidents and Compliance Assurance System paper. The updated Petroleum Incident Notification Form will also be published.

Based on the content of the Guidance decision paper, the CER will develop the legislative text *Petroleum Safety (Petroleum Incident) Regulations 2016* for commencement early 2016.

Annex 1 – Requirements of Directive 2013/30/EU on Safety of Offshore Oil and Gas Operations

Requirements of Directive 2013/30/EU

Under Annex IX of the Directive, the information to be shared by the competent authority and operators and owners shall include information relating to:

- a) unintended release of oil, gas or other hazardous substances, whether or not ignited;
- b) loss of well control requiring actuation of well control equipment, or failure of a well barrier requiring its replacement or repair;
- c) failure of a safety and environmental critical element;
- d) significant loss of structural integrity, or loss of protection against the effects of fire or explosion, or loss of station keeping in relation to a mobile installation;
- e) vessels on collision course and actual vessel collisions with an offshore installation;
- f) helicopter accidents, on or near offshore installations;
- g) any fatal accident;
- h) any serious injuries to 5 or more persons in the same accident;
- i) any evacuation of personnel;
- j) a major environmental incident.

Article 23 of the Directive required the European Commission to develop a common data reporting format for the sharing of information on major hazard indicators by operators and owners of offshore oil and gas installations, by means of an Implementing Act i.e. the Implementing Regulations. The Implementing Regulation further prescribed subsets of the above for reporting by Member States. These are set out in the following section and constitute the minimum reportable petroleum incidents to the CER under the Petroleum Safety Framework.

Requirements of the Implementing Regulation

The below is an exact copy of the reportable petroleum incidents from the Implementing Regulation. This should be used as reference information only to aid in reviewing the sections that follow.

A. Unintended release of oil, gas or other hazardous substances, whether or not ignited;

- 1. Any unintentional release of ignited gas or oil on or from an offshore installation;
- 2. The unintentional release on or from an offshore installation of:
 - a. not ignited natural gas or evaporated associated gas if mass released $\geq 1\text{kg}$
 - b. not ignited liquid of petroleum hydrocarbon if mass released $\geq 60\text{ kg}$;
- 3. The unintentional release or escape of any hazardous substance, for which the major accident risk has been assessed in the report on major hazards, on or from an offshore installation, including wells and returns of drilling additives.

B. Loss of well control requiring actuation of well control equipment, or failure of a well barrier requiring its replacement or repair:

- 1. Any blowout, regardless of the duration

2. The coming into operation of a blowout prevention or diverter system to control flow of well-fluids;
3. The mechanical failure of any part of a well, whose purpose is to prevent or limit the effect of the unintentional release of fluids from a well or a reservoir being drawn on by a well, or whose failure would cause or contribute to such a release.
4. The taking of precautionary measures additional to any already contained in the original drilling programme where a planned minimum separation distance between adjacent wells was not maintained.

C. Failure of a safety and environmental critical element:

Any loss or non-availability of a SECE requiring immediate remedial action.

D. Significant loss of structural integrity, or loss of protection against the effects of fire or explosion, or loss of station keeping in relation to a mobile installation:

Any detected condition that reduces the designed structural integrity of the installation, including stability, buoyancy and station keeping, to the extent that it requires immediate remedial action.

E. Vessels on collision course and actual vessel collisions with an offshore installation:

Any collision, or potential collision, between a vessel and an offshore installation which has, or would have, enough energy to cause sufficient damage to the installation and/or vessel, to jeopardise the overall structural or process integrity.

F. Helicopter accidents, on or near offshore installations:

Any collision, or potential collision, between a helicopter and an offshore installation.

G. Any fatal accident to be reported under the requirements of Directive 92/91/EEC

H. Any serious injuries to five or more persons in the same accident to be reported under the requirements of Directive 92/91/EEC

I. Any evacuation of personnel:

Any unplanned emergency evacuation of part of or all personnel as a result of, or where there is a significant risk of a major accident.

J. A major environmental incident:

Any major environmental incident as defined by the Directive.