

Refleksjoner rundt alvorlige hendelser i petroleumsindustrien i et risikostyringsperspektiv

Presentasjon i Tekna-ukene 2012

Professor II Jan Erik Vinnem

Universitetet i Stavanger

jev@preventor.no



Universitetet
i Stavanger

Overview

- Background and challenges
- Brief history
- Trends in accidents & incidents
- Trends in modelling of major accidents
- Goal-setting regime
- Main regulatory principles
- Could risk assessment have prevented Macondo or Gullfaks C?
- Barrier management
- Conclusions

**Major hazard
focus**

Background

- Serious OO&G accidents since year 2000:
 - Capsize and sinking of Roncador P-36 (Brazil, 2001)
 - Burning blowout on Temsa field (Egypt, 2004)
 - Riser rupture and fire on Bombay High North (India, 2005)
 - Burning blowout on Usumacinta (Mexico, 2007)
 - Blowout on Montara field (Australia, 2009)
 - Burning blowout on Macondo field (US, 2010)
 - Pollution from well leak in Frade project, Campos Basin (Brazil, 2011)
 - Capsizing and sinking of Kolskaya jack-up during tow, (Russia, 2011)
 - Burning blowout on Endeavour jack-up platform (Nigeria, 12)
 - Uncontrolled well leak on Elgin platform in North Sea (UK, 12)
 - Fire on Black Elk Energy platform off Louisiana coast, 3 fat. (US, Nov 2012)
- Also several fatal helicopter accidents, during transit to offshore installations



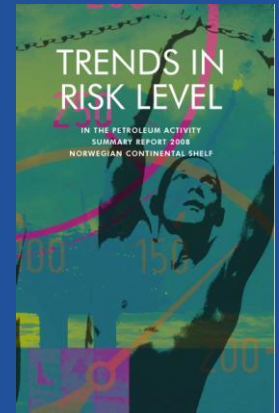
Recent trends worldwide – offshore

- 2001–10 compared to 1991–2000:
 - Notably fewer major accidents in earlier period
 - Most severe ever, the explosions and fire on Piper Alpha in the North Sea in July 1988 in previous decennium
- Is this total failure of risk management?
- Proof that risk based regulations do not function?
- Virtually all offshore regions are represented
 - Looking to the North Sea, North Atlantic, Norwegian Sea and Barents Sea
 - Most severe accidents occurred some 20 to 30 years ago
 - No severe accidents at all during the latest period
 - Very serious near-misses recently



Risk Level project, RNNP (N)

- Objective
 - Establishing a realistic and jointly agreed picture of trends in HES work
 - In order to support the efforts made by the PSA and the industry to improve the HES level within petroleum operations
- History
 - April 2001
 - 1. report issued, for period 1996-2000
 - January 2004
 - Responsibility for HES for offshore & onshore petroleum facilities taken over by Petroleum Safety Authority
 - April 2007
 - 1. report with 8 onshore plants included, based on 2006 data
 - 2010
 - Extension from risk to personnel to risk for spills to sea
 - Regular schedule
 - Annual reports (risk to personnel) issued in April
 - Separate spill report in September



www.ptil.no/rnnp

Risk level project (RNNP)

- Major hazard risk one element of RNNP
 - Indicators suggest that major hazard risk has been reduced since year 2000
 - Precursor based indicators
 - Proactive ('leading') indicators based on barrier elements
 - On the other hand
 - Some installations are dramatically worse than average
 - Some are also exceptionally good
 - Large differences is a challenge for authorities
 - Modelling based on risk analysis R&D

Offshore risk management – success story?

- Impression
 - Norwegian & UK systems have been successful
 - Confirmed by Presidential Commission (US)
 - Large accidents have been avoided in NW Europe for long time
 - UK: after 1988
 - Norway: after 1985
- Is the situation so glorious as may be inferred from this?

Perspective: Alexander Kielland To Macondo

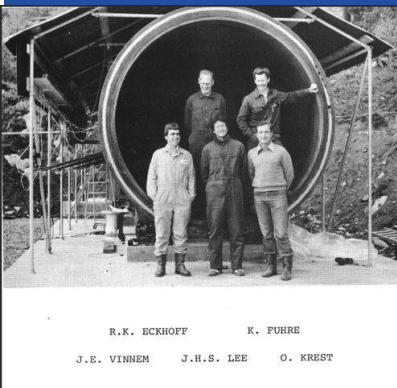
- Capsize and sinking of Alexander Kielland (Norway, 1980)
- Burning blowout on Macondo field (US, 2010)
- 30 years separation:
 - Capsize of the flotel Alexander L. Kielland in Norwegian North Sea
 - Burning blowout on Deep Water Horizon in US GoM
- Encompasses the development and use of risk assessments in risk management offshore

Brief history: Use of risk analysis (N)

- Early start in late 1970s
 - Regulatory requirement since 1981
 - Approach initially based on practices in nuclear power plants
 - Usually no 3rd party personnel risk to consider offshore
 - Development over time away from nuclear PSA approach
 - QRA studies are not in the public domain
 - Few cases where ethical controversies are known
-
- Offshore QRA
 - Focus on consequences (ignited HC leaks)
 - Limited focus on barrier failure probabilities
 - Causes of initiating events traditionally not covered
 - NPP PSA
 - Focus on probability of defined scenarios
 - High focus on common mode & cause failures, etc
 - “Living PSA”

Brief history: Use of risk analysis

- Main application of risk assessments in the Norwegian industry in the 1980ties and 1990ties
 - Design tool, in order ensure that new installations had sufficient capabilities
 - To prevent major accidents and protect personnel in the case of such accidents
 - Significant investments in consequence modelling software tools, most well known is FLACS code



Brief history: Use of risk analysis

- Official inquiry by Lord Cullen in the UK, following Piper Alpha accident in 1988
 - Recommended that QRAs should be introduced into UK legislation
 - Corresponding to the way as in Norway nearly 10 years previously
 - Parallel focus on documentation through Safety Case documents

Brief history: Use of risk analysis

- Safety case
 - Primarily a tool for risk management in relation to existing installations
 - Main focus on consequences, layout and mitigation barriers
 - Similar approaches also adopted by several other countries (Denmark, Canada, Australia,..) & Shell on a worldwide scale ('HSE case')
- Many countries, most notably US, still have prescriptive regulations

Events that made marks on history

- Accidents that have had extensive impact for the offshore operations:
 - Capsize of Flotel Alexander L. Kielland, 1980
 - Capsize of Mobile Offshore Drilling Unit Ocean Ranger, '82
 - Explosion & fire on fixed production platform Piper A, '88
 - Burning blowout on Deep Water Horizon mobile drilling unit, 2010

Impacts on Standards and Practices

- Capsize of the flotel Alexander L Kielland
 - Basic safety training for personnel
 - Use of conventional lifeboats in severe weather
 - Construction safety
 - Barriers to prevent rapid capsizing following major structural damage



Impacts on Standards and Practices

- Capsize of drilling rig Ocean Ranger
 - Improvement of ballast system flexibility for stabilizing the unit in high inclination angles
 - Training of ballast operators
 - Evacuation during severe weather conditions
 - Rescue of survivors following evacuation in severe weather



Impacts on Standards and Practices

- Explosion and fire on Piper Alpha
 - Active fire protection
 - Passive fire protection
 - Protection of Temporary Refuge (shelter area)
 - Barriers against high inventories in pipelines
 - Compliance with procedures & documentation



Trends in offshore QRAs (10–15 years)

- Very limited further development
 - Some further development of consequence tools
 - Precursor data and barrier performance data through RNNP (N)
- Development of tools and methods for incorporation of
 - Causes of initiating events within HOF envelop
 - Collisions with offshore vessels
 - HC leaks

Overall purpose FPSO Operational Safety Project

- Develop models and tools for predictive human reliability analysis
- Test out methodology on selected case studies
- Illustrate results that may be obtained



ESRA Nov 2012 JEV rev0

**Tandem loading
configuration**

18

Objectives

- Demonstrate importance of HOF collision risk
- Identify and evaluate the important HOF factors
- Propose potential risk reduction measures relating to HOF



Contractors:

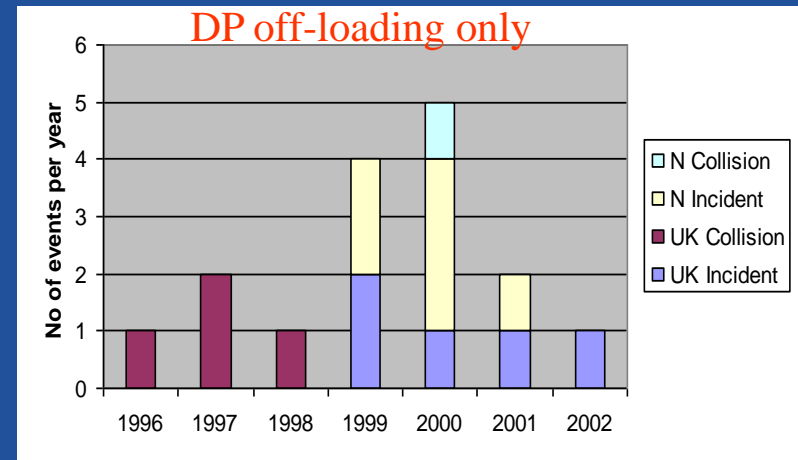
**NTNU
SINTEF**

Sponsors:

**ExxonMobil
HSE
Statoil
Navion**

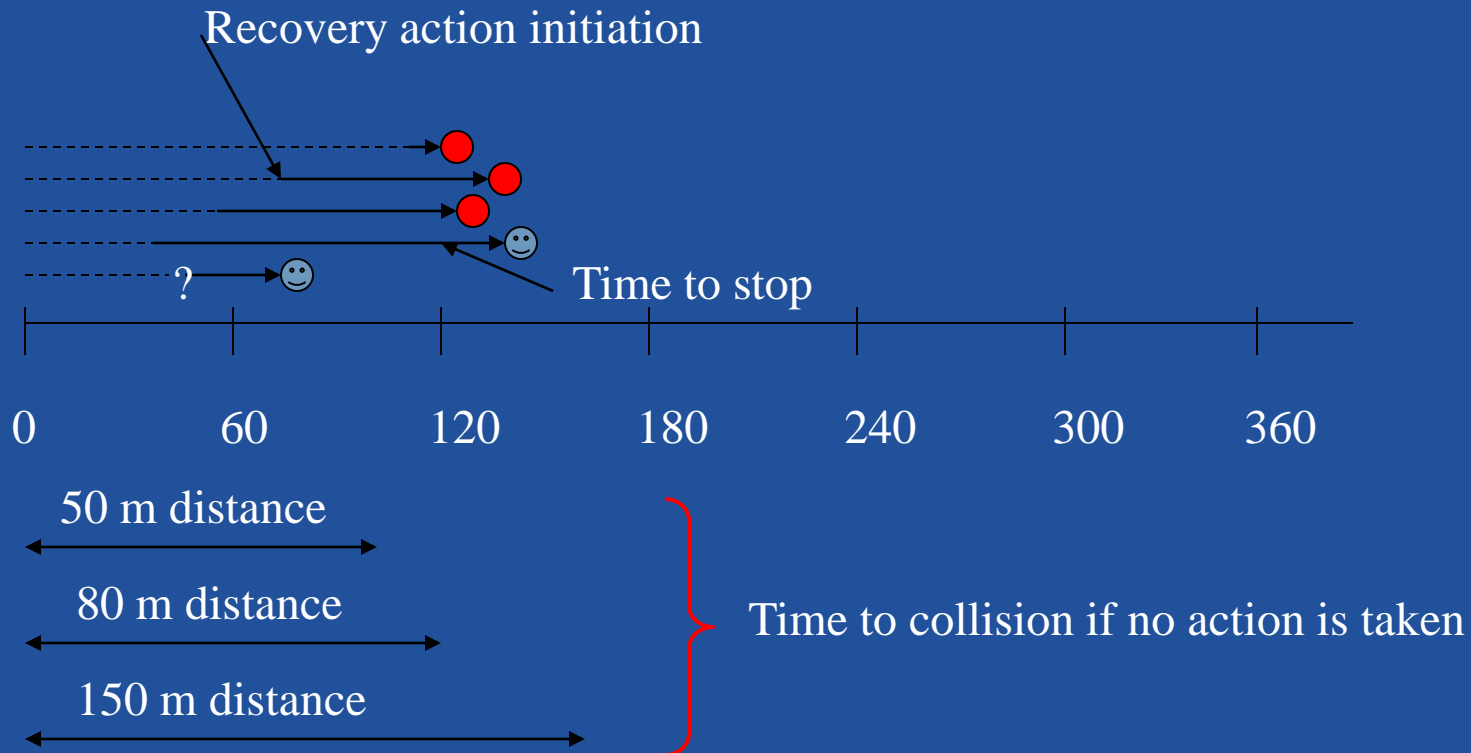
Importance

- Several incidents 1996–2001
- Low velocity impacts (high mass, up to 30 MJ)
- Cargo penetration unlikely
- Accident chain may imply very severe consequences
- After 2002, 2–3 minor accidents



Comparison

Experienced times and maximum times available



Risk Modelling, Integration of Organisational, Human and Technical factors (Risk_OMT)

- Ambitions for the Risk_OMT programme:
 - Extension of verification of barrier performance
 - From existing technical focus into a focus where operational barriers have similar weight
 - Provide sound quantitative basis
 - for analysis of operational risk reducing measures
 - Learn how the best managed installations
 - are achieving performance of operational barriers
 - Propose key performance indicators
 - enable identification proactively when operational conditions are deviating from a high standard

R&D PARTNERS:

•UIS, NTNU, SINTEF, IFE

•Statoil

Project sponsors (2007-11):

•Norwegian Research Council

•Statoil

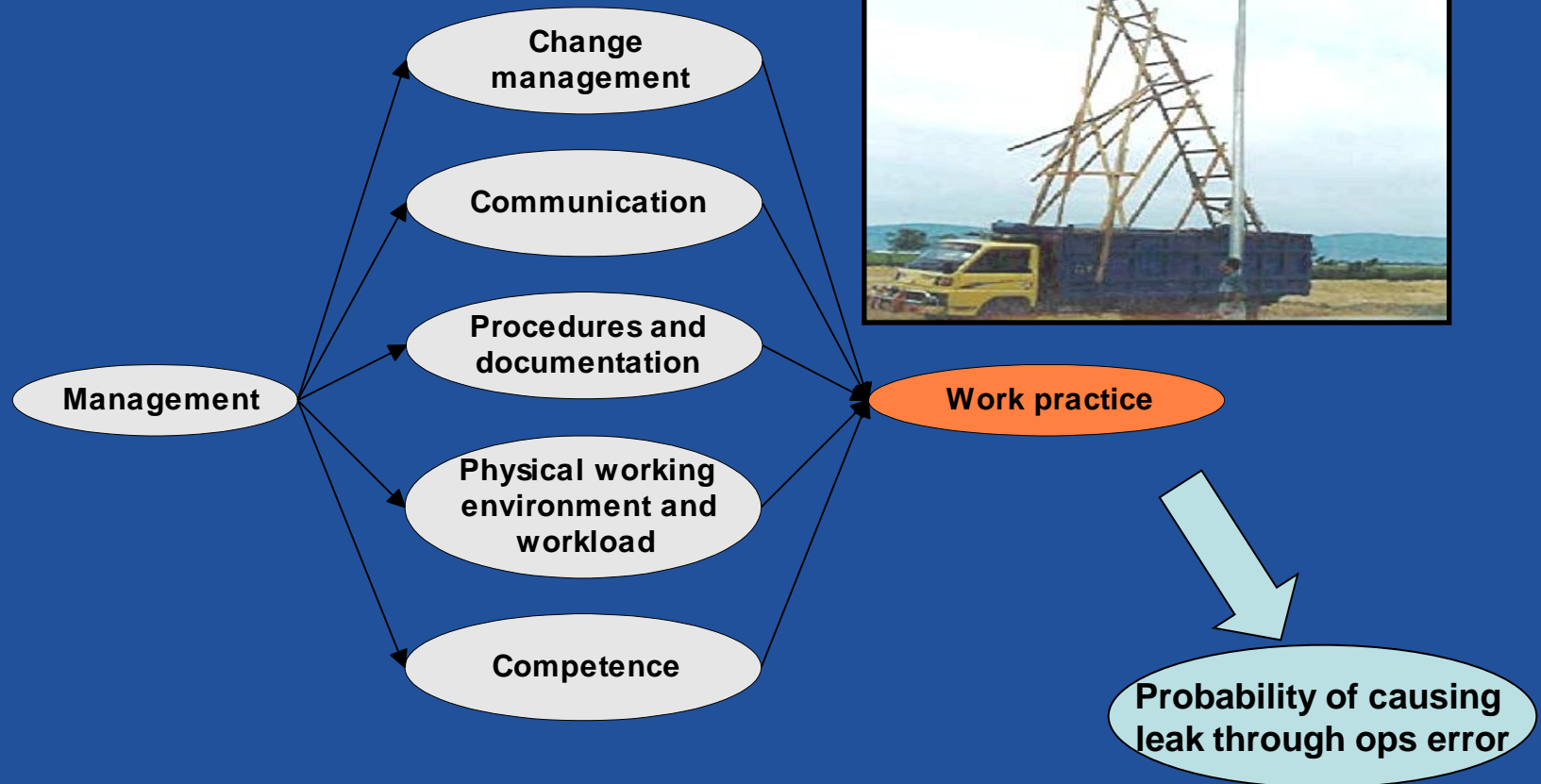
ESRA Nov 2012 JEV rev0



Universitetet
i Stavanger

Dependencies

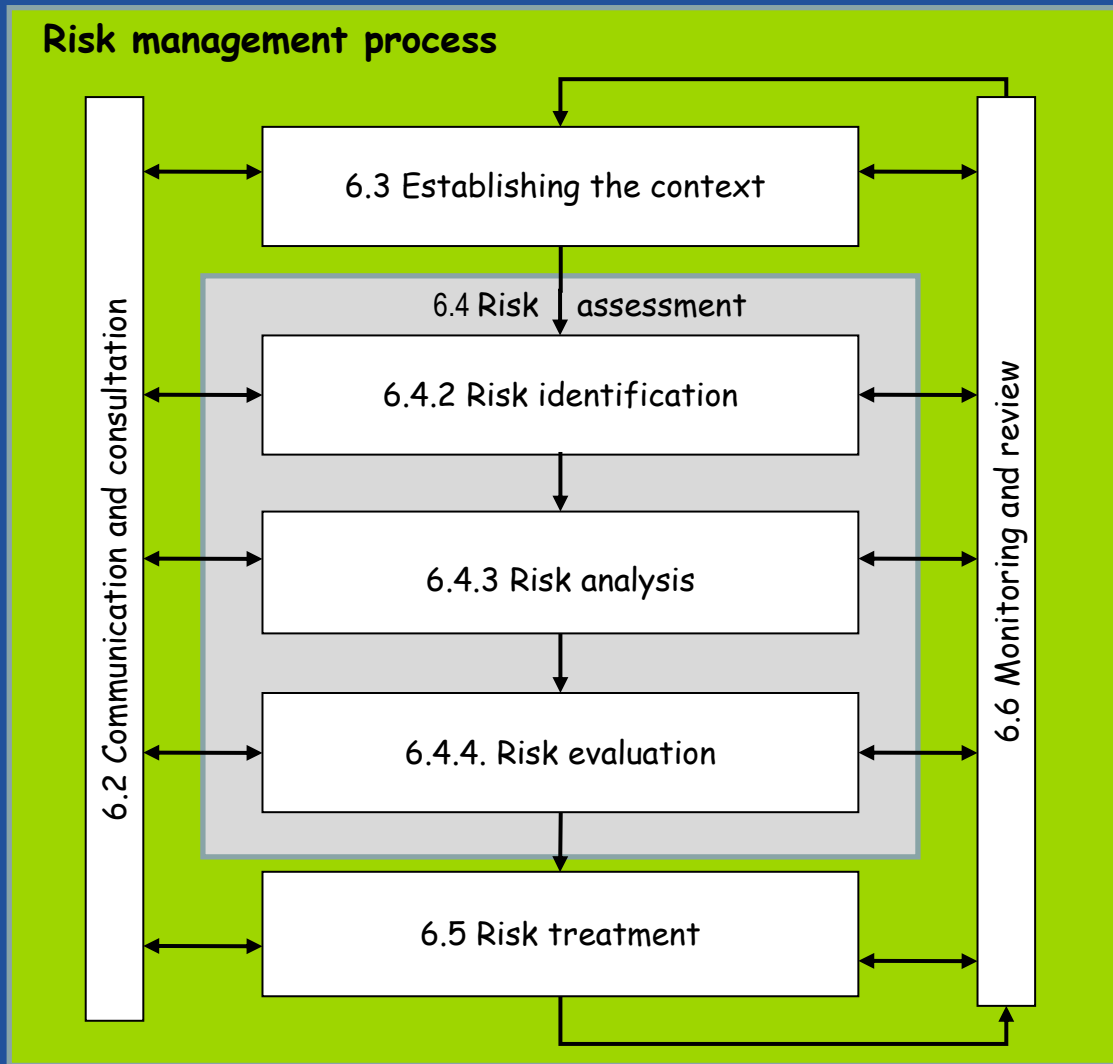
It's all about work practice...



Goal-setting regime

- Implications of goal-setting approach:
 - Industry has more flexibility vis-à-vis fulfilling regulations & finding optimum solutions
 - Preventive and protective systems and actions may be tailored to relevant hazards
 - Models need to be available to distinguish between different levels of threats, and to tailor the solutions to the circumstances

ISO 31000 – Risk Management



- Also the basis for:
 - NORSOK Standard Z-013 Risk analysis and emergency preparedness assessment

Misuse of risk analysis in petroleum sector

- PSA:
 - Risk analysis primary use to identify & assess risk reducing measures in ALARP context
 - Risk analysis shall **not** be used to 'prove' acceptability of deviation from laws, regulations, standards, common practice, etc.
- HSE [UK] has made similar remarks
- Misuse
 - Was an issue in 1980s, with limited QRA experience
 - Reiterated warning in 2007

Robust regulations?

- Combination of internal control and risk-informed regulations appear to be fragile and far from robust combination for
 - Industry
 - Authorities
- No apparent focus in research
- Committee appointed by Ministry of Labour to evaluate HES regulatory system

Could risk assessment prevented Macondo?

- Presidential Commission makes reference to North Sea legislation as possible model for US
 - $\approx 2\frac{1}{2}$ years after the accident:
 - very limited change so far
 - Some are sceptical that anything will change



Could risk assessment prevented Macondo?

- Reflections on this question
 - PSA has confirmed that Macondo accident could have occurred in Norwegian sector
 - Several incidents/accidents during 2004–10
 - Full blown subsea gas blowout in Nov. '04 on Snorre A
 - Lack of compliance with procedures one root cause
 - Also one of success factors of the well killing operations



Could risk assessment prevented Macondo?

- One of the common factors in recent well associated incidents & accidents:
 - Lack of proper risk assessment to
 - Identify criticality of various factors and deviations from plans & procedures that have to be made
- Common factor with the Macondo accident
 - Failure to assess risk as basis for MOC one crucial failure
- Effective management of major accident risk is strongly dependent on
 - Adequate modelling (i.e. insight) of hazard mechanisms
 - Stringent management of barriers throughout field life
 - Crucial factor in Montara accident

Could risk assessment prevented Gullfaks C?

- Lack of risk assessment identified as root cause
 - PSA: why was risk assessments omitted?
- IRIS report identified significant management deficiencies
 - Limits Statoil's ability to learn from accidents & incidents
- Investigation practices are also counterproductive with respect to learning
- More important than risk assessment:
 - Significant improvements to management attitudes & supervision
- A-standard appears to have significant effect
 - Reduced frequency of HC leaks in 2012

Risk assessment of drilling and well operations

- PSA has repeatedly claimed that risk assessment tools used by the Norwegian petroleum industry are not suitable for operational decision-making
 - Survey (PSA, 2009–10) pointed to need for further development of risk analysis tools
 - Usable as input to day-to-day decisions on installations; minor modifications, maintenance and interventions
 - Same observation would be applicable also for drilling operations
- Large difference between the NPPs and offshore installations with respect to development of online risk monitoring

Risk assessment of drilling and well operations

- Online risk monitoring for management of operations, maintenance and modifications to facilitate decisions relating to:
 - When a leaking valve needs to be repaired (example)
 - Whether it needs to be done immediately in order to control the major accident risk
 - Whether it can wait for some time for the next scheduled plant shutdown
- Online risk monitoring of drilling and well operations is altogether another league
 - Models are not available at all
 - Extensive research effort is needed to develop suitable models
 - Mainly in the HOF field!

Barrier management

- PSA in follow-up after the Macondo blowout proposed also development of a scheme for barrier management
- Barrier failures were also obvious on the Deep Water Horizon mobile drilling rig, such as failure of blowout preventer (BOP)
- Lack of proper management of barriers is also common in the Norwegian industry
 - Poor RNNP barrier data year after year
 - HOF improvement in LOC data

Barrier management

- Management of barriers (ref. PSA) dependent on proper modelling in planning phase
 - Implies that inadequacy of risk models for drilling and well operations will also prevent the basis for barrier management to be established
- Lack of proper risk models will also limit how well risk indicators could be developed



Conclusions

- Prevention of major accidents most effectively through risk-informed decision-making
 - US & others should follow after UK & Norway
- Probably not a coincidence that severe accidents and incidents
 - Have occurred worldwide during the last ten years
 - Not in NW Europe

Conclusions

- Threat from EU to 'throw out' all the good experience in UK and Norway
 - Directive proposal apparently mainly aimed at environmental spill protection
- Step back from risk-informed to compliance basis
- Industry is probably partly to blame
 - No focus for many years to develop suitable risk based tools, especially for drilling and well operations

Conclusions

- Modelling of barrier performance is area where substantial improvement is needed
 - Grossly inadequate, especially for drilling
 - Operational barriers extra challenge
- Improvement of risk-informed management of major hazard risk in day-to-day decision-making
- Operational barrier elements the main challenge

Conclusions

- Can major accidents be eliminated?
 - No, one can occur tomorrow even if the probability is very low
- Risk-informed decision-making more advanced for process plant operation
 - Even in this area we have identified significant development needs
 - Drilling and well operations less well developed