POG RESPONSE TO

GORILLAS IN THE MIST PAPER

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POG collaboration and APGA long term role

The APGA members that are operators of high-pressure gas, oil, water and slurry pipelines throughout Australia, New Zealand and PNG have the opportunity to meet on a regular basis to support one another to enhance the safe and efficient operation of their pipelines and associated assets.

These meetings are well established and provide a confidential forum for sharing of technical and general operational experiences on a range of subjects.

The health of our collaboration is portrayed by the sharing of safety, operational issues that have been experienced by organisations, and their willingness to ensure that the community is safer based on raising these issues.

APGA continues to encourage these meetings, with the support of all Owner Groups, as we focus on self management of issues, whilst highlighting these across all industry owners.

Independent Consultants

Operating pipeline companies use independent consultants regularly to provide specialised services. These include facilitating safety management studies, formal safety assessments, hazard and operability studies, layer of protection analysis studies, safety integrity level studies, performing design verification, undertaking specialist designs, undertaking environmental studies, performing independent audits and operational reviews.

Independent consultants also perform a pivotal role on standard committees including chairing responsibilities and are industry advisors on Future Fuels CRC research.

Competencies

Some companies are undertaking both intern and graduate programs with permanent positions for graduate engineers being placed annually. Engineers gain experience on 6 monthly rotations for 2 years to gain a variety of experiences prior to working closely with senior engineers in a permanent position to gain knowledge with both buddying and mentoring support active. This occurs across a broad range of engineering disciplines.

Some companies are developing engineering competency frameworks which use the APGA Pipeline Engineers Competency System where relevant or use this to set standards for the framework. This is used to develop engineers to ensure they are competent to carry out their current engineering duties and can develop skills for future roles as well.

Mentor and coaching programs are used extensively throughout the industry to develop engineers. Succession planning is undertaken in great detail to sure the required competency within the industry is maintained and improved. This also applies to managing retirements.

Safety Records, site visits, Safety Mgt Studies

Safety Management of existing pipeline operations around the country is the responsibility of the operator. This responsibility must be documented focusing on safety management, facility design and construction and risk management studies to uphold the safe operation of individual assets. While each state has differing mechanisms of regulation each of the states have regulations that requires standards to be met. These standards are set by the industry in forums made up of individuals from the industry. Each of the state regulators have obligations to approve the safety management of each operating entity and to audit and check compliance to the safety management practices, which could be said to be best in world practices.

Operators around the country have focused site visits and some have management KPI's to focus and support management site visits. These visits are about understanding the challenges site workers face in getting their work done. Only those in the businesses understand and appreciate the collective safety measures each business has. Safety is not a standalone object that works on its self it is a combination of many things that are not necessarily visible to onlookers who may only touch the perimeter of a business. The evolution of process safety across the industry brings a new dimension to the safety story and is more about the quality of work being performed by the technicians, the engineers, the management team all the way through to the employment process of people.

Some broad ranging commentary explained in this document is not reflective of industry operation and more reflective of an opinion of a person. The Transmission Pipeline Operations in Australia is a professional industry that works to very high standards regardless of ownership. Ownership of business has a commercial side but the operations side is shared across industry with a very powerful Pipeline Operators Group that share learnings, competencies and industry wide issues to assist operators in their business to improve each other.

Business operations is subject to many audit processes and it is fundamental that directors of businesses through risk management committees and audit committees take independent discoveries to prove the management policies and application of those policies. This draws in the independent views, assessment, and engineering practices of sound safety management.

Safety standards in our industry are leading, culture is developed from good sound workable rules and to each rule there must be consequence to ensure the understanding of importance. There should be no excuses made for applying consequence to rule breakers in our industry. There should also be no excuse for moving with the times into the electronic world. The new generation is all about the electronic digitisation and as we see the next generation develop in our industry we also see the evolution of digitisation. This brings new concepts that must be tried and tested and with that brings education to build competency of existing staff. The industry must embrace this new technology or it will be left behind, it is the operators responsibility to maintain consistent to industry movement on a cost verses efficiency basis.

Most Gas Pipeline operations around Australia are economically regulated assets and are therefore scrutinised heavily when it comes to the cost of operation and OPEX.

Regulators – improved relationships

While historically there has been a disconnect between technical and economic regulation in some jurisdictions, pipeline operators are now seeing closer collaboration between economic and technical regulators driving safety focussed outcomes.

Members of the Pipeline Operators Group believe that Technical Regulation of pipeline operations is robust, with Pipeline Regulators driving continuous improvement across the country. Pipeline Operators, through events such as the POG Seminar and APGA convention openly discuss operational challenges, enabling technical regulators to be informed of emerging issues outside of their jurisdiction. There is also collaboration between regulatory bodies to promote data sharing and improved technical regulation.

The collaborative approach to safety related matters is highlighted by Pipeline Operators effectively working with technical regulators in a number of jurisdictions to improve pipeline safety outcomes where land is developed in the vicinity of pipelines. Recent changes to South Australian Planning, Development and Infrastructure regulations have highlighted the effective safety outcomes being achieved through this collaboration.

Pipeline Operators have a progressive relationship with Technical Regulators on matters relating to pipeline safety. Technical regulators from five states are now participants in the Future Fuels CRC providing them with access to the latest pipeline related safety research. Technical regulators are also integral members of ME38 and our Australian Standard Sub-committees, enabling them to directly influence the standards called up by all State based legislation and ensure prompt uptake of research related to pipeline safety within standards.