

Petroleum and Gas Inspectorate

Service delivery snapshot 2017–18

A shared responsibility for safety and health

Our vision is for a safe and sustainable Queensland petroleum and gas fuel industry that strives to minimise harm to workers and the community.

In my view there are five fundamental elements for the Petroleum and Gas Inspectorate to deliver effective, contemporary, evidence-based safety regulation:

- Proactive engagement—build safety capability across industry and actively contribute to sharing harm reduction practices and safety information
- Modern legislation—be less prescriptive on how to work
- Risk-based approach—focus regulatory effort to areas of greatest risk
- Look for success—recognise and share examples of safety improvements with positive workplace outcomes—don't just focus on non-compliance
- Professional expertise—demonstrate staff expertise and mastery, and encourage ongoing professional development.

These five elements must be underpinned by a *firm, fair and friendly* attitude toward the industry we regulate—to foster an environment of respect, learning and cooperation.

To this end, the Inspectorate has strengthened our engagement with industry in the past year as the Stakeholder Engagement Committees (SEC) we established in 2017 have matured into effective collaboration and communication forums. The SEC members include senior leaders in industry's peak bodies, HSE leaders, and gas suppliers. We briefed the SEC on our compliance focus for the upcoming year, and consulted them on regulatory change and reviews. This open approach has nurtured more trust and respect between industry and regulator.

In line with our risk-based approach, we've introduced ongoing after-hours inspections with minimal notice to observe industry's full operational cycle, and identified areas that work well, and advised on those needing improvement.

This document offers a snapshot of the Inspectorate's performance for the 2017 financial year. I welcome any feedback you may have, and look forward to continuing to work collaboratively for a safe and prosperous petroleum and gas industry for Queensland.

Bill Date

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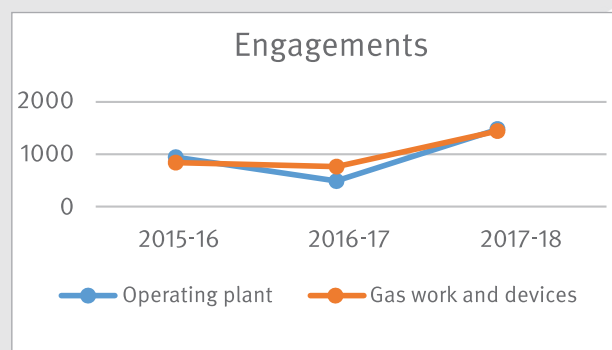
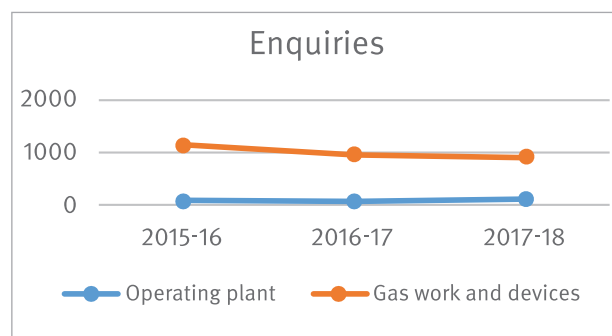
Chief Inspector
Petroleum and Gas Inspectorate

Safety and health activities

In 2017–18, the Petroleum and Gas Inspectorate (the Inspectorate) delivered its core regulatory functions, while tackling some significant projects and service delivery improvements. This included activities to proactively target areas of risk. Enforcement action was taken where necessary, with three prosecutions completed and 30 Penalty Infringement Notices issued.

Engagement and advice

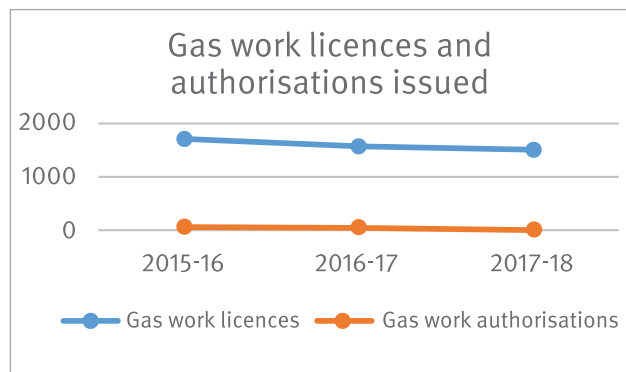
During 2017–18, the Inspectorate answered 1046 enquiries ranging from legislative interpretation to technical matters. The Inspectorate also continued to drive an increase in proactive engagement across the industry to understand work and encourage better safety outcomes. This is supported by a partnership with Griffith University's Safety Science Innovation Lab working to improve how we undertake proactive regulatory activities.



Gas work licence and authorisation applications

The Licensing and Authorisation Unit (LAU) issued 1477 gas work licences and 92 gas work authorisations.

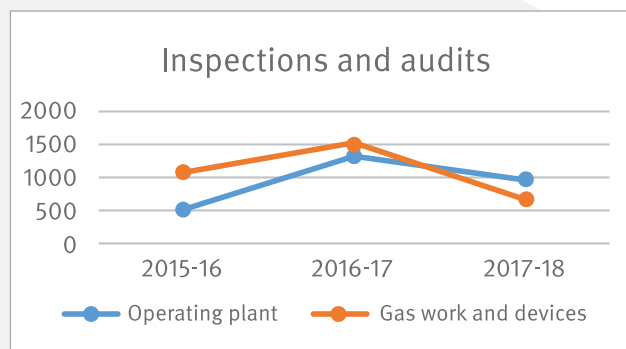
The LAU engaged with industry groups and registered training organisations to improve the prescribed gas work licence and authorisation requirements, and made other process improvements such as a streamlining online forms and reducing processing times.



Compliance assurance

The Inspectorate delivered front-line regulatory services including our annual Compliance Assurance Program, which focused on operating plant with an emphasis on higher risk operations. The team carried out 910 inspections and 82 audits of operating plant across all sectors of the industry, with a particular focus on fuel gas networks, petroleum wells and distribution systems.

In relation to gas work and devices, the Inspectorate conducted 657 inspections, targeting gas work and hydrocarbon refrigerant work.

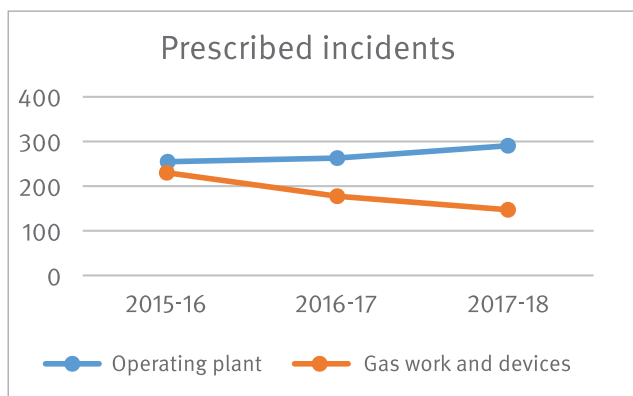
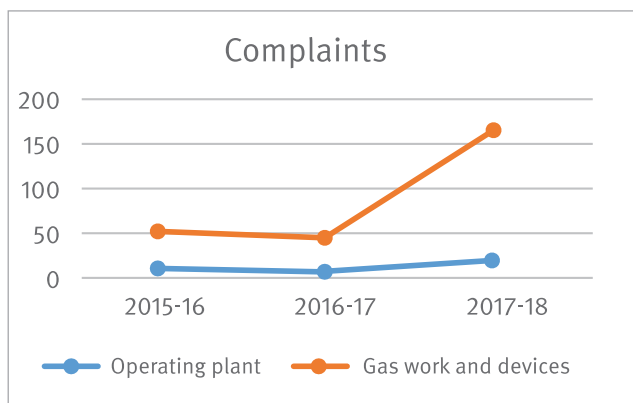


Complaints and prescribed incidents

During 2017–18, there was an increase in complaints received with 164 received in relation to gas work and devices, and 21 in relation to operating plant.

The bulk of complaints continue to relate to unauthorised or noncompliant gas work while incidents relating to gas work and devices decreased with the most common being issues in relation to fixed gas installations.

There was an increase in prescribed incidents at operating plant, with many relating to disturbance of natural gas supply lines on distribution systems.



Strategic activities

The Inspectorate continued to build on the success of our Stakeholder Engagement Committees with both the 'Operating Plant' and 'Gas work and device' committees meeting multiple times over the past 12 months. These committees provide a great vehicle to drive safety and health focused collaboration with industry, while offering a wealth of valuable input to key projects and activities.

During the year, we also undertook a number of significant projects including:

- The Regulation Remake Project revised subordinate legislation and delivered streamlined provisions, removed prescription incident, and refined prescribed incident reporting. The remade Petroleum and Gas (Safety) Regulation 2018 came into effect 1 September.
- Amendments to the Act are currently before Parliament to drive legislative reforms including repealing annual safety reports and introducing safety reporting, exempting changing pig-tails from gas work, introducing application and on going requirements for gas device approving authorities.
- The Operating Plant Reform Project is a major project that has conducted extensive consultation into jurisdictional, duties, and registration and fee reforms for the exploration, production, processing and transportation of petroleum and fuel gas.
- The Gas Work Fees Reform Project will change gas work licence and authorisation arrangements and their associated fees. This project is reviewing gas work fees which have not kept pace with the cost of regulation and looking at changes to gas work licences and authorisations.

Program of activities 2018–19

In the 2018–19 financial year, the Inspectorate will continue delivering and improving its core functions from proactive inspections to incident response.

The Compliance Assurance Program 2017–18 targets include:

- 147 engagements, 966 inspections and 60 audits in relation to operating plant
- 12 engagements, 442 inspections and 8 audits with regards to gas work.

We will continue our strategic collaboration with industry through Stakeholder Engagement Committees, trade nights with gas fitters and direct consultation on specific matters.


The Inspectorate will continue with its legislative reform agenda, implementing Parliamentary approved legislative amendments and progressing our two major reform projects.

The biogas reform project will continue and its recommendations will be incorporated into the broader Operating Plant reforms.

Contact us


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Report a prescribed incident or emergency

 Petroleum and Gas Inspectorate
Hotline: 1300 910 933

