

Brazilian National Agency of Petroleum, Natural Gas and Biofuels

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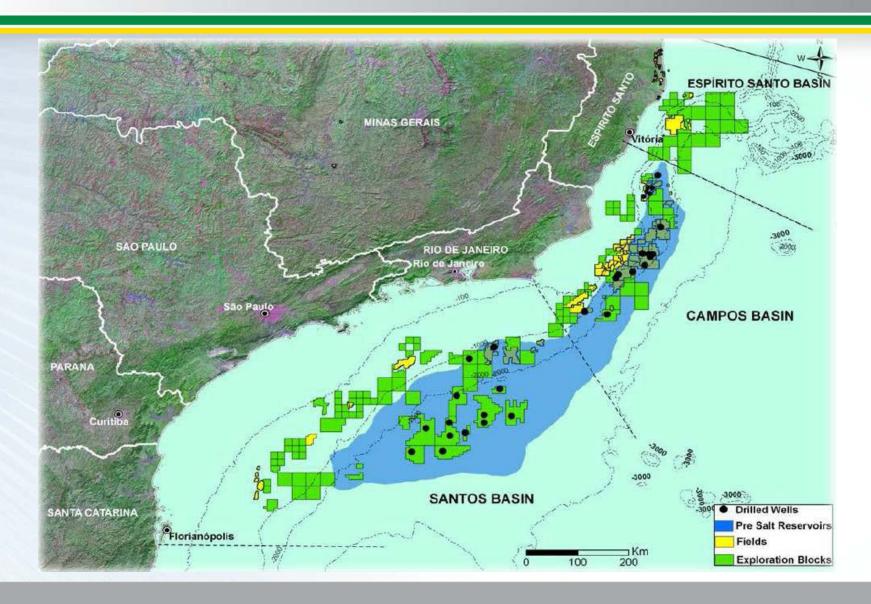
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How do we encourage timely, proactive standards development?

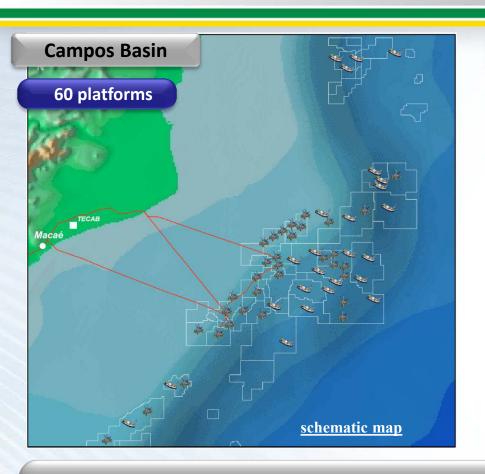


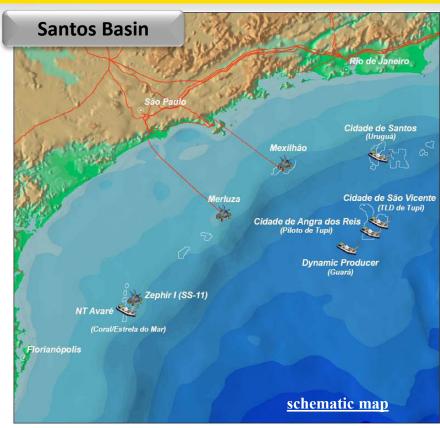
Brazilian natural vocation – Offshore





Brazilian natural vocation – Offshore





Today: Brazilian oil production in deep water is about 25% of global production. In 2020: about 40% due to pre-salt discoveries.

If predictions are proven: needs on infrastructure, installation aging and regulation.



A pre-salt recent case:

⇔Unit:

***FPSWO**

*30,000 bbl/d

❖Purpose:

❖Extended Well Test (EWT)

❖Early Production (EP)

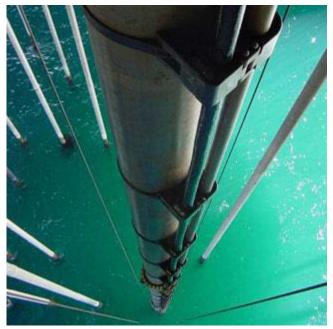




The accidents:

Consecutive ruptures at a tool joint of the EPR (Early Production Riser)

- ❖ 2011, March, 1st
 - ❖ After 61 days of work
 - *rupture @ 500m depth
 - ❖ No environmental harm
- ❖ 2012, January, 31st
 - ❖ After 111 days of work
 - *rupture @ 680m depth
 - ♦ 114 bbl oil spill

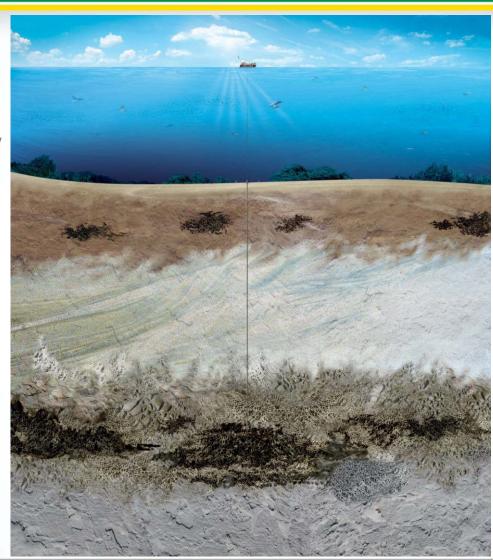


http://www.akersolutions.com



The investigation results:

- Company representatives admitted they had not conducted risk analysis at the design stage of the EWT.
- The company standards treated risk assessment and risk management as a business decision, even in the case of technology frontier.





The investigation results:

- Moreover, the company affirmed to comply with documents listed bellow:
 - **❖ National Legislation:**
 - CETESB, 2006: Analysis, Assessment and Risk Management
 - ❖ International Standards:
 - ❖ ISO 17776:2002
 - ❖ IEC/ISO 31010:2009
 - **❖ API RP 75**
 - Other International References:
 - Guidelines for Risk Based Process Safety, AIChE, 2007
 - Guidelines for Hazard Evaluation Procedures, AIChE, 2008





Actions:

- In fact, the company standards did not met the cited references.
- In Brazil, the choice of an adequate technique for risk assessment is not a matter of business preference; the compliance with best practices are mandatory.
- Prohibition of the use of the EPR until the company proves to attend National Legislation:
 - ANP Resolution 43/2007: Operational Safety Management System





Conclusions:

- There are enough standards regarding some subjects, such as "safety risk management system".
- There is a difficulty to make the companies comply with them.
- ❖ Analogous case: 2010, Macondo.
 - There are available standards concerning safety barriers on wells
 - The company did not applied the recommended practices



http://news.nationalpost.com



Needs of Regulator:

- ❖Industry should be
 - Proactive
 - Do safety risk assessment
 - ❖ Manage safety risk
 - Follow standards
 - Collaborative with regulator
 - Determine safety issues, specially regarding new technologies and processes
 - Suggest pertinent enhancements for regulation and standards





How are incident and performance data being used to help determine standards needs?

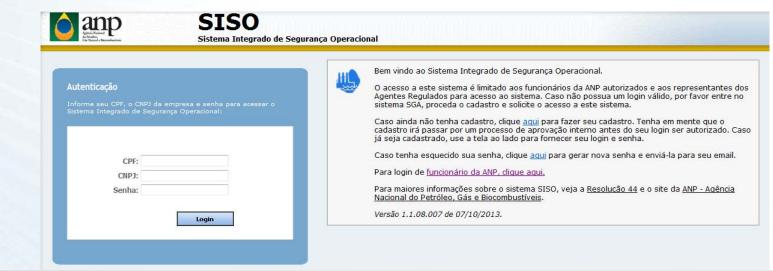
What are the near and longer term strategies for data gathering and assessment?



Performance data gathering and assessment

Near term strategy – Own Software:

- SISO Operational Safety Integrated System
 - Information on offshore incidents
 - Leading and lagging data





Performance data gathering and assessment

Long term strategy – IRF's initiative:

- **❖ IRF performance measurement project**
 - Project goal
 - ❖To measure and compare offshore safety performance among IRF participants by collecting and comparing incident data based on a common set of criteria.



























Performance data gathering and assessment

On subsea safety systems performance data gathering:

- Today, ANP does not gather performance data about subsea safety equipment.
 - Standards such API RP 17, ISO TS 16530-2 and OLF 117 are being studied





How do we collectively ensure that standards are rigorous and challenging?

How important is international consistency? How do we best achieve our consistency objectives?



Standards, international consistency

Suggestions:

- Standards consolidation
 - **& Concerns:**

- Regulators must be heard
 - ❖ e.g. regarding their policies, legislation



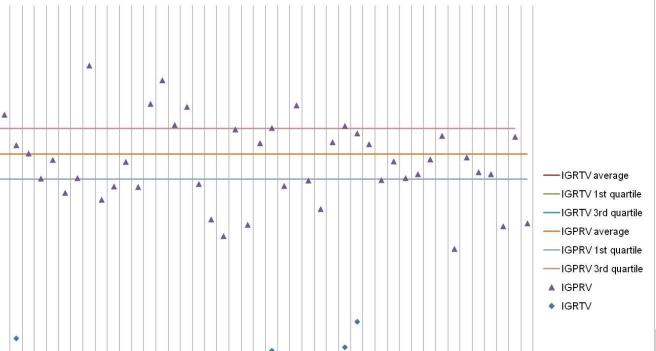
- Industry must be heard
 - * e.g. regarding available technology

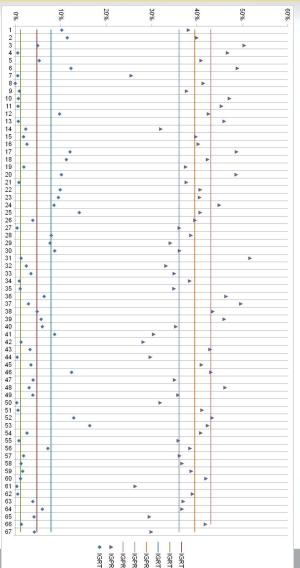


Standards, international consistency

Suggestions:

- Global indicators
 - Set leading and lagging indicators based on averaging to compare performance among installations







Thank you for your attention

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