



## NOTICE OF NON-COMPLIANCE

June 4, 2020

**BY E-MAIL**

Scott Sandlin  
President  
Hibernia Management and Development Company Ltd.  
100 New Gower Street, Suite 1000  
St. John's, NL, A1C 6K3

Dear Mr. Sandlin,

**Re: Non-Compliance with the *Atlantic Accord Implementation Acts, the Newfoundland Offshore Petroleum Drilling and Production Regulations and the Newfoundland Offshore Petroleum Installations Regulations***

On May 22, 2020, the C-NLOPB received a Notification Fax from the Certifying Authority for the *Hibernia* platform regarding overdue testing of fire extinguishers. Between May 17-18, 2020, the Certifying Authority identified that as of January 1, 2020 approximately 50 fire extinguishers on the platform were past their required due date for hydrostatic testing.

The failures to maintain the fire extinguishers and to report impairment of this safety critical equipment are contrary to the above-noted legislation and regulations, constituting non-compliance by Hibernia Management and Development Company Ltd. (HMDC) as operator of the *Hibernia* platform under Operations Authorization No. 22020-020-OA09, which was issued on April 30, 2019.

Specifically, the C-NLOPB finds that HMDC's failure to maintain and test fire extinguishers within their respective due dates does not comply with paragraph 139.1(1)(b) *Canada-Newfoundland and Labrador Atlantic Accord Implementation Act* (federal versions referenced herein), which requires operators to ensure that the equipment and installations continue to be fit for the purpose for which they are used. For ease of reference, paragraph 139.1(1)(b) states:

*139.1(1) Subject to subsection (2), no authorization under paragraph 138(1)(b) shall be issued unless the Board has received, from the applicant for the authorization, a declaration in the form fixed by the Board that states that*

*(b) the applicant shall ensure, so long as the work or activity that is authorized continues, that the equipment and installations continue to be fit for the purposes for which they are used, the operating procedures continue to be appropriate for those uses, and the personnel continue to be so qualified and competent.*

Further, subsection 29(9) of the *Newfoundland Offshore Petroleum Installations Regulations*, requires the operator to inspect, maintain and recharge fire extinguishers in accordance with the National Fire Protection Association 10, *Standard for Portable Fire Extinguishers*. Again, for ease of reference, subsection 29(9) states:

*29(9) Every portable fire extinguisher on an installation shall be inspected, maintained and recharged in accordance with National Fire Protection Association 10, Standard for Portable Fire Extinguishers.*

The C-NLOPB also finds that HMDC failed to report the impairment to the C-NLOPB, contrary to subsection 1(1) and paragraph and 76(1)(a) of the *Newfoundland Offshore Petroleum Drilling and Production Regulations*, which state the requirement to notify the Board of any event that causes impairment to equipment critical to the safety of persons or the installation, as follows:

*1 (1) The following definitions apply in these Regulations.  
incident means*

*(c) any event that causes*

*(1) the impairment of any structure, facility, equipment or system critical to the safety of persons, an installation or support craft,*

*76 (1) The operator shall ensure that*

*(a) the Board is notified of any incident or near-miss as soon as the circumstances permit;*

On May 26, 2020, the C-NLOPB communicated to HMDC that this event was a reportable impairment and a meeting was subsequently held on May 28, 2020 with HMDC to discuss the fire extinguisher impairment and the requirement to report same. On May 29, 2020 HMDC submitted a Written Notification to the C-NLOPB for the fire extinguisher impairment identified between May 17-18, 2020. This notification identified that a number of the impaired fire extinguishers had been replaced, and as of May 27, 2020, four fire extinguishers onboard the *Hibernia* platform remained past the required hydrostatic test date. On June 2, 2020 HMDC confirmed to the C-NLOPB that all of the non-compliant fire extinguishers had been replaced.

The C-NLOPB expects HMDC to ensure safety critical equipment is fit for purpose, and to follow this matter through to closure via the C-NLOPB's incident reporting process.

The C-NLOPB also expects HMDC to complete a review to determine the failures in its management system that contributed to these non-compliances, not limited to but including why the impairment to safety critical equipment was not reported, any management system gaps that contributed to the non-compliance, and proposed corrective measures to prevent recurrence. The results of this review are to be submitted to the satisfaction of the Chief Safety Officer no later than June 19, 2020.

Accordingly, HMDC is hereby issued this Notice of Non-Compliance. Confirmation is required that this Notice of Non-Compliance has been provided to the Workplace Committee and posted in a public place on the *Hibernia* platform. This Notice of Non-Compliance will also be posted to the C-NLOPB website.

Further incidents of non-compliance could prompt the Board to consider additional enforcement action.

Should you have any questions or wish to discuss these matters further please contact me at 709-699-8875 or Kristina Kean, Safety Officer, at 709-682-8032.

Sincerely,

DocuSigned by:



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Paul Alexander

Chief Safety Officer