

Roles and responsibilities for licensees and operators on the Norwegian continental shelf

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Regulatory strategies

The main instruments of the authorities:

- Appointing **competent licensees** and operators
- Regulations and supervisory arrangements designed and conducted in a manner that emphasises and stresses **the participants' responsibility**



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Responsibility

- The **operator and others participating in the petroleum activities** are responsible according to these regulations and regulations issued pursuant to these regulations.
- In addition, the **operator** shall **see to it** that everyone carrying out work for him, complies with requirements
- The **licensees** are, amongst other things, responsible to **see to it** that the operator complies with requirements contained in the health, environment and safety legislation.
- The **licensee** shall establish, follow up and further develop a **management system** to ensure compliance with requirements contained in the health, environment and safety legislation aimed at licensees.



Operator requirements

To be able to assess whether the petroleum activities are carried out in a safe and prudent manner, the operator must have the competency to, *inter alia*:

- **qualify contractors** who carry out work relevant to health, environment and safety,
- **define the assignment** for these contractors,
- **assess the quality** of the products or services that the contractors supply,
- make the necessary decisions to ensure that **the activities as a whole** are carried out in a safe and prudent manner,



Operator requirements (continued)

- assess whether and in which areas there is a need to carry out **verification activities** (follow-up) in its own organisation and in the organisations of the contractors who take part in the activities,
- establish a **verification basis** for the total petroleum activities,
- carry out **an overall assessment** of the results from the implemented verifications,
- **manage and co-ordinate** the operations of the emergency preparedness resources in the event of accidents and hazardous situations, cf. Section 29 of the Framework Regulations.



Requirements to applications for consent

- Section 5: Requirement on consent to certain petroleum activities
- The operator must obtain consent prior to implementation of exploration drilling
- Section 6: Contents of application for consent
 - Application for consent according to [Section 5](#) on requirement on consent to certain petroleum activities shall contain:
 - a) information on which activities are intended to be carried out,
 - b) a description of the activities comprised by the application, and the progress plan for these activities,
 - c) a programme for the first well if the application comprises drilling and well activities in respect of one or more wells,
 - d) **an overview of steering documents** in respect of the activities comprised by the application,
 - e) **a description of the management systems** for the activities comprised by the application,
 - f) an overview of exemptions granted according to the health, environment and safety legislation,
 - g) information stating whether agreements have been concluded with contractors, and if so who is to be regarded as the principal enterprise in connection with such agreements,
 - h) **a description of the analyses and evaluations** made in relation to health, environment and safety aspects with regard to the activities and facilities comprised by the application, and **the results of and the measures to be implemented** in consequence of these evaluations,
 - i) a summary of **the results from the environmentally oriented risk and emergency preparedness analyses**, together with a description of how the planned emergency preparedness against acute pollution has been provided for,
 - j) a description of **the results of the internal and external follow-up**, and a description of the planned follow-up of the activities comprised by the application,
 - k) general drawings of the facility,
 - l) a statement about the application from the elected representatives of the employees,
 - m) an Acknowledgement of Compliance, where applicable.

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Acknowledgement of Compliance (AoC) - responsibilities

- An AoC is an acknowledgement from the Petroleum Safety Authority Norway (PSA) to the effect that a mobile facility's **technical condition** and the applicant's **organisation and management system** are assessed to be in conformity with relevant requirements of Norwegian rules and regulations applicable on the NCS.
- Responsibilities are as before, but one of the rationale of the AoC-arrangement is the **clear-cut roles and responsibilities**
 - Contractor (facility specific, applies for an AoC)
 - Operator (locality and activity specific, see-to-it-duty, applies for consent)
 - Regulators (supervision/audits, issuance of AoC, granting of consent)
 - Employees (opportunity/duty to contribute)

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Audit prior to first exploratory drilling – typical entries

- Audits and internal control
- Competency, capacity and organisation
- Competency, capacity and organisation pursuant to new mobile facilities and other companies
- Emergency preparedness
- Environmental issues
- Management system
- Technical matters/condition
- Progress

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Conclusion

- We see big differences in the capacity and expertise required to follow up contracts
 - Responsible parties must be able to provide the answers to our questions themselves
 - The hierarchy of responsibilities remains
- The applications for consent seems to resemble each other more
- Our first line of communication is with the operators, not your consultants!

