

Resources Safety & Health Queensland

DISCUSSION PAPER



Competency requirements for Queensland's drilling and well servicing workers

Petroleum and Gas Inspectorate 21 July 2023

Is Queensland's competency framework for drilling and well servicing fit for purpose?



Have your say

The Petroleum and Gas Inspectorate invites industry participants to have their say. Rig workers, drilling and well servicing contractors, tenure holders, and related training service providers have until 23 August 2023 to make a submission about competency requirements for drilling and well servicing workers.

To provide your feedback email: gasSafe@rshq.qld.gov.au

Executive summary

Resources Safety and Health Queensland (RSHQ) is the independent regulator for safety and health in Queensland's resources sector. The Petroleum and Gas Inspectorate (the Inspectorate) administers safety provisions of the *Petroleum and Gas (Production and Safety) Act 2004* (PG Act). RSHQ uses a risk-based and data-driven approach to pursue its vision of zero serious harm for resource sector workers.

The Inspectorate is conducting a review of the <u>Competency standard for petroleum and gas well</u> <u>drilling and well servicing</u> (the Competency Standard). The competency standard is called up as a safety requirement for drilling operating plant in section 21 of the Petroleum and Gas (Safety) Regulation 2018 (PG Safety Reg). The Inspectorate's review objectives are to ensure:

- the competency framework for drilling and well servicing workers is contemporary
- resource industry workers and supervisors are competent to manage and control hazards and
- regulated entities are able to demonstrate worker competency.

This Discussion Paper is a first step in RSHQ's engagement with industry participants about opportunities to revise the competency framework for drilling and well servicing workers so that it is fit for purpose. While there has been significant changes in industry practices since the introduction of the Competency Standard, drilling and well servicing industries continue to be high risk hazardous activities and the Scott Karajic coronial recommendations to establish a competency framework remain valid.

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Background

The Competency Standard was introduced to implement coronial recommendations resulting from the inquest into the death of **Mr Scott Karajic** at Berwyndale South in 2003. The recommendation for a mandated education package was aimed at ensuring competency of rig workers, supervisors and senior drilling company personnel.

Since the commencement of the Competency Standard, there have been two fatalities in drilling and well servicing operations in Queensland. **Cameron Cole**, a driller, was 24 years of age when he died on 14 August 2009. Mr Cole was a member of a drilling crew in the process of establishing a new well site. **Gareth Dodunski**, a floorhand, was 21 years of age and was killed on 23 June 2013 while working on the drill floor.

There have been minor revisions to the Competency Standard since it was first published in 2007 (transitional until 1 January 2009). The minor revisions included changes to competencies referenced in the standard in 2012 and the addition of well servicing competencies in 2015. In contrast, there has been significant change to industry practice for drilling and well servicing operations since 2009.

Training should ensure workers have competency in risk management and how it should be applied throughout the life cycle of a well and the specific activity each worker undertakes when drilling or working on a well. Training should provide individuals with an appropriate ability to undertake risk assessment, manage processes and apply hazard control methods specific to their area of responsibility. Supervisors need to be competent in understanding the impact of decisions on the work of each activity conducted by the worker they are supervising.

Drilling and well servicing operations are high risk and hazardous activities involving heavy and mobile machinery, high levels of exposure to dust and explosive substances, significant physical activity, and remote locations requiring long shifts and off-site accommodation. These operations are not subject to the same level of process safety engineering controls compared to other components of petroleum and gas extraction (pipelines and facilities). Competency, training and supervision are critical in ensuring worker safety in high-risk operations¹.

¹ Refer to recommendations 3 and 4 and supporting information in Brady (2019). Review of all fatal accidents in Queensland mines and quarries from 2000 to 2019. Accessed from https://www.parliament.qld.gov.au/documents/tableOffice/TabledPapers/2020/5620T197.pdf

Issues

A contemporary framework?

Inspections and audits by the Inspectorate have indicated the Competency Standard may not be contemporary in setting minimum standards for all workers associated with drilling and well-servicing operations. A contemporary regulatory framework that sets the competency standards for drilling and well servicing workers aligns with RSHQ's strategic objective² "to be an exemplar expert regulator".

The Competency Standard remains largely unchanged since 2009 even though there has been significant changes in drilling and well servicing. Table 1 provides an indicative list of changes across the industry. Feedback of other relevant changes is encouraged.

Table 1 Drilling and well servicing changes in Queensland's oil and gas sector		
OPERATION	2009 +	2023
Rig		
• Technology	 Heavy reliance on manual labour Much slower 	 AI technologies and capabilities Remote-control function Move faster with less effort
Site to site movement	• Slow - crane lifting & suck trucks	 Faster – predominant use of trailers and wheels
• Site preparation	Heavy constructionMultiple sumps	Minimal disturbance applicationsSumpless operations
Drilling practice		
 Rate of penetration 	Slow and controlled methods	 Increased rates from engineered improvements (e.g., drill bits, total flow area, bottom hole design) has optimised drill times Well control guided by extensive geological mapping
 Drilling fluid management and cuttings disposal 	Left to evaporate in sumps	 Increased fluid management by CSG drilling contractors Specialised service by trucking companies for processing
• Coil tubing	Not generally practiced	Routinely used in operations
• Snubbing	 Not generally practiced 	Emerging use in operations

² Resources Safety and Health Queensland (2021). Strategic Plan. FY2021-2025. Accessed from <u>https://www.rshq.qld.gov.au/resources/documents/corporate/strategic-plan.pdf</u>

Table 1Drilling and well servicing changes in Queensland's oil and gas sector		
OPERATION	2009 +	2023
Training & compete	ncy of workers	
 Onboarding of workers 	 Minimal induction & training processes Minimal enforcement by regulator 	 Comprehensive training provided Contractual requirements exceed minimum competency standards
 Well control training 	 Determined by operating company, Not a core requirement of the RII competencies 	 Well barrier / control training required by operators and contractors. Not a core requirement of the RII competencies Industry applies revised API standards 53 & 59
• Coil tubing	 No regulatory competency requirements 	No regulatory competency requirements
• Fraccing	 No regulatory competency requirements 	No regulatory competency requirements
• Snubbing	Not relevant	No regulatory competency requirements
• Supervision	 No regulatory competency requirement for operating company representative 	 No regulatory competency requirements for operating company representative

Section 21 of the PG Safety Reg mandates the Competency Standard as a safety requirement for the operator of drilling operating plant for workers drilling or servicing a petroleum well or bore. The PG Regulation defines drilling operating plant as:

an operating plant used for any of the following-

- (a) to drill a petroleum well;
- (b) to complete, maintain or work on a petroleum well for the production of petroleum;
- (c) to plug and abandon a petroleum well.

There are categories of operating plant that fall within the scope of the section 21 of the PG Safety Reg, however, the Competency Standard makes no provision for the workers of these operating plant. The scope of the Competency Standard only applies to workers of drilling and well servicing rigs. Other potential high-risk operations for which workers are not required to attain competency include flushby units, coring, coil tubing, fraccing, snubbing, wireline and cementing operations There are also operators using drilling rigs to complete wells. Well completion operations are included in the definition of well servicing in section 21 of the PG Safety Reg. This requires workers for these operators to have attained both drilling and well servicing competencies.

All workers that are within the scope of the regulatory provision undertake high risk, hazardous activities. Their training should support them to learn what is relevant to the specific tasks they conduct to ensure they safely achieve these tasks, this may include but is not limited to entering an existing wellbore for remedial, suspension and/or abandonment purposes. Examples of these

activities includes the following operations: wireline, coiled tubing, snubbing, well maintenance and completion, suspension and abandonment.

Matters for consideration

- Considering Table 1, what other changes in industry practice are relevant to worker competency?
- What changes in industry practice need to be considered in revising the competency framework? Why are they important?
- Is there a need to broaden the scope of the competency framework to include all well servicing activities? If so, which ones?
- What options are there for the competency framework to better reflect contemporary industry practices?
- What is the impact for operators in meeting competency requirements for workers on a drilling rig that also conducts well completion operations?

Setting of competency requirements

The Competency Standard lists the minimum level of qualification that a person must attain, or be enrolled in, to work on a petroleum and gas drilling or well servicing rig in Queensland. The Competency Standard requirements apply in addition to overarching obligations³ under the PG Act to ensure workers are competent to undertake each task required of them.

The Competency Standard specifies the qualification level to be attained for each identified position on a typical drilling and well servicing operation (e.g., Certificate II Oil and gas drilling (onshore) for floorman/motorman, Certificate III Well Servicing for lead floorman/motorman hand). Units of competencies for each qualification (core and elective) are set out in the national <u>Resources and</u> <u>Infrastructure Industry (RII) training package</u> and establish minimum competency requirements for workers at drilling operating plant. The qualifications (certificates) to be attained are packaged to meet workplace roles and are aligned to vocational qualification levels in the <u>Australian</u> <u>Qualifications Framework</u>.

The contents of the RII framework were developed by PwC as a skills service organisation in consultation with an industry reference committee. PwC's Skills for Australia no longer operates as a skills service organisation. Jobs and skills councils were established by the Australian Government in 2023 and the <u>Mining and Automotive Skills Alliance</u> (AUSMASA) is the job skills council with responsibility for the RII training package.

The national vocational educational and training (VET) framework allows for course material to be tailored for unique industry settings by RTO's. This allows course material to keep pace with changes in industry practice and technology. Referencing the RII qualifications in the Competency Standard has enabled revisions to core and elective units to automatically apply without needing to amend the Competency Standard. In this way the Competency Standard has kept pace with some changes in industry practice where these changes have been included in revisions to core and elective units.

The Competency Standard prescribes two options for achieving compliance. The first option requires a person to have attained the relevant RII qualification for their position. The second option requires a person to be undergoing training for the competencies, and to be acting under the direct supervision of a competent person. Suitable evidence for meeting these conditions are quoted from the Competency Standard as:

³ Acceptable level of risk (section 699) and safety management system (sections 674 and 675).

a) Training

Evidence from a Registered Training Organisation (RTO) or certified assessor (for Certificate IV Training and Assessment) that confirms the person is enrolled in a course or is being assessed in training.

b) Direct supervision

The person conducting the work has been clearly instructed by a qualified competent person on their work site. The competent person must be able to provide face-to-face supervision every shift and must be capable of discharging their obligations to each person under their supervision.

c) Competent person

A competent person for the purpose of this Standard has the same meaning as the Work Health and Safety Regulation 2011. A competent person has acquired through training, qualification or experience the knowledge and skills to carry out the task.

The Competency Standard does not provide for achieving competence through a training program other than RII implemented by a certified RTO and assessed against this program by either an RTO or certified assessor. The Competency Standard notes that while the PG Safety Reg allows a person to work on a rig if they are in the process of undergoing training and under the direct supervision of a competent person, this has only been provided to allow for the practical aspects of the competency-based training and assessment to take place. It is not a means of routine compliance for day-to-day operations. A person directly supervising a trainee is considered competent if they hold the RII qualification for the tasks they are providing instructions for.

Matters for consideration

- Is the Competency Standard clear in setting out requirements for industry in relation to competencies needed by workers conducting drilling and well servicing operations? If not, how could these requirements be articulated more clearly?
- Is the national RII framework fit for purpose?
- The regulator considers supervisors must hold the RII qualifications they are supervising, are there alternative means of demonstrating a person is competent to supervise and instruct trainees?
- Do the mandated competencies adequately reflect contemporary practice for ensuring competent workers? If not, what matters should be included in a revised competency framework?
- For drilling and rig workers new to industry is there a need to allow for initial exposure to the work environment prior to enrolment into formalised training? How would this maintain or improve competency?

Well control

Well control is a key aspect of maintaining a safe operational environment within drilling operating plant. Well control is not a core competency requirement within the RII framework. As set out in Table 2, it is not mandatory for workers to undertake specific well control related competencies in the RII qualification prescribed by the Competency Standard.

Table 2: RII Qualifications prescribed by the Competency Standard	
RII Qualification	Elective
Certificate II in Oil and Gas Drilling (onshore) and Well Servicing	RIIOGD205E - Support blow out prevention operations RIIOGD206E - Assist and monitor well control operations
Certificate III in Oil and Gas Drilling (onshore) and Well Servicing	RIIOGD305E - Apply blow out prevention operational procedures
Certificate IV in Oil and Gas Drilling (onshore) and Well Servicing	RIIOGD405E - Carry out well control and blow out prevention operations

Source: Resources and Infrastructure Industry Training Package (Release 9.0) accessible at: <u>training.gov.au - RII - Resources and</u> <u>Infrastructure Industry Training Package</u>

A 2016 International Association of Oil and Gas Producers (IOGP) Report (Report 476) recommended "*enhancements to well control training, examination and certification for personnel involved with all oil and gas well operations throughout the world*".⁴ The Report highlighted that the exploration and production industry has a focus on process safety and for well operations involving drilling, completion and well intervention, process safety means well control.⁵

Recommendations of the Report included an emphasis on:

- extending well control competency to support services,
- risk awareness and risk management training to specifically cover maintaining well control,
- well control training being tailored specifically to roles and responsibilities.

Matter for consideration Should well control be a mandatory component of competency requirements for drilling and well servicing workers?

⁴ International Association of Oil and Gas Producers (2016). Recommendations for enhancements to well control training, examination and certification. Report 476. August 2016. 2nd ed. p.6 Accessed from <u>https://www.iogp.org/pubs/476.pdf</u> ⁵ International Association of Oil and Gas Producers (2016). p.6

Contractual arrangements

Section 21 of the PG Safety Reg mandates the Competency Standard and applies this obligation to the operator of drilling operating plant. This has the impact of limiting the application of the Competency Standard to operators of drilling and well servicing plant. In practice, tenure holders generally contract drilling and well servicing crews. Contractual arrangements between the well operators and the drilling and well servicing operators can provide for the operating company representative (OCR) to have a supervisory role in drilling and well servicing operations.

The Competency Standard does not mandate competency requirements for the OCR role. The Inspectorate has observed OCR's performing responsibilities at well sites that require understanding of how the various operating plant interact. In some instances, the OCR operates as the approval authority on location. The general requirements for training and supervision outlined in section 22 of the PG Safety Reg are the only competency requirements for OCR's, there are not specific competency requirements, despite the fact that a person holding an OCR position is able to make decisions about how drilling and well servicing operations are conducted.

Matter for consideration

Should OCR's have specific competency requirements? If yes, what options should be considered?

Recognition of prior learning

Section 5 of the Competency Standard prescribes four acceptable methods for training and assessment of competencies. The fourth method describes how recognition of prior learning may be assessed:

"A person may be considered to have met the required competencies if it can be demonstrated that they have completed an equivalent competency (e.g., international competencies). For rig workers who have undertaken other oil and gas drilling training it will be necessary for the operators to map the workers competency to the equivalent RII training package qualifications in this Standard and arrange gap training if necessary."

The Competency Standard does not prescribe the units of competency that must be achieved only the qualification level that pertain to a working position on a drilling or well servicing rig. The result of this is a potential gap between Australian national content requirements against international content requirements. Some international drilling and well-servicing companies have indicated to the Inspectorate that training and experience undertaken by its workers in other countries has not been recognised by Australian RTO's when they have sought recognition of prior learning. The Inspectorate would like to understand more about this issue. It has been described by RTO's that the Australian framework of competencies for drilling and well servicing provides a high level of competency when compared with other global frameworks.

Matters for consideration

- For drilling and well servicing operators that employ workers with international training and work experience, has there been any difficulty for these workers in receiving recognition of prior learning when seeking attainment of core electives and units under the RII package?
- > For RII training service providers (RTOs and certified assessors):
 - Are you able to provide a summary of requests received and approvals granted for recognition of prior learning related to the RII package for drilling and well servicing?
 - What are the reasons given when recognition of prior learning has not been given?

Appendix 1 – Feedback – Competency standard review

The following questions are provided to guide feedback without any intention to limit the raising of additional matters and options for improvement.

Question	Response
Considering Table 1, what other changes in industry practice are relevant to worker competency?	Table 1 provides a very comprehensive overview of all the critical elements and changes in industry since implementation of the competency standard. All our commentary around changes would fall under one of the Operation Categories already noted in Table 1 as they cover a broad range of changes.
What changes in industry practice need to be considered in revising the competency framework? Why are they important?	In QLD we are seeing a fast transition with a lot of CSG assets becoming a typical brown-field environment (basically for CSG we are not drilling on a big scale anymore but managing the lifetime and even more important the well integrity of the already existing thousands of wells). This has created the emergence of new tech and smaller players in the industry that would need to be considered under the competency standard considering the plant and equipment used.
Is there a need to broaden the scope of the competency framework to include all well servicing activities?	Considering the coronial recommendations and the requirements to move away from a self regulated framework to having mandated requirements through a competency standard we believe this should encompass all well servicing activities considering the plant, equipment and inherent risks in those operations. Considering the above comment we believe now more than ever this should be considered for inclusion. As the process is likely to take years for a complete

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	looking at these activities.
What options are there for the competency framework to better reflect contemporary industry practices?	Unfortunately there is always a bit of a trade off with most things. The ASQA Framework is extremely robust around the packages and requirements however this also means it is a very slow beast to make changes to. In an ideal world there would be more representation from our industry on the Jobs and Skills Council for the RII to ensure the packages are adapting and evolving in alignment with Industry Trends. What we have found previously is there is very little representation from D&C (Oil and Gas) on these panels so RTO's have to make the best of the packages and requirements within them. This ultimately effects the competency framework and Contractors that need to meet this.

implementation (Industry consultation, inclusion in standard, training package development, transition period, etc..) it is critical to start

Question	Response
What is the impact for operators in meeting competency requirements for workers on a drilling rig that also conducts well completion operations?	Naturally for a Rig that is doing both Drilling and Completions scopes of works there would be a requirement under the competency standard for those workers to either be Dual Qualified or change crews depending on the operation. For organisations such as Savanna or Ventia this pathway is a lot more easier to achieve considering they do both Drilling and Well Servicing however if Ensign or SLR were looking to do both Drilling and Completions then up-skilling or dual qualifying workers becomes extremely challenging in a live environment. Happy to discuss this in further detail as it is quite a nuanced question in how it can be achieved but there is definitely pathways available.
Is the Competency Standard clear in setting out requirements for industry in relation to competencies needed by workers conducting drilling and well servicing operations? If not, how could these requirements be articulated more clearly?	The main confusion points we have seen in the industry that could be made clearer in the competency standard are: -Qualification requirements (Table should have for a Rig Manager the requirement to hold Cert II, III, IV & Diploma if they are always considered a Supervisor for all crew - currently just says Diploma. - Working under supervision - Confusion as some Operators & Contractors believe a person can work in a role (core position) for the purposes of day to day operations (whilst not holding full qualification) at long as they are enrolled and "under supervision". This could be articulated more clearly or emphasized more as currently it is only 1 sentence at the bottom of section 3.
Is the national RII framework fit for purpose?	Comparatively to what we have seen around the globe the RII framework is extremely comprehensive and fit for purpose. Although not perfect as keeping up to date with changes in technology and trying to get new units of competency added to qualification packages can take a long time. The RII Framework and requirements under ASQA provide a rigorous standard that needs to adhered to. As soon anything steps outside of this and enters the domain of self regulation such as "VOC" or "in-house assessments" it becomes extremely variable and in 90%+ of the instances we have witnessed sit well below the requirements under ASQA / RII. What we need is more members on the Industry Reference Committees.
The regulator considers supervisors must hold the RII qualifications they are supervising, are there alternative means of demonstrating a person is competent to supervise and instruct trainees?	Holding the qualifications is the most clear, consistent, concise way to demonstrate competency when it come to supervision. We believe there is other means however this then opens up the door to interpretation, self regulation and discretionary assessments. If alternative means are provided we believe this would need to be very prescriptive to avoid judgment based decisions that cannot be demonstrated through evidence.
Do the mandated competencies adequately reflect contemporary practice for ensuring competent workers? If not, what matters should be included in a revised competency framework?	I believe a lot of this is already captured in other questions such as looking at OCR's and other ancillary services. There is additional training that all workers complete however we feel this is a bit more company / project specific and should not fall under the competency standard which is highlighted in the introduction noting this is a "minimum level of qualification". The other items are more granular and role specific such as working at heights, breathing apparatus, confined space entry, etc This provides a minimum benchmark but provides flexibility to ensure competency of workers for their specific role, responsibility and equipment they work on.

Question	Response
For drilling and rig workers new to industry is there a need to allow for initial exposure to the work environment prior to enrolment into formalised training? How would this maintain or improve competency?	Unfortunately for new workers the attrition rates in the industry are not ideal considering i is the first time people are exposed to things such as living in camps, working on rotations, being exposed to large bits of equipment, noise, limited connectivity, etc It can be a shock despite managing expectations. On the first couple of hitches I would say the emphasis is on acclimatising the lifestyle, understanding the role, responsibilities and safety requirements, etc The qualification framework when used correctly actually provides a structured guide for a lot of these items through the units of competency however I can appreciate the attrition faced by the industry. A "grace period" of 3 months could be looked at for Leasehand positions to accommodate this
Should well control be a mandatory component of competency requirements for drilling and well servicing workers?	Currently in the Qualifications the default selection of elective units has all the Well Control related units of competency. Additionally this is a contractual requirement set by the Operators for the Contractors to hold things like IWCF Well Control Level 3 / Level 4 which is comprehensively designed to suit specific roles in alignment with the IOGP476 recommendations. We do however believe the Well Control Units should be either Core or Mandatory Electives in the RII Training Package considering the importance of these units. This means all RTO's will need to ensure the Units of Competency are part of the training plans for anyone going through the qualifications and not short cutting these by importing other easy to do units.
Should OCR's have specific competency requirements? If yes, what options should be considered?	Considering the impact, involvement and direction provided by OCR's that directly effect and influence operations we believe it is Critical that these positions hold a mandated level of competency. This could either take the shape of holding a Diploma (Arrow put a lot of their OCR's through a Diploma) or cherry picking specific units of competency as an "Skill Set" that becomes a requirement for OCR's at a minimum to have in understanding the operations of a Rig and also ensure a level of accountability. Units of competency from Quals such as Cert IV WHS, Diploma of Drilling Oil & Gas & Diploma of Well Servicing would all have relevant competencies to look at.
For drilling and well servicing operators that employ workers with international training and work experience, has there been any difficulty for these workers in receiving recognition of prior learning when seeking attainment of core electives and units under the RII package	We process a large number of workers with international training and experience through RPL. There is definitely a couple of obstacles for these candidates but a lot of this comes down to how long they have been out of the market for (trying to locate evidence, third party assessments, fading of knowledge, etc). The key area we find candidates need some supplementary work to do (minor) is around the application of Australian WHS legislation and practices. Personnel that have been working in the middle east, russia, etc It is difficult to have RPL for their application of WHS standards to an Australian level or their ability to run things in alignment with the P&G Act so they need to complete this gap.
 For RII training professionals (RTOs and certified assessors): Are you able to provide a summary of requests received and approvals granted for recognition of prior learning related to the RII package for drilling and well servicing? What are the reasons given when recognition of prior learning has not been given? 	We will need to pull this information so if it is important just let us know and happy to provide (). There is a lot of detail in the reasons however some overarching elements would be: Does not have the knowledge and experience required for RPL. Has been out of the industry too long and cannot provide any evidence. (again I can provide more specifics at a later point if needed).

Question	Response
What are your suggestions for an optimum, best practice competency framework?	We believe the ASQA Framework and requirements from ASQA is currently in a healthy position. We believe most of the frustrations at times with the ASQA framework or requirements to adjust some of these would largely come at a trade off with compliance & quality of the process . The Framework has all the avenues to make changes in the correct ways alongside being versatile and flexible however this also comes down to the quality of the RTO and the members that sit on the industry reference committee. For the P&G Competency Framework his naturally needs an update hence this exercise currently being conducted in alignment with all the changes you have flagged since inception to 2023.