

# MARINE ASSURANCE

## The ultimate O&M backstop

**Green Marine Solutions' article explains the importance of marine assurance and as with their previous articles wishes to stimulate a wider debate...**

Although the offshore renewables industry has suffered distressing accidents, none seem to have caused the same publicity or public uproar as major disasters in the oil & gas sector.

Whether this is because they tend to be smaller, or have lower environmental impacts, injuries, fatalities and asset failures they are never acceptable. With meticulous planning and process, they don't have to be.

And that leads to marine assurance – essentially a company's quality and risk control system.

### MEASURABLE

Marine assurance's beauty is that it is measurable. Our question – or multiple-question – is what processes are offshore wind operators currently using in the O&M phase, would these be better shared, is a new common standard needed, and what tools are companies using to measure the effectiveness of marine assurance?

At Green Marine Solutions, we believe that the industry as a whole would benefit from greater access to best practice in this crucial area. The starting point is to assemble and compare ideas. That is why we would like to understand in more detail what wind operators feel they do best, and where we aim to play a catalytic role.

### MARINE ASSURANCE – PEACE OF MIND

Insurance, via certification, is based on the confidence created by marine assurance – which makes it very important commercially.

In the construction phase, when on-site activity is intense, the marine assurance process is usually a well-oiled mechanism that swings into action through dedicated departments run by major contractors.

However, is enough being done in the O&M phase?

During O&M, when the focus switches to cost-efficient energy generation, is all the hard work needed to gain approval from classification societies being maintained or lost? The potential for unwelcome events remains constant, and may actually increase with time, age and complacency.

It would be remiss not to take steps to prevent future incidents.

Marine assurance stretches from the suitability of vessels to a detailed assessment of practices, the analysis of projects, and to different engineering methods, seabed conditions and environmental impacts. The full list is a long one.

The aim is to engineer away risks and improve the management of assets to a point where a project is seen as a reasonable and acceptable risk by the sophisticated global insurance industry.



### MANY GAINS

Major accidents are bad news. Bad news is usually broadcast widely and can easily tarnish an industry's reputation very quickly. Not only injuries and fatalities, but also catastrophic failures - where assets breakdown or collapse - are unacceptable. They are also expensive. Marine assurance is the ultimate backstop against 'misfortune'. Today, the marine assurance process is often comprehensive. At Green Marine Solutions (GMS), we are reminded of this daily in our role as marine assurance consultants on major offshore construction projects ranging from European offshore wind farms to South American offshore LNG terminals.

The immediate bonus for contractors during the construction phase is high confidence in the 'as-built' competence of assets.

The next step is to approach classification societies, such as ABS, Lloyds or GC. Assuming that they are convinced, a Certificate of Class is issued. Insurers must see this before deciding the level of insurance cover.

There is a natural overlap with advances in marine coordination which is becoming much more systematic and procedure-based as site activity matrices become more complex. This again is creating historical and current data. Planned maintenance, permits to work, competent persons and vessel assurance information all dovetails together with marine coordination. The result is a growing data source.

Project marine coordination centres (MCC) have evolved to become a central department, or hub, with an integrated insight into all of these activities.

Moving forward into the O&M phase, the oil & gas sector norm is for in-house marine assurance departments to keep compliance continuously up-to-date. Is the same happening throughout the renewables industry? Or are operators moving on into the unknown? If so, there is a deficit here that could be costly.



### LINKS TO MARINE COORDINATION

As mentioned, one of marine assurance's key strengths is that it should be measurable and manageable. The problem in an industry as young as offshore wind is that there are few precedents. So not only what tools are we using but also what are we measuring the effects against?

One of the major developments in the industry is digital systems and their ability to analyse and deduce conclusions from large amounts of data. That helps to create a yardstick.

GMS is currently developing a marine coordination training syllabus to ensure that a new generation of coordinators can cope with the complex operations that are now commonplace on fast-moving programmes.

In addition, GMS' ROAM (Real-time Operational Asset Management) system is able to manage and issue renewal alerts for essential documentation that is crucial to marine assurance.

### SETTING THE STANDARD

As a Marine Warranty Surveyor (MWS), safeguarding people and assets is one of GMS' first considerations. Our Vessel Surveyors, Civil Engineers and Naval Architects provide an independent third-party review and approval of high-value and/or high-risk marine construction and transportation projects, from the planning to the execution stage.

In addition, we act as a MWS either on behalf of underwriters and their insured, or for contractors requiring the necessary offshore construction support to ensure they meet contractual requirements.

Our role is to confirm whether design, methodologies, plant and people are suitable for the job in hand. We also determine the scale of any risks that cannot be eliminated totally.

### HELP US TO HELP YOU

Several large operators are now looking closely at the benefits of asking an experienced third-party to carry out a radical impartial review of their procedures to ensure that their liabilities are minimised and opportunities maximised.

With a fresh pair of trained eyes, it is possible to challenge on-going assumptions that could be out of date and introduce evolving best practice. Introducing common standards would be of great interest to us.

If changes are to be introduced, feedback from operators and contractors is invaluable.

We are happy to be instrumental in helping to collect, co-ordinate and share – with due confidentiality – progressing ways of thinking and working.

Your views could be extremely important.

### Green Marine Solutions



### ED'S NOTE

A call to arms - please contact the company if you would like to be involved.