

Question 2 Answer.

Given data:

I-D : 15613,

Cost of loss = 45275000 US \$

Required: Identify the risk level in risk matrix

Step #1: Annual probability of occurrence of hazardous event

$$= 15613 \div 658200$$

$$= 0.00237$$

Step #2: Select likelihood category of risk from table 2.1

$0.001 > 0.00237$ which is < 0.01 , the category is very unlikely

Step #3: To select the category in 2.2 table for consequences categories for a risk matrix in monetary amount (US \$)

From table 2.2

Loss (cost) = 45,275,000 US \$

$$45275000 > 10,000,000$$

$$\text{But } < 100,000,000$$

So category is (significant loss) not 4 category.

Step #4 To find the risk level in risk matrix.

So from fig 2.1 and from given value show that.

Probability occurrence (L)

This risk is low category

Identify...? Risk level

Now finding risk level

From the intersection of category C & Cat 4. The risk level is L (low)