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NOPSEMA

Attention: Environment Plan Submissions
Level 8, 58 Mounts Bay Road,
Perth, WA 6000

By email: submissions@nopsema.gov.au

Re: Esso Australia Resources Pty Ltd Gippsland Basin Decommissioning Campaign #1 Steel Piled Jackets End State [Environment Plan](#)

The Australian Workers' Union (**AWU**) covers workers in all aspects of offshore hydrocarbons work and represents thousands of members in this sector. The AWU is the principal union in the hydrocarbons sector, both offshore and onshore. AWU members are engaged in all areas of the sector, from construction and drilling to processing and maintenance to decommissioning and removal.

The AWU welcomes the opportunity to make submissions in response to the end state environment plan provided to NOPSEMA by Esso Australia Resources Pty Ltd.

The proposed environment plan should not be approved for the reasons that follow.

Proposed Removal

Sections 572 (2) and (3) of the *Offshore Petroleum and Greenhouse Gas Storage Act* (OPGGGS Act) requires all property and infrastructure to be properly maintained and then removed when it is no longer used. Complete removal is the standard, and Esso has not made an adequate case for a deviation from these removal requirements.

Esso is proposing to cut off the Halibut, Fortescue, Cobia, Mackerel, Kingfish A, Kingfish B, West Kingfish, and Flounder steel jackets at 55m below sea level.¹ Given that these structures are located at depths of 73-93m,² this proposal will leave very large structures between 18m and 38m tall on the seafloor to assumedly deteriorate and then collapse.

Esso is also proposing to leave stubs of up to 5m high at the Bream A and Whiting platforms, which are located in shallower water.³

¹ Environment Plan, pp19 & 136

² Environment Plan, pp22-26

³ See also ExxonMobil, [Evaluating Decommissioning Options](#), p.4.

Proposed Disposal

In its Environment Plan, Esso has also indicated that it is considering dumping dismantled materials at sea.⁴ This cannot possibly be considered.

Improvements Required

NOPSEMA must require Esso to resubmit an Environment Plan with the following end state for the 10 Steel Jacket Platforms included in the Plan:

- An improved Option D that cuts the steel jackets flush with the seabed. There is no need for 5 or more metres of the jacket to be left in place. We are not satisfied on the contents of the Environment Plan that cutting flush with the seafloor requires dredging, and even if dredging was necessary, it is preferable for that work to be done rather than the steel jackets be left in place to deteriorate.
- All dismantled materials must be transferred onshore for proper disposal and recycling in Australia.

Additionally, NOPSEMA should require that the deadline for removal of this disused offshore oil and gas infrastructure be brought forward so that it is complete by 2025. This is essential to allowing necessary new offshore renewable energy infrastructure to be constructed in this area.

No Deviation from Removal Requirements

It is concerning that after making billions in profit from its Bass Strait facilities since 1969, including \$71 billion in the past 7 years alone, that Esso has left facilities disused and poorly maintained since 2008. NOPSEMA had to issue [Direction 871](#) in May 2021 to require Esso to begin to take steps to comply with its obligations for proper maintenance and removal of its Bass Strait infrastructure under the OPGGS Act. NOPSEMA warned that ‘the level of planning and timing proposed for removal is not commensurate with the scale of decommissioning activities required,’ that maintenance of the Perch and Dolphin facilities was not adequate, and that the structural integrity of a number of facilities was uncertain.⁵

Deviating from the base case of full removal must only occur if it is impossible to safely remove the oil and gas infrastructure. Esso has not made this case. Instead, Esso attempts to convince NOPSEMA that there are environmental benefits to leaving infrastructure in place. The AWU rejects this line of argument.

Oil and gas facilities are essentially approved as temporary structures that must be removed when extraction is complete. Esso’s Bass Strait infrastructure has been in place for approximately 50 years. However, Esso is now seeking permission to leave infrastructure in

⁴ Environment Plan, p19

⁵ NOPSEMA, [General Direction s.572 to Esso Australia and BHP Billiton Petroleum](#), 20 May 2021.

place for hundreds of years to deteriorate. It is impossible for us to predict the risks that could develop and how the use of this sea area will change in this time.

Once decommissioning, removal, well plugging, and remediation of the seabed are complete, Esso will seek to surrender their petroleum licences and titles back to the Joint Authority, which includes the Victorian and Commonwealth governments.⁶ Surrendering titles and licences removes Esso's responsibility for any future problems. It is essential that all infrastructure is properly and thoroughly removed and secured before titles and licences are surrendered so that the body corporate responsible for the installation and maintenance of the infrastructure is responsible for that infrastructure until it no longer exists.

Infrastructure Must Not Be Left in Place

Leaving infrastructure in place would result in significant cost savings for Esso and its business partner Woodside. There is no benefit for the workforce or community of leaving this infrastructure to deteriorate in place. In fact, the inverse is true.

Additionally, part of the area covered by this Environment Plan is likely to become a part of the new Gippsland Offshore Electricity Area, set to be declared later in 2022.⁷ Accordingly, it is necessary to clear disused and deteriorating infrastructure from the area to facilitate construction of proposed offshore wind infrastructure.

Other Advantages of Full Removal

Full removal inevitably means more work for Australia's offshore oil and gas workforce, which should be supported by NOPSEMA. The AWU is concerned that Esso's preferred option E, leaving 8 of the jackets in place at 55m below the sea's surface, has been chosen to save labour costs for saturation divers, not to mention the further cost of transport and proper disposal of these structures.⁸ 5m stubs should not be left behind at the Bream A and Whiting platforms, located in shallower water.⁹ Cost savings for the owner of the infrastructure is not a relevant consideration and cannot be used to defeat other interests such as worker interests, community interests and environmental interests.

The infrastructure covered in this EP is located in a 'biogeographic break'. On one side of this break specific ecosystems and species are found that are distinct from those on the other side of the break. The break is caused by the different ocean currents (warm from the East Australian Current and cold from the Southern Ocean) and because of the extensive sand along the coast and seafloor without islands, rocky reefs or other structures. This

⁶ Environment Plan, pp29, 32

⁷ Department of Climate Change, Energy, the Environment and Water, [Offshore renewable energy infrastructure area proposal: Bass Strait off Gippsland](#), August 2022. An interactive map showing offshore oil and gas infrastructure and the renewable energy zone is available [here](#).

⁸ Environment Plan, pp19, 136

⁹ In addition to the EP, this is outlined in ExxonMobil, [Evaluating Decommissioning Options](#), p.4.

means that there is only limited connectivity between Wilson's Promontory and far East Gippsland.

There is concern if left in place over hundreds of years, the structures could act as steppingstones across the biogeographic break and lead to the invasion of species into ecosystems either side of the boundary where they have never been present before. If this occurred, there may be a fundamental change in the ecological composition and structure of those areas, which could then spread. There has been no genuine assessment of this risk, either in a likelihood sense or in the potential impact.

Further Concerns

Esso has not made public the reports about the supposed environmental benefits of leaving equipment in place. To enable genuine consultation and engagement from all stakeholders, these must be released.

All infrastructure must be removed and transferred to the Australian landmass for disposal and recycling. The highest environmental and safety standards should be applied to the processes for disposal and recycling of the dismantled materials.

It appears that Esso is pre-empting NOPSEMA's approval process and the public consultation by already having 'detailed discussions with DCCEE' and progressing permit applications under *the Environment Protection (Sea Dumping) Act 1981* to leave infrastructure in place.¹⁰ Such action undermines not only the public consultation process but also NOPSEMA.

The [Esso document](#) that NOPSEMA describes on its consultation page as a 'summary' of the Environment Plan appears to be misleading and not an accurate reflection of the Environment Plan and the options Esso is required to consider. NOPSEMA should not be promoting this document or similar future documents. The inaccurate information in this document may distort the public consultation process.

Summary of Position

The AWU urges NOPSEMA to reject Esso's proposal to cut the eight deep water structures covered in this environment plan 55 meters below sea level, and to leave up to 5m of the two shallower-water structures in place. NOPSEMA must ensure that Esso complies with its obligations to remove all of its disused offshore oil and gas infrastructure, as per the OPGGS Act.

Should NOPSEMA grant approval to Esso to leave infrastructure in place, it will have to do so by elevating cost savings as a consideration above social, community and environmental considerations, setting a dangerous precedent for the rest of Esso's decommissioning campaign, and for other Australian decommissioning projects.

¹⁰ Environment Plan, p43

THE AUSTRALIAN WORKERS' UNION