

ENVIRONMENTAL IMPROVEMENT NOTICE

To: Esso Australia Resources Pty Ltd

In conducting a petroleum environmental inspection to monitor compliance with petroleum environmental law of the Barracouta and Whiting, Flounder and Central Fields Environment Plans (Environment Plans), I, [REDACTED], a NOPSEMA inspector appointed under section 602 of the Act, am satisfied on reasonable grounds that the titleholder named above is contravening a provision of a petroleum law, namely:

(a) regulation 7 of the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (the Environment Regulations)

1. The reasons for my opinion are:

1.1. The findings from the inspection I conducted at the offshore petroleum premises of the titleholder provided me with reasonable grounds to believe that the activity has not been undertaken in accordance with Environment Plans.

1.2. Specifically, Esso Australia Resources Pty Ltd did not have all the arrangements and capabilities in place to mount an oiled wildlife response (OWR) as detailed in the Bass Strait Oil Pollution Emergency Plan accepted as part of the Environment Plans in place for the Barracouta and Whiting, Flounder and Central Fields petroleum activities. The revised OWR arrangements had not been evaluated or tested to demonstrate they continued to reduce risks to ALARP.

1.3. Esso Australia Resources Pty Ltd has repeatedly failed to address actions in response to NOPSEMA recommendations in relation to this matter. NOPSEMA also previously issued Esso Australia Resources Pty Ltd a Letter of Warning in 2017 to address this matter and Esso Australia Resources Pty Ltd has subsequently failed to do so.

2. As a result of this contravention I am satisfied on reasonable grounds that there is, or may be, the following significant threat to the environment:

2.1. Petroleum activities not undertaken in accordance with the Environment Plans may expose the environment to unacceptable impacts and risks such as significant impacts to matters protected under Part 3 of the *Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act)*.

2.2. Specifically, in the event of a major oil spill the Environment Plans predicts hydrocarbons will contact shorelines. Shorelines potentially impacted include Commonwealth Marine Reserves inhabited by a range of species protected under the EPBC Act including seals and penguins. An effective and timely OWR as detailed in the Environment Plans is necessary to reduce risks to these species to as low as reasonably practicable (ALARP).


3. The environment that is subject to the threat is:

3.1. Matters protected under Part 3 of the *Environment Protection and Biodiversity Conservation Act 1999*, including listed species of seabirds, marine mammals and marine reptiles that occur in the operating area and surrounds as detailed in Section 6 of the Environment Plan.

3.2. Other species which feed or rest at the water surface and adjacent Gippsland shoreline and/or inhabit permanent terrestrial colonies (e.g. seals and penguins) that are protected under State legislation.

4. The titleholder is required to take action within sixty days of the date of this notice to remove the threat.


5. I am satisfied on reasonable grounds that the following actions are required be taken by the titleholder within the period specified above:
- 5.1. Conduct an evaluation of the OWR arrangements to demonstrate that the current arrangements continue to reduce the risks of potential pollution incidents to ALARP. The evaluation should follow a methodical process with established suitable criteria, and evaluate practicable OWR control measures against these criteria that could be, and will be adopted to reduce environmental risks to ALARP.
 - 5.2. Conduct testing of the OWR arrangements that confirms resource availability, and minimum times for implementation and mobilisation. The testing design should be informed through consultation with relevant State Departments or agencies, include appropriate objectives and also key performance indicators for evaluating the effectiveness of the arrangements.
 - 5.3. Comply with Regulation 7 of the Environment Regulations by any other suitable means as required to remove the threat.


NOPSEMA Inspector
wA238951

30 April 2019

NOTES: (Please see the last page of this notice)

When the required improvement has been completed, the NOPSEMA Inspector requires Esso Australia Resources Pty Ltd to submit the completed part of the notice under Clause 8, to the contact details below:

Name: 

Position: Environment Specialist

Address: Send in electronic format via email to:
submissions@nopsema.gov.au

Telephone number: +61 8 6188 8700

By signing below, I confirm on behalf of Esso Australia Resources Pty Ltd that the specified action described in Improvement Notice No. 738 has been undertaken within the period specified.

Signed: _____ Date: _____

NOTES:

1. A person who fails to ensure that this notice is complied with, to the extent that it relates to a matter over which the person has control, may be liable to a penalty of 300 penalty units or a civil penalty of 400 units (Schedule 2A, Clause 11D of the Act).
2. This notice must be displayed in a prominent place at the premises and, must not be tampered with or removed before the notice has ceased to have effect. (Schedule 2A, Clauses 11D and 12 of the Act)
3. The notice may be issued to the titleholder by being given to the titleholder's representative at the premises who is nominated for the inspection. (Schedule 2A, Clause 11C of the Act)
4. As soon as practicable after issuing the notice, the NOPSEMA inspector will take reasonable steps to give a copy of the notice to, where applicable (Schedule 2A, Clause 11D of the Act):
 - (a) the operator's representative at the facility if the premises are a facility, and
 - (b) the vessel master if the premises are a vessel under the command or charge of a master, and
 - (c) the owner, if the premises are owned by a person other than the titleholder or operator.
5. An improvement notice ceases to have effect when the responsible person takes the action specified in the notice.
6. NOPSEMA must publish on its website an environmental improvement notice within 21 days after the notice is issued, unless NOPSEMA is aware that the decision to issue the notice is the subject of an application for review by a court. (Schedule 2A, Clause 12A of the Act)
7. For the purposes of submitting the completed part of the notice under Clause 8, the titleholder's representative is the person to whom this notice was given.