Sent:	Thursday, 28 May 2020 5:15 PM
To:	
Cc:	
Subject:	RE: Meeting on 14 May - Nganhurra RTM removal and EP [DLM=For-Official-Use-Only]

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Thanks for the reply. requested me to respond and clarify with you. We would be pleased to meet with Woodside and Recfishwest to help progress Woodside's modifications of the EP to enable resubmission. will suggest some suitable times from our side.

In relation to your comments re decommissioning jurisdiction and the title area:

- "the April RFFWI letter and our 14 May meeting was the first time NOPSEMA has clearly articulated their position that their <u>regulatory responsibilities for decommissioning extend outside title"</u> and
- "Woodside is not aligned with NOPSEMA's interpretation of their regulatory jurisdiction outside title boundaries."

There may be some confusion here and I have sought to clarify below as there is an important distinction to be made between *petroleum activity* vs *environmental impacts* when it comes to 'jurisdiction'.

It would be our preference to reconvene and discuss this further as NOPSEMA is interested to understand the basis for Woodside's views about jurisdiction as I don't feel it is a topic that can be left in the agree to disagree category given it is fundamental to duty holders' understanding and compliance with the law and good environmental outcomes.

I look forward to continued engagement with you on this matter.

## Summary NOPSEMA analysis /points on jurisdiction:

#### 1. NOPSEMA jurisdiction on a) decommissioning and b) the Sea Dumping Act.

- NOPSEMA has legislative responsibility / jurisdiction for decommissioning activities where the petroleum
  activity is authorised by a Commonwealth title. Jurisdiction does not extend outside of this (unless state's
  confer their powers e.g. in State waters).
- As you are aware we do not have responsibilities to administer the Sea Dumping Act.
- I can't see that the RFFWI, OMR, our discussion or our email correspondence infer that our jurisdiction on decommissioning petroleum activities extends outside the title boundaries, but apologies if that is how our advice or position has been interpreted.
- Is this aligned with Woodside's view?

## 2. Environmental impacts

- There is a requirement for titleholders to manage impacts and risks associated with a petroleum activity authorised by Commonwealth title, irrespective of whether those impacts and risks are within the title area or outside (but obviously within the Australian jurisdiction).
- The OPGGS Environment Regulations require (summarised):
  - all petroleum activities to be regulated by an Environment Plan
  - all environmental impacts and risks to be evaluated and

- environmental impacts and risks are accepted by NOPSEMA to be managed to levels that are demonstrated to be acceptable and ALARP
- It becomes an offence for a titleholder to carry out a petroleum activity that is contrary to the environment plan in force. It is also relevant to refer to the EPBC Program requirements that apply to ensure an EPBC streamlined decision is supported.
- NOPSEMA is responsible for monitoring and enforcement of compliance with various requirements of the OPGGS Act and regs, and therefore I think it is reasonable to say this extends our jurisdiction to environmental impacts outside of the title area. Does Woodside dispute this analysis?
- All industry, including Woodside's, environment plans appear to recognise the fact that environmental
  impacts from petroleum activities may occur <u>outside of the title area</u>. An example is the impacts of
  contaminants from activity emissions and discharges including produced formation water, drilling
  discharges and noise.
- Is it Woodside's view that environmental impacts and risks that occur outside of the title area are not within the compliance oversight jurisdiction of NOPSEMA?

### 3. Way forward

#### a. EP assessment:

- I would hope that we are aligned around the need to consider environmental impacts and risks that arise as a result of Woodside decommissioning the RTM and associated infrastructure. This information has been requested from the outset in the first RFFWI.
- As the titleholder this is Woodside's responsibility and necessary to support an EP to be accepted by NOPSEMA. An impact recognised by Woodside is the dumping, however NOPSEMA's assessment of the EP identified that Woodside has not met the content requirements for an EP to evaluate all impacts and risks of the dumping and instead has identified a separate process that is inferred to fulfil that requirement.
- I note you now identify that information will be sourced about the environmental impacts and risks associated with the dumping options. Use of Recfishwest (RFW) information appears to be a sound basis for Woodside to source this, but it is important that we are aligned on its relevance and use in Woodside's EP in the context of the jurisdiction comments I have made above.
- Our advice to titleholders would also include flagging that from our experience in previous EP/Sea Dumping scenarios, EP content requirements may not be necessarily be fulfilled solely by the Sea Dumping permit application requirements.
- The other aspect to highlight on this topic is that similar gaps in environmental impacts and risks may exist for other parts of the activities proposed in the EP (e.g. Deepwater disposal of the RTM option) that may not be part of the RFW work to date.

## b. Sea Dumping process and streamlining

- As identified above, NOPSEMA recognises that there is likely common information that is needed to meet the separate requirements of the Sea Dumping Act and the OPGGS Environment Regulations.
- However, there is unfortunately no formalised streamlining in place to deliver a single assessment and
  decision making process at present (as is the case under the NOPSEMA EPBC Program the requirements for
  approval of actions under the EPBC Act are met via NOPSEMA acceptance of an EP).
- NOPSEMA is working with DAWE to pilot administrative streamlining for Sea Dumping Act assessments via NOPSEMA. If successful this would then be formalised to offer an administrative streamlining solution that

may substantially reduce the burden on industry as well as address issues that can arise with parallel application and decision timing.

 Would Woodside like to consider agreeing to trial the approach on the proposed Ngunhurra RTM dumping activity?

We look forward to meeting with you again, please contact me or if you have any questions.

Regards

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Upon reflection of NOPSEMA's key points raised during our meeting, and having now reviewed against the key items raised in the RFFWI letters, the April RFFWI letter and our 14 May meeting was the first time NOPSEMA has clearly articulated their position that their regulatory responsibilities for decommissioning extend outside title. Without such clarity, Woodside progressed the approach that a Sea Dumping Permit application would adequately address the environmental impact assessment and associated regulatory requirements for the reefing component of the activity. The February RFFWI letter simply requested additional visibility of the components that would be covered by a Sea Dumping Permit.

Woodside is not aligned with NOPSEMA's interpretation of their regulatory jurisdiction outside title boundaries. This would also appear to be in conflict with the Government's broader efforts to streamline and reduce regulatory burden.

We note the NOPSEMA and RecFishWest (RFW) meeting on 19 May to discuss their role in the reefing activity and their Sea Dumping Permit application scope and approach. Woodside is continuing to work with RFW to support their Sea Dumping Permit application, and despite the above concerns Woodside will incorporate the necessary reefing related content in the EP. It is vital, however, that Woodside, NOPSEMA and RFW discuss and agree how the EP could be revised to incorporate only the critical information from RFW's Sea Dumping Permit application.

Woodside proposes a titleholder meeting with NOPSEMA and RecFishWest representatives for the week of 2<sup>nd</sup> June to discuss and address the above items to enable EP re-submission and acceptance. We will advise you of the proposed attendees upon confirmation of a suitable date.

#### Regards





We had a good discussion with RecFishWest, however it is clear the assumptions re our points of discussion has summarised below mean there's some overlaps, interfaces and particular importantly gaps in the way the assessment in the EP has been progressed that do involve RecFishWest. While there doesn't appear to have been the initial understanding of the need for use of info generated by RecFishWest for the Woodside EP, we both felt that the opportunity to continue to pursue the potential for artificial reef would inherently rely on their studies (in part at least) for Woodside to meet its' obligations under the Environment Regulations. We agreed that it was worthy to keep the optionopen given the potential benefits offered by that option.

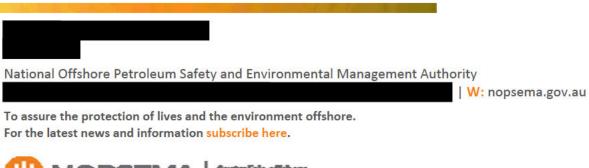
Although it is useful for us to have engagement directly with RecfishWest, there is diminished value without Woodside being in the discussion given the need for you to be aware of their work that may be of value to the EP content requirements and EP acceptance. Recfishwest and NSOPEMA also observed there may be gaps present against EP requirements (eg in consultation requirements, risks, etc) and it would be helpful to tease some of those aspects out between you.

We proposed, and RecfishWest agreed, that NOPSEMA should approach Woodside and request you convene a meeting to clarify the approach to meeting EP requirements as is relevant for the articifical reef option (eg options analysis, impact assessment of impacts and risks for artificial reef option, degree consultation requirements can and can't be met, etc). In this way there is alignment and common understanding of the requirements on Woodside v Recfishwest under the SDP process.

NOPSEMA participation would be on the basis that we could clarify the requirements under the OPGGS and be also able to advise on our understanding of the SDP requirements. If it felt necessary a separate forum could be convened to also include DAWE.

If you are Ok with this can you please look at requesting the joint meeting (Woodside, RecfishWest, NOPSEMA) as proponent as I would prefer that Woodside has the driving seat as Dutyholder. Please let me know if you aren't open to this approach as we will have to explore alternative routes.

#### Kind regards





For Official Use Only

Sent: Tuesday, 19 May 2020 9:17 AM

То:

Subject: Meeting on 14 May - Nganhurra RTM removal and EP [DLM=For-Official-Use-Only]

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Good morning

From:

Cc:

Thank you for meeting with and and me last Thursday to discuss the high level issues regarding the NOPSEMA enforcement and associated assessment of the proposed revision of the environment plan for the removal of the Nganhurra riser turret mooring buoy (RTM) (EP).

I am reassured by our shared view that both NOPSEMA and Woodside recognise the need to have RTM removed in a timely manner.

As discussed, the not reasonably satisfied decision letter for the EP provides the formal basis for communicating our decision and the matters that need to be addressed in a modified and resubmitted EP. While NOPSEMA recognises the degraded condition of the RTM has delayed removal as per the original accepted EP, it is concerning that Woodside responses to the initial NOPSEMA request for information in February 2020 have not yet led to an EP that addresses the content requirements or in NOPSEMA's view meets the criteria for acceptance under the environment regulations.

As we both agreed it would be highly desirable to avoid further unnecessary iterations in the EP assessment, I thought it would be useful to follow up with the key points of the NOPSEMA advice on this topic to assist and clarify the formal opportunity to modify and resubmit (OMR) letter that was issued to Woodside on 24 April.

NOPSEMA would welcome engagement with Woodside before a modified EP is resubmitted. Please do not hesitate to contact me or the second of the

Key points of NOPSEMA advice/discussion:

- 1. Feasibility of removal of the RTM for onshore disposal
  - The removal of the RTM for onshore disposal was the base case as per the accepted EP.
  - While NOPSEMA recognises the circumstance have changed (arguably through failure to maintain the RTM to enable its removal for onshore disposal), the argument put forward in

- the EP that the onshore disposal method is technically infeasible has not been sufficiently supported.
- As such the claim that it is technically infeasible to continue with onshore disposal is not robust and defensible, it appears to be reverse engineered after selection of the preferred option.
- Woodside can support the "technically infeasible" case by including an independent
  assessment of the engineering risk assessment. NOPSEMA understands Woodside may have
  obtained independent engineering assessments, but it has not provided the information in
  the EP.
- Alternative routes to justify disposal at sea may not have been comprehensively explored by Woodside but also remain open – e.g. full comparative assessment as per relevant industry guidelines like APPEA/ Oil and Gas UK Guidelines.
- 2. All environmental impacts and risks of the RTM decommissioning petroleum activities must be addressed in the EP. Given the activity, these by definition include those environmental impacts and risks that occur outside the title area but within Australia's jurisdiction.
  - NOPSEMA initially requested Woodside to provide this information in the request for written information letter in February 2020, however the EP resubmitted in April did not address this matter, instead, continuing with the position that environmental impacts and risks of the offshore disposal options were part of a separate approvals process under the Sea Dumping Act.
  - NOPSEMA's interpretation, consistent with published guidance, remains that all
    environmental impacts and risks of the activity need to be addressed in accordance with the
    EP content requirement sufficient to meet the criteria for acceptance under the
    Environment Regulations.
  - The limited environmental impact and risk presented focuses predominantly on the positive impacts (benefits) of the artificial reefing option and omits the detrimental impacts.
  - NOPSEMA understands that Woodside's view is that RTM offshore disposal activity is outside NOPSEMA's jurisdiction for NOPSEMA to require such information
  - emphasised NOPSEMA's desire to ensure this departure in interpretation reflected above is addressed fully before Woodside elects to resubmit the EP for assessment.
  - We agreed that further liaison and advice was the best course of action to achieve this.
- 3. Consultation provided in the EP is incorrectly narrow to only operations in the title area (limited) particularly with the artificial reefing option.
  - The bulk of relevant person consultation information provided in the EP as it relates to the preferred option relies predominantly on consultation with Recfishwest, which is a party in support of the integrated artificial reefing option, while other statutory relevant persons appear to be omitted.
  - The consultation records presented give the impression that only those who would support the preferred option have been captured.
  - While not a regulatory requirement, feedback received directly from offshore petroleum stakeholders, including NW Cape community group and other marine users) suggests that broader stakeholder engagement has been similarly limited or in some cases potentially misleading by omission of critical information.
    - i. Woodside's published fact sheets provide little or no information on the activity of removal and disposal of the RTM outside of the title area.
    - ii. Woodside could undertake broader stakeholder engagement on the RTM disposal options particularly in light of the proximity of the activity to Ningaloo Coast World Heritage Area and the complexity of the RTM sea dumping.
- 4. A robust comparative assessment involving appropriate external stakeholders to compare RTM removal options and identify the most preferred option is not described in the EP. In contrast, the recently submitted Woodside Echo Yodel pipeline abandonment EP uses the industry Oil and Gas

UK Guidelines for Comparative Assessment in Decommissioning Programmes to select the preferred option.

- 5. Other strategic considerations
  - Offshore dumping of the RTM may have potential for an escalation in community concern
  - NOPSEMA has a desire to resolve the RTM removal in a safe and environmentally
    responsible manner as soon as possible; the failure to maintain and remove the RTM buoy
    remains a compliance issue (since Woodside first reported the failure to remove the RTM
    for onshore disposal as committed to in the accepted EP), within 200 days of the FPSO sail
    away.
  - While we did not discuss it in the meeting, it is relevant to note at this point that as per the
    warning regarding section 572 compliance as a result of the NOPSEMA inspection in 2019
    (NOPSEMA letter, A699851, dated 5 November 2019), NOPSEMA may recommence
    investigations to gather information on the matter to support its decision making on further
    compliance enforcement.

While the Sea Dumping Act and Environmental Regulations have different objectives and involve separate approvals, administrative streamlining of Sea dumping permit assessments is being explored by DAWE and NOPSEMA. NOPSEMA is keen to support Woodside in exploring how it can best streamline/align the two process steps in the context of the RTM disposal case and for future decommissioning activities.

I hope this assists, please do not hesitate to contact me or

### Regards

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