

Otway Exploration Drilling Program Environment Plan

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1. Purpose of this report

NOPSEMA has accepted the Otway Exploration Drilling Program Environment Plan (the EP) submitted by ConocoPhillips Australia SH1 Pty Ltd ('ConocoPhillips Australia') (the titleholder) for exploration drilling activities in exploration permits VIC/P79 and T/49P, located in the Otway Basin. The activity may be conducted between the date of acceptance of the EP and 31 December 2028.

As required by the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2023 (the Environment Regulations), the public was provided with an opportunity to comment on the EP between 16 November 2023 and 18 December 2023. There were 11,433 public comments received by NOPSEMA during the public comment period. After this period, ConocoPhillips Australia took into account public comments and prepared a Report on Public Comment which is published on NOPSEMA's website¹.

Following the public comment period, the titleholder submitted the EP to NOPSEMA on 22 February 2024 for assessment. NOPSEMA has since completed its assessment of the EP and determined that it is reasonably satisfied that the EP meets the criteria for acceptance². NOPSEMA made this decision on 28 February 2025.

This report summarises how NOPSEMA took public comments into account in making its decision.

Where comments were received outside of the public comment period, these comments were not considered by NOPSEMA in its assessment of the EP³. Further, NOPSEMA did not consider comments that contained irrelevant matters, profanity or outright objections to oil and gas activities. A number of the public comments referenced marine seismic surveys, which are not within the scope of this activity. As such, these matters were not considered by NOPSEMA.

This report references the accepted Otway Exploration Drilling Program Environment Plan (Document No. ABU2-000-EN-V01-D-00008, Revision 4, dated 20 December 2024) submitted by ConocoPhillips Australia, which is available on the NOPSEMA website and should be referred to for further information.

NOPSEMA has also published a Statement of Reasons for the acceptance of the EP on its website⁴.

1.1. Key matters that NOPSEMA took into account

During its assessment of the EP, NOPSEMA considered each public comment received during the public comment period⁵ and identified the following relevant key matters:

• information provided on the values, sensitivities and features of the environment that may be affected by the activity;

¹ Titleholder report on public comments – Otway Exploration Drilling Program, February 2024 (Document No. ABU2-000-EN-R01-00005)

² Environment Regulations, Regulation 34

³ Environment Regulations, Regulation 30(6)(b)

⁴ NOPSEMA's Statement of Reasons – Acceptance of Otway Exploration Drilling Program Environment Plan (our ref: A1180100)

⁵ Environment Regulations, Regulation 30(6)(a)



- information provided on the biology of little penguins, biology and cultural value of short fin eels, and cultural value of whales and other totemic species;
- information provided on the values and sensitivities of marine protected areas, Key Ecological Features (KEFs) and threatened and migratory species that may be affected by the activity;
- information provided on the Victorian-managed fisheries that may be affected by the activity;
- information provided on the impacts of underwater noise on marine fauna;
- concerns about the identification and description of environment features in the EP;
- concerns that the EP did not adequately describe cultural heritage and sea country connections of First Nations people;
- concerns that the EP did not provide comprehensive information on marine protected areas, KEFs, biologically important areas (BIAs) and listed threatened and migratory species;
- concerns that the EP did not detail the locations of the proposed exploration wells, the locations of vertical seismic profiling (VSP) and seabed surveys, vessel movements in State and Commonwealth waters, or the number and type of drill rig(s) that will be used for the activity;
- concerns that the EP did not detail vessel-based discharges to the marine environment (including bilge, drill fluids, sewage and other waste);
- concerns that the activity was not sufficiently defined to inform the identification and evaluation of environmental impacts and risks;
- concerns about the activity occurring in poor weather and sea state conditions;
- concerns about the activity interacting with unexploded ordnances (UXOs);
- concerns that the titleholder may drill within the Zeehan Australian Marine Park (AMP);
- concerns about the identification, evaluation and management of environmental impacts and risks described in the EP;
- concerns about the suitability of information in the EP to support the evaluation and management of environmental impacts and risks;
- concerns that the EP did not detail the control measures that will be adopted to reduce impacts and risks
 of the activity to ALARP;
- concerns that the titleholder had not adopted all feasible control measures to reduce impacts and risks to ALARP;
- concerns that the titleholder had not reduced environmental impacts and risks to ALARP and an acceptable level;
- concerns that the EP lacked transparency in the cost-benefit analysis for consideration of control measures in order to demonstrate that impacts and risks have been reduced to ALARP;
- concerns that the EP failed to consider the existing pressures on the marine environment;
- concerns that the EP did not assess impacts and risks to Victorian marine protected areas;



- concerns that the EP did not sufficiently detail the impacts and control measures that will be implemented for activities that occur during critical periods for threatened species (in particular blue whales and southern right whales);
- concerns that the impacts and risks to southern right whales and blue whales from the activity had not been reduced to ALARP and an acceptable level;
- concerns that the EP did not provide sufficient information on the impacts and risks to marine protected areas, KEFs and listed threatened and migratory species;
- concerns that the activity will have an unacceptable level of impact and risk on the marine environment.
 Specific concerns were raised about the impact on marine protected areas (in particular, the Zeehan AMP and the Tasmanian Wilderness World Heritage Area (WHA)), KEFs and listed threatened and migratory species;
- concerns about the impacts and risks of the activity on the marine environment. Specific concerns were
 raised about impacts to the marine ecosystem, coastal and benthic habitats (including the great southern
 reef), seabirds and migratory shorebirds (including shearwaters, orange-bellied parrots, penguins, shy
 albatross, swift parrot) marine turtles, cetaceans (including blue whales, southern right whales, minke
 whales, fin whales, sei whales, sperm whales), pinnipeds, fish, krill, sharks, cultural features and other
 listed threatened and migratory species;
- concerns that the activity will have an unacceptable level of impact and risk on cultural resources;
- concerns about the impacts and risks of the activity on underwater cultural heritage;
- concerns about the impacts and risks of the activity on commercial fisheries, tourism, commercial businesses and recreation;
- concerns about the impact of vessel traffic on marine fauna and marine protected areas. Specific concerns were raised about the impact on cetaceans and the Zeehan AMP;
- concerns about the risk of vessel strikes with marine fauna during the activity, in particular cetaceans, sharks and seabirds;
- concerns about the impact of seabed disturbance from the activity;
- concerns about the longer-term environment consequences of exploration drilling in the Otway Basin;
- concerns about the impacts of underwater noise emissions, light emissions, atmospheric emissions and drilling discharges from the activity on the marine environment;
- concerns that the EP did not consider and detail the cumulative impacts of the activity;
- concerns about the cumulative impacts of multiple activities occurring in the region. Specific concerns were raised about the cumulative impacts on marine fauna, abalone and rock lobster;
- concerns that the EP did not provide sufficient detail on the impacts of VSP;
- concerns that the EP did not detail the extent and duration of underwater noise from the activity;
- concerns about the underwater noise modelling studies relied upon to inform the impact evaluation;
- concerns that the EP did not accurately represent the findings of peer-reviewed scientific literature;



- concerns about the impacts of underwater noise emissions on shortfin eels, cetaceans, pinnipeds, seabirds (including shearwaters, penguins), marine turtles, invertebrates, scallops, bivalves, octopus, commercial and recreational divers, rock lobster, fish, plankton and krill, abalone;
- concerns that the titleholder had not adopted suitable control measures to manage underwater noise impacts (including the use of daily spotter planes/aerial surveys, use of a bubble curtain during drilling and seasonal exclusions);
- concerns about the lack of control measures to manage underwater noise and light emissions impacts on threatened and migratory species and KEFs;
- concerns about the titleholder not committing to undertake additional studies to determine the actual range and impact of underwater noise emissions from the activity;
- concerns that the activity is inconsistent with the requirements of the Conservation Management Plan for the Blue Whale (2015);
- concerns about the impacts and risks of the activity on populations of commercially important target fish species;
- concerns about the impact of displacement of commercial fishing operations as a result of the activity;
- information provided on compensation arrangements for displacement of commercial fishing operations;
- concerns that the titleholder had not adequately evaluated all greenhouse gas (GHG) emissions from the activity;
- concerns about the impact of GHG emissions from the activity;
- concerns that the activity is inconsistent with Australia's commitment to the Paris agreement;
- concerns that the activity is not consistent with the principles of Ecologically Sustainable Development (ESD);
- concerns that the activity is not consistent with the objectives, principles and requirements of the EPBC Act;
- concerns that the activity is not consistent with the Victorian Marine and Coastal Act 2018;
- concerns that the likelihood and consequences of an oil pollution incident from the activity poses an unacceptable level of risk;
- concerns that the EP did not adequately detail the areas that may be affected in the event of a low of well control;
- concerns about the impacts of an oil pollution incident on the marine environment. Specific concerns
 were also raised about the impacts of an oil pollution incident on marine protected areas, marine fauna,
 cetaceans, pinnipeds, fish, seabirds (including penguins and shearwaters);
- concerns about the impacts of an oil pollution incident on coastlines and coastal communities, including Great Ocean Road, Tasmanian Wilderness WHA and King Island;
- concern about the impacts of an oil pollution incident on commercial fisheries, tourism, commercial businesses and recreation;



- concerns about the impacts of an oil pollution incident on cultural features of the environment and cultural heritage sites. Specific concerns were raised about the ability for First Nations people to undertake cultural practices and to access their coastal lands and sea country in the event of an oil pollution incident;
- concerns that the EP did not adequately detail how the titleholder will respond in the event of a loss of well control;
- concerns that the titleholder had not adopted all available control measures to reduce the duration of a
 potential oil pollution incident. Specific concerns were raised about the titleholder not having a rig on
 standby in Victoria waters that will be available to drill a relief well;
- concerns about the titleholder's capacity and resources to respond to an oil pollution incident;
- concerns about the ability of the titleholder to clean-up the marine environment in the event of an oil pollution incident and timeframe to remediate the marine environment;
- concerns about the transparency of monitoring and reporting of impacts from the activity; and
- concerns relating to the titleholder's approach to identifying and consulting with relevant persons for the purposes of regulation 25. Specific concerns were raised relating to consultation with First Nations peoples and consultation with the broader community.

NOPSEMA took into account these public comments and relevant key matters, and also the Titleholder's Report on Public Comment⁶ during the EP assessment process (in accordance with relevant NOPSEMA policies and procedures), in determining that it was reasonably satisfied that the EP met the criteria for acceptance⁷.

2. Next steps

Responsibility for the ongoing environmental performance of the exploratory drilling activity remains, at all times, with the titleholder.

NOPSEMA has legislated responsibilities to inspect and investigate offshore petroleum and greenhouse gas storage activities, and to enforce compliance with environmental law. These functions will be applied to this activity in accordance with NOPSEMA's policies.

3. Sensitive Information

Sensitive information received during the public comment period, such as the names and contact details of commenters and specific information identified by the commenter or relevant person as 'sensitive', is not published in this report or elsewhere. Sensitive information is contained in a sensitive information part of the EP, which has been considered by NOPSEMA during its assessment process.

4. Further information

If you would like further information about the activity, please contact the titleholder's nominated liaison person specified in the EP and on NOPSEMA's webpage for the Otway Exploration Drilling Program activity.

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⁶ Titleholder report on public comments – Otway Exploration Drilling Program, February 2024 (Document No. ABU2-000-EN-R01-00005)

⁷ Environment Regulations, Regulation 34



If you would like to be notified of regulatory information on the activity, such as start and end dates, please subscribe to updates from the <u>Underway Offshore page</u> on NOPSEMA's website.