Timor Sea Well Abandonment Environment Plan

Key matters report

# Purpose of this report

NOPSEMA has accepted the Timor Sea Well Abandonment Environment Plan (the EP) submitted by PTTEP Australasia (Ashmore Cartier) Pty Ltd (PTTEP) for a well abandonment activity on AC/RL 12 and AC/RL 4 in the Timor Sea.

This report explains how NOPSEMA took into account matters that may be of interest to the public and accompanies the accepted EP, submitted by PTTEP, which is available on the NOPSEMA website and should be referred to for further information.

## Information relevant to NOPSEMA’s decision:

In making the decision to accept this EP, NOPSEMA took into account:

* the ‘Treaty between the Government of Australia and the Government of the Republic of Indonesia establishing an Exclusive Economic Zone Boundary and Certain Seabed Boundaries (‘Perth Treaty’,   
  14 March 1997)’;
* the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act);
* the *Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulation 2009* (Environment Regulations);
* NOPSEMA Assessment Policy (PL0050), Environment Plan Assessment Policy (PL1347), Environment Plan Decision Making Guidelines (GL1721) and Consultation in the course of preparing an Environment Plan guideline (N-04750-GL2086);
* the Department of Industry, Science and Resources’ Offshore Petroleum Decommissioning Guideline, March 2022;
* the Timor Sea Well Abandonment Environment Plan;
* the information raised by relevant persons, government departments and agencies that is relevant to making a decision;
* relevant plans of management and threatened species recovery plans developed under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and relevant guidance published by the Department of the Environment and Energy.

# Next steps

Responsibility for the ongoing environmental performance of the activity remains, at all times, with PTTEP.

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.

Any subsequent proposal to surrender the associated titles by PTTEP will need to satisfy requirements of section 270 of the OPGGS Act, any other requirements of the Perth Treaty and be accepted by the Joint Authority.

# 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. Sensitive information is contained in a sensitive information part of the EP which has been considered by NOPSEMA during its assessment process.

# 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 Timor Sea Well Abandonment Environment Plan.

If you would like to be notified of regulatory information on the activity, such as start and end dates and enforcement actions (if any), please subscribe to updates from the [Approved Projects and Activities](https://info.nopsema.gov.au/home/approved_projects_and_activities) on NOPSEMA’s website.

How NOPSEMA has taken into account key matters raised during the assessment and decision-making process for Timor Sea Well Abandonment Environment Plan

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| # | Matter | Titleholder response | NOPSEMA’s assessment and decision |
| 1 | *In-situ* abandonment of Oliver-2 and Tenacious West-1 ST1 may not be acceptable and result in short and long term impacts and risks to the environment. | The EP describes the permanent in-situ abandonment of the Oliver-2 and Tenacious West-1 ST1 appraisal wells. Oliver-2 was drilled in 2009 and Tenacious West-1 ST1 was drilled in 1998 in water depths 307 meters and 150 meters respectively. The wells are located 113km from the closest Australian Marine Park (AMP) boundary and more than 240km from Australia’s shoreline.  PTTEP have provided an assessment of the technical feasibility of wellhead removal and compared the environmental impacts and risks of removal versus those arising from leaving Oliver-2 and Tenacious West-1 ST1 wellheads in situ as the basis for the petroleum activity described in the EP.  In preparing the EP, PTTEP engaged with relevant persons to seek their feedback on the proposal. This included Commonwealth and State government agencies, fishing industry bodies and relevant fishing licence holders.  PTTEP undertook an environmental impact and risk assessment for the wellhead proposed to be left in situ, taking into account the limited environmental sensitivities present. This included evaluating impacts from the degradation of the wellhead materials over time and immediate and future snagging risks to fishers from leaving the wellhead in place.  Their conclusions indicate that leaving the wellhead in situ represent negligible impacts to socio-economic values, water and sediment quality different timeframes, whilst removal introduces a greater number of impacts risks associated with marine activities, seabed disturbance and emissions.  The wells are located within the Perth Treaty 1997 Zone where Indonesia holds jurisdiction over the water column. The wells are therefore outside the Australian Exclusive Economic Zone and hence excludes any Australian Licenced Fisheries from entering the zone. This was confirmed through consultation with [the Western Australian Fishing Industry Council (WAFIC), the Commonwealth Fisheries Association (CFA) and Australian Fisheries Management Authority (AFMA).](https://www.wafic.org.au/)  The 1980 Indonesian Presidential Decree prohibits trawling in the Timor Sea. Furthermore, publicly available fishing tracking resources indicated that the locations and depths are not accessed by Indonesian fishers.  PTTEP concluded that with inherent and additional controls measures in place, impacts and risks are reduced to ALARP and will be of an acceptable level. The controls measures identified include:  - Compliance with the *Environmental Protection (Sea Dumping) Act 1981*.  - Ensuring the structures continues to be suitably marked on Australian Hydrographic Office (AHO) navigational charts. | NOPSEMA recognises the importance of ensuring petroleum titleholders meet their decommissioning obligations as required under section 572 of the OPGGS Act.  PTTEP is seeking to deviate from the requirement to remove all property, which may be considered when the titleholder demonstrates in the EP that the proposed deviation delivers equal or better environmental outcomes compared to complete property removal, while impacts and risks are reduced to ALARP and will be of an acceptable level.  During the course of the assessment, NOPSEMA required PTTEP to undertake further consultation with relevant persons, provide further evaluation of the risks to fishers (Australian and Indonesian), additional specifications about the property and additional analysis of the impacts to the environment from degradation of the wellhead, to demonstrate leaving the wellhead in-situ presented an equal or better environmental outcome.  In response, PTTEP conducted additional consultation with the Department of Foreign Affairs and Trade (DFAT), CFA and AFMA, and reviewed latest fishing data. PTTEP also conducted an ROV inspection of the wellheads in March 2022, which confirmed there were no issues with the status and condition of the wells and surrounding seabed. DFAT confirmed the Indonesian Government has no concerns with the in-situ abandonment of the wellheads.  After taking into consideration PTTEP’s response and the information provided in the EP, NOPSEMA has concluded that the proposed deviation delivers equal or better environmental outcomes compared to complete property removal and the impacts and risks have been reduced to ALARP and will be of an acceptable level.  In making a decision, NOPSEMA also took into account the relevant available technical information and scientific literature, views expressed by relevant persons, section 572 and 270 of the OPGGS Act, and NOPSEMA’s Decision Making (GL1721) and Consultation (GL2086) Guidelines. |