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| Bonaparte Basin Exploration Drilling Environment Plan: Titleholder Report on Public Comment   |
| Report  |
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| 09 |  |
| 10 |  |

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[1 Introduction 5](#_Toc142894146)

[1.1 Public comments evaluation and response process 5](#_Toc142894147)

[2 Response to public comments 6](#_Toc142894148)

LIST OF TABLES

[Table 1‑1: Titleholder details 5](#_Toc142894152)

[Table 2‑1: Common themes 6](#_Toc142894153)

[Table 2‑2: Titleholder response to public comments 7](#_Toc142894154)

LIST OF FIGURES

[Figure 2‑1: Bonaparte Basin Exploration Drilling EP public comments by theme 6](#_Toc142894157)

TABLE OF APPENDICES

**No table of contents entries found.**

|  |  |
| --- | --- |
| Acronym, term or abbreviation | Description |
| CCS | carbon capture storage |
| EP | Environment plan, namely the Bonaparte Basin Exploration Drilling EP  |
| GHG | Greenhouse gas |
| INPEX | INPEX Browse E&P Pty Ltd |

# Introduction

The following Titleholder Report on Public Comment applies to the Bonaparte Basin Exploration Drilling environment plan (hereafter referred to as the EP), which was available for public comment from 6th September 2022 to 6th October 2022. The titleholder contact details for the EP are provided in Table 1‑1.

Table 1‑1: Titleholder details

|  |  |
| --- | --- |
| **Titleholder** | INPEX Browse E&P Pty Ltd (INPEX) |
| **Titleholder liaison person** | Jake Prout |
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## Public comments evaluation and response process

The NOPSEMA *Responding to Public Comment on Environment Plans Guidance Note* (N-04750-GN1847), outlines the requirements for responding to public comments received on an environment plan. Specifically, it requires that a titleholder must respond to any comments received during the public comment period in “general terms”[[1]](#footnote-2).

The process followed by INPEX when responding to public comments, is as follows:

1. Review public comments and identify matters raised (themes and issues) and specific claims relating to these.
2. Evaluate matters raised in context of the EP or activity.
3. Provide a statement outlining how any matter/s raised have either:
	1. already been taken into account within the EP or whether the EP has been updated to consider these; or
	2. do not relate to the EP or the activity described.

Where a public comment has triggered a change/update to the EP, a reference to the section where the change has been reflected will be provided in the response. Any new information incorporated into the EP has a result of public comments, will be clearly identified in the resubmitted EP (i.e. text will be underlined).

# Response to public comments

During the public comment period a total of foursubmissions were received, each providing a number of comments. Common themes raised during the public comment period for the EP are listed in Table 2‑1 and shown in Figure 2‑1. Responses to comments received during the public comment period are provided in Table 2‑2.

Table 2‑1: Common themes

|  |
| --- |
| Common themes |
| Greenhouse gas (GHG) emissions management |
| Cumulative and additive impacts from liquid discharges associated with drilling |
| Consideration of additional/alternative management controls to reduce impacts |
| Impacts to the marine environment and marine protected areas |
| Consultation process and identification of relevant persons |
| Risks posed during emergency conditions (hydrocarbon spill) |
| CCS is an unproven technology |

Figure 2‑1: Bonaparte Basin Exploration Drilling EP public comments by theme

Table 2‑2: Titleholder response to public comments

|  |  |  |
| --- | --- | --- |
| # | Comments received (in general terms) | Titleholder response |
| 1 | **Matter:**GHG emissions – unacceptable impacts and/or management**Claims:*** ALARP assessment of voluntary offsets as a mitigation strategy for emissions generated during exploration drilling activities, is not inline with transitioning to a zero-carbon economy in the Northern Territory.
* The activities are of short duration, nevertheless, the direct greenhouse gas (GHG) emissions for the Proposals are significant at 58,070 t-CO2-e.
* EP does not adequately consider the cumulative impacts of its GHG emissions alongside other offshore petroleum industry activities, whereby the release of GHG emissions from the EP activity will add to local and global GHG concentrations and will, therefore, influence climate change.

Note: Three comments were made in relation to this matter.  | Climate change, and appropriate action with regard to long-term decarbonisation, is a key global challenge. INPEX recognises that a global response to climate change requires action by all members of the international community, governments, businesses and civil society.The Paris Agreement provides the international context for Australia’s Nationally determined contribution and now legislated targets of a reduction of 43% below 2005 levels by 2030 and net zero emissions by 2050. INPEX Corporation recognises these targets and is committed to fulfilling its role in addressing climate change as a responsible member of the energy industry.INPEX Corporation has an ongoing program to assess climate change risk as part of strategic efforts to respond to climate change. INPEX Corporation’s Climate Change goals are:* 30% (or greater) reduction in Scope 1 and 2 emissions intensity by 2030 – compared to 2019 intensity
* achieve net zero (Scope 1 and Scope 2) emissions on an absolute basis for INPEX Corporation’s emissions on an equity share basis by 2050
* work with stakeholders to reduce emissions across the company’s entire value chain.

The estimated emissions associated with the activities covered in the EP are not from sources owned or controlled by INPEX, as such these emissions are by definition Scope 3 emissions for INPEX.In the absence of specific legislative requirements for the management of Scope 3 emissions, INPEX’s strategy to address Scope 3 emissions is to work with its contractors to ensure that their emissions are appropriately managed.Assurance relating to the appropriate management of emissions is primarily achieved by:1. Confirming that contractors have appropriate maintenance regimes in place that serve to maximise efficiency of equipment and reduce fuel consumption and thereby reduce associated emissions
2. Confirming that contractors are compliant with relevant Marine Orders relating to emissions management
3. Assisting contractors as and where necessary to fulfill their legislated emissions reporting requirements.

INPEX considers that programs undertaking to voluntarily offset emissions over which it has operational control (over-and-above obligations arising out of the Safeguard Mechanism) can be appropriate to the extent that such programs are employed to ensure actual Scope 1 emissions remain within forecast levels. Such a program is undertaken at an INPEX Corporation operation in Australia.INPEX does not consider the voluntary offsetting of Scope 3 emissions to be reasonable given such action is duplicative of the direct responsibility for the management of the same emissions, held by the operators of associated MODU and vessels for whom the emissions are Scope 1 emissions. The operators of these facilities will be bound by the same legislative framework (NGER Act and subordinate legislation) as other GHG emitters with the same considerations with respect to materiality and the same obligations, as appropriate, to reduce emissions to net zero by 2050. More broadly, in line with its 2030 and 2050 emissions reductions goals, INPEX Corporation’s medium term business plan identifies the following focus areas to make the business cleaner in Australia:* Carbon Capture Storage (CCS):
* Implement appraisal well drilling and evaluation work towards conducting Ichthys CCS operations.
* Play a leading role towards the realization of a CCS hub project in Darwin, Australia.
* Reduce flaring, improve operational efficiency:
* Introduce measures to minimize flaring during production and fuel gas consumption and promote low carbon operations.
* New business/renewable energy business:
* Proactively participate in Australian renewable energy businesses.
* Expand forest conservation business targeting 2024.
* Promote clean hydrogen projects.

One public comment incorrectly stated that the GHG emissions associated with the activity were 58,070 t-CO2-e. The expected GHG emissions presented in Table 3-4 of the EP show the possible options for a range of MODUs (jack-up, moored semi-submersible and DP semi-submersible). As only one type of MODU would be used, it is incorrect to include the expected emissions from all three types of MODU presented. Table 3-4 of the EP has been amended to remove the option of a DP semi-submersible rig as this will no longer be selected for use. Therefore, Section 3.6 of the EP has been updated to clarify that the total expected GHG emissions associated with the activity are 16,106 t-CO2-e if a jack-up MODU is used; or 17,933 t-CO2-e if a moored semi-submersible MODU is used. Section 7.1.2 (Table 7-2) provides an impact and risk evaluation for atmospheric emissions from the MODU and vessels associated with the activity. Within Table 7-2, the particular values and sensitivities identified as potentially being impacted by atmospheric emissions, includes climate and marine avifauna. A further assessment and acknowledgement is then presented stating that the “*various sources of atmospheric emissions generated from the activity will add to overall global GHG concentrations*”. Based on the relatively short-term and temporary duration of the activity, the contribution arising from vessels and the MODU (such as from fuel combustion) is considered to be insignificant in volume on a global scale (refer paragraph above 16,106 t-CO2-e or 17,933 t-CO2-e depending on MODU type used). The activities and proposed controls to manage atmospheric emissions are compliant with industry standards, relevant international conventions and Australian legislation, specifically AMSA Marine Order 97: Marine Pollution Prevention – Air Pollution, the *Protection of the Sea Act*, the *Navigation Act* 2012, and MARPOL, Annex VI.  |
| 2 | **Matter:**Cumulative and additive impacts from liquid discharges associated with drilling.**Claim:**The EP includes discharges of cement slurry; water-based hydraulic fluids, blow out preventer control fluid; drill cuttings; contaminated bilge water; desalination brine; treated sewage and wastewater; cooling water; ballast; and firefighting foam (possibly including organic and fluorinated surfactants which are environmentally persistent, bioaccumulative, implicated in seabird poor reproductive health, liver damage in fish and chronic autoimmune disease in dolphins. The additive and cumulative effects of these marine discharges are not discussed in the EP documentsNote: One comment was received in relation to this matter. | A number of liquid discharge streams are discharged to sea during drilling operations, ranging from one off or intermittent discharges (e.g. deck drainage, ballast water, blowout preventor fluid, hydraulic fluids, drilling fluids and cement slurry) to continuous discharges (e.g. cooling water and brine). Some discharges will occur at the seabed and others will occur at the sea surface. All of these are assessed in Table 7-3 to Table 7-9 in Section 7.1.3 of the EP including the potential for cumulative discharges as a result of concurrent drilling activities. Please note that the discharge of firefighting foam (the only fluorinated surfactant that could be used during the exploration drilling activity) would only occur in the event of an incident and is regarded as a safety critical element whose discharge cannot be eliminated. Section 7.1.3 of the EP has been amended to include a new subheading ‘Cumulative and additive impacts from routine discharges to sea’ in response to this feedback to assess the potential for cumulative and additive effects from multiple drilling discharges. Organic surfactants proposed for use in drilling fluid formulations are selected in accordance with internationally recognised assessment guidelines which consider bioaccumulation impacts to marine organisms and are considered to be least toxic to the environment. |
| 3 | **Matter:**Consideration of additional/alternative management controls to reduce impacts**Claim:**The drilling operations describe drilling and cementing of conductors. This activity typically involves discharge of cuttings, drilling fluids and cement at seabed. An alternative solution to install conductors by using a driving process would minimise disturbance to the seafloor and hence provide a superior water quality during these operations. Therefore alternative options for installing conductors, such as installation by using a driving process, should be considered to reduce seabed disturbance and discharges.Note: One comment was received in relation to this matter. | Driven installation of the 30 inch well conductors has been identified by INPEX as an opportunity to minimise the disturbance of the seabed in the vicinity of the well and eliminate a cement job with cement returns to the mudline which may have short term, temporary impacts on water quality. The substitution of driven for drilled and cemented methods of installation does not materially affect the well construction process but is dependent on suitable shallow soils at the well location which will be confirmed at the time of the geotechnical investigation (site survey). Other potential environmental impacts from the alternative option for conductor installation (driven rather than drilled) may include underwater noise generated by the equipment and process. These are expected to be short-term, in the order of 4 hours per well and have been assessed as not being significant in comparison to other noise generating activities assessed in the EP such as the proposed vertical seismic profile acquisition. The alternative conductor installation method produces sound output levels of lower intensity and the activity is shorter in duration. Should the opportunity to install the conductor using a driven method not be realised, the base case method of drilled and cemented installation will be utilised instead.As a result of this feedback, Section 3.4.1, Table 3-1 and Section 7.3 (Table 7-11) of the EP has been amended to include the option to install the conductor using a driven method. |
| 4 | **Matter:**Impacts to the marine environment and marine protected areas.**Claim:**The exploration drilling activities have the ability to impact on the environment including marine impacts and impacts to marine protected areas. The activities have the potential to result in direct and indirect impacts to ecologically significant offshore, nearshore and onshore ecological communities, including impacts to coral reefs, seagrass communities, mangroves, migratory birds, sea turtles, dugongs, whales, diverse finfish communities.Note: Four comments were made in relation to this matter. | INPEX agrees with commenter opinions that the activity has the potential to result in both direct and indirect impacts to ecologically significant offshore, nearshore and onshore ecological communities. Therefore, in accordance with Division 2.3, Regulation 13(5) of the OPGGS (E) Regulations 2009, an environmental risk assessment was undertaken to evaluate impacts and risks arising from the proposed activity using the methodology described in Section 6 of the EP, that aligns to International Standards and best practice. Potential impacts and risks to identified values and sensitivities have been assessed in Section 7 and 8 of the EP, where control measures and possible alternatives are identified to prevent or mitigate threats. If controls are judged during the impact and risk evaluation as inadequate to manage the identified threat, additional safeguards or controls are proposed.Potential environmental impacts and risks are only deemed acceptable once all reasonably practicable alternatives and additional measures have been taken to reduce the potential impacts and risks to as low as reasonably practicable (ALARP).No changes have been made to the EP. |
| 5 | **Matter:**Consultation process and identification of relevant persons**Claims:**Claim was made that INPEX inappropriately applied the IAP2 consultation criteria by removing some key components of the IAP2, thus reducing its responsibilities to meaningfully consult with stakeholders. Consultation with a much wider group of "relevant persons" is required based on the location of the EMBA and PEZ, specific example of such relevant persons were traditional owners.Several commenters identified themselves as relevant persons under Regulation 11(A) of the OPGGS E Regulations.Note: Five comments were made in relation to this matter. | Following the appeal decision of the Federal Court of Australia in Santos NA Barossa Pty Ltd v Tipakalippa [2022] FCAFC 193 on 02 December 2022, and in accordance with the NOPSEMA consultation guidance published on 15 December 2022, INPEX is undertaking further identification and consultation with relevant persons.Two commenters and another organisation representing a relevant person identified themselves as relevant persons in the public comment period and INPEX has initiated further consultation with them. Section 5 of the EP has been rewritten to reflect the revised INPEX methodology used to identify relevant persons and undertake appropriate and meaningful consultation. The outcome of the additional and ongoing consultation will be reflected in the resubmitted EP (relevant person consultation log and sensitive matters report). |
| 6 | **Matter:**Risks posed during emergency conditions (hydrocarbon spill)**Claim:**Concern that in the unexpected event of a hydrocarbon reservoir being breached and loss of well control occurring, the absence of any expectation of the event, combined with an absence of modelling for a spill and delay times in responding to an event, will leave the sensitive and pristine receptors of the region at risk of significant impact. Modelling for and risk assessment of a hydrocarbon spill is required for the EP.Note: One comment was received in relation to this matter. | The worst-credible spill scenario (vessel collision) has been described in the EP and arrangements to respond are in place. Both modelling and a risk assessment were undertaken for such a spill scenario and the results included in Section 8. Further, Section 8 of the EP notes that given the proposed well target locations are approximately 500 m above the main hydrocarbon bearing formation there is no credible risk of a well blowout. This is supported by both previous drilling and seismic survey data of the Petrel Field. However, in the unlikely event that a source control response should be required, sufficient source control capabilities are maintained and are available as described in INPEX's source control capabilities and arrangements report (presented as part of the EP submission).No changes have been made to the EP.  |
| 7 | **Matter:**Carbon sequestration in depleted gas fields is an unproven and a risky technology.**Claim:**Environmental risks from the proposal to assess the suitability of offshore reservoirs for CO2 storage as outweighing any likely benefits.Note: One comment was received in relation to this matter. | Technologies such as renewable energy, improved energy efficiency and fuel switching are aimed at preventing the creation of CO2 emissions. CCS complements these technologies by addressing emissions that currently cannot be avoided, such as CO2 emissions from industrial processes like steel or cement manufacturing (Geosciences Australia: <https://www.ga.gov.au/scientific-topics/energy/resources/carbon-capture-and-storage-ccs>)No changes have been made to the EP.  |

1. In accordance with the NOPSEMA Guidance Note responding in ‘general terms’ means “*that the Titleholder should outline its consideration of the issues or themes raised in public comments. A separate response to each comment received is not required.*” [↑](#footnote-ref-2)