

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry and Science Portfolio
Budget Estimates Hearing 2015-16
3 and 4 June 2015

AGENCY/DEPARTMENT: AUSTRALIAN INSTITUTE OF MARINE SCIENCE (AIMS)

TOPIC: Oil and gas Industry

REFERENCE: Question on Notice (Hansard, 3 June 2015, pages 97-98,)

QUESTION No.: BI-16

Senator WATERS: Last time, you talked to me about the National Sea Simulator program. You then also mentioned that you had had to deprioritise some of what you called 'strategic research' in favour of research for the oil and gas industry. You mentioned that one example of something you had had to deprioritise was your work on the natural and anthropogenic pressures on fish physiology and behaviour in that National Sea Simulator. Were there any other examples of work—perhaps work that was ecologically focused—that you have had to deprioritise in favour of research for the oil and gas industry?

Mr Gunn: We have crossed wires a little there. The work for the oil and gas industry does not involve the National Sea Simulator. In answer to your question, there are no specific projects we have deprioritised other than the one I gave you previously.

Senator WATERS: No others—that is good to hear. Has the funding stream from offshore oil and gas been impacted—the work you are being funded by them to do—given the oil price crash?

Mr Gunn: I think that right across that sector there is pressure on expenditure. As usual, we are working pretty hard to make sure our work is relevant. At the moment we are still in negotiation on a number of projects. I am hoping it will not have too much impact on the research we do.

Senator WATERS: Have you been able to maintain the flow of work you anticipated from that sector so far?

Mr Gunn: Yes, we are very heavily engaged with a number of the major players on the North West Shelf and in the Browse Basin oil and gas sector.

Senator WATERS: Could you please take it on notice to give me as much information as you can about the scope of those projects and where they are at—how far advanced they are?

Mr Gunn: We can certainly do that, but I will make a quick comment. We do work with a range of companies. The broad focus is providing environmental baselines before they go and do any of their exploratory or production drilling. The type of work we have been doing in association with industry has been running for well over 20 years now. I think it was last week that Woodside Energy won the APPEA environment award for the type of work we do with them.

Senator WATERS: Did you say there was an APPEA environment award?

Mr Gunn: Yes, an APPEA environment award.

Senator WATERS: That is a bit of a contradiction in terms.

CHAIR: That is a comment.

Senator WATERS: I will leave that. I am sorry—I did not realise they had the audacity to give out environment awards. Pardon me for interrupting. Please continue.

Mr Gunn: I was finished. I was just noting that Woodside had won the award—for the third time, I think—and cited in that award was the work they do with agencies such as AIMS, CSIRO and universities in Western Australia.

Senator WATERS: Thank you. I will look forward to some more detail on the projects you have either underway or in the pipeline—to the best of your ability.

ANSWER

The following is a summary of AIMS' current and potential research contracts with the O&G sector.

Counterparty	Description	Scale
Current Contracts		
Shell & Inpex	<p>A series of 9 research programs with AIMS as the lead contractor and partners of CSIRO, UWA, Curtin University, WA Chem Centre and Monash to:</p> <ul style="list-style-type: none"> • Review and development of best practice sampling techniques and strategies for assessing natural levels of hydrocarbons in water and sediment across the Browse Basin. • Undertake baseline hydrocarbon surveying in the Browse Basin • Undertake validation of modelled ocean currents to evaluate predicted plume dispersal • Evaluate the risks and effects of potential hydrocarbon exposure on non-avian marine wildlife • Establish the basis to evaluate the effects of an oil spill on commercially important demersal fishes • Investigate the breeding and foraging parameters of seabird species into the Browse Basin to determine their vulnerability to impacts associated with potential oil spills, and their ability to recover • Establish the status of and natural temporal variability in sessile benthic biota and associated fish communities, on reef and shoal locations in the Browse Basin closest to the Prelude/Ichthys operational wells. • Review existing ecotoxicological information on the effects of condensate and dispersants on tropical marine species of the NW marine bioregion to inform future work to better predict the response of these organisms to a spill and/or use of oil spill control agents such as dispersants • Prepare and maintain a state of readiness to deploy to provide an Operational and Scientific Monitoring Program in the case of a Tier 3 oil spill. 	Very Large
BMT Oceanica	<p>Technical advice panel on</p> <ul style="list-style-type: none"> • Dredging and Dredge Spoil Placement Environmental Monitoring and Management Plan • Trunkline Installation Environmental Monitoring and Management Plan <p>and implementation and review for adaptive management purposes.</p>	Small
Rio Tinto	Develop understanding of nesting and movement behaviour of flatback turtles from the Dampier region WA.	Small
Fircroft	Ichthys Project Dredging Expert Panel (IPDEP) to advise on dredging operations in Darwin Harbour, Northern Territory.	Small
Chevron	WA State ministerial appointment to advisory panel for management of flatback turtles around Barrow Island. Western Australia	Small
PTTEP Australasia	Scientific biodiversity surveys at Barracouta, Vulcan and Goree Shoals in the Timor sea. This work will assist in developing a regional understanding of the north west banks and shoals and contribute to the development of a North West marine atlas resource for conservation management and sustainable development.	Medium

Woodside	Research to assess the ecological response to hydrocarbons condensate exposure. This research will assist to understand resilience of WA marine ecosystems.	Medium
Potential Future Projects		
Conoco Phillips Australia Exploration Pty Ltd	Seabed biodiversity surveys & marine studies on offshore shoals in the northern Timor sea regions of the continental shelf. This research will assist industry in planning development of potential gas fields and will also contribute to the regional understanding of our bioregions for sustainable use and conservation management.	Medium
Conoco Phillips Australia Exploration Pty Ltd	Use of the AIMS vessel RV Solander to service moorings and carry out bathymetric mapping in the northern Timor Sea. This data will be very valuable to AIMS for use in habitat mapping and modelling prediction of habitat distribution,	Small

Small = \$0 to \$250k, Medium = \$250k to \$1m, Large = \$1m to \$10m, Very Large = \$10m plus