

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2017 - 2018 Budget Estimates
31 May – 1 June 2017

AGENCY/DEPARTMENT: NOPSEMA

TOPIC: Leak of Fluids and Oil that was reported in NOPSEMA's Annual Offshore Performance Report

REFERENCE: Questions on Notice (Hansard, 1 June 2017, page 145)

QUESTION No.: BI-73

Senator WATERS: Can I ask about the leak of fluids and oil that was reported in your Annual offshore performance report last week the media subsequently ask questions about, which we now have discovered is Woodside; they have admitted it was them. Can I ask why the leak was not made public immediately when it happened?

Mr Smith: A bit of background on the actual leak: the situation there was that the facility, which was the Okha facility owned by Woodside, left the station with a cyclone pending—standard practice. As the cyclone passed the facility subsequently went up to Singapore for scheduled maintenance, so it was 60 days before they returned to the well head. Before reconnecting to the well head they sent a remote operated vehicle down to check whether the well head was still secure. It was at that point they found there had been at the leak in the order of 175 litres for that day. The leak was found to comprise a mixture of formation water, hydrocarbons and control-line fluid. That is significant that there was control-line fluid, because typically that would have bled out if it had been leaking for an extended period. Nonetheless, we always report the worst-case scenario. Given they had not been on station for 60 days, we multiplied 60 by the 175 litres to come up with the figure that we reported.

We then reported that figure in our quarterly reports. It also went on our website, and we put a special highlight in our annual offshore performance report on hydrocarbon releases and drew attention to that particular matter along with several others, because we felt it was in the public interest that the focus on hydrocarbon releases be there. It was only after that that anybody asked us any questions. Those questions came from The Guardian. They sought the name of the company. At that point we went to the company and asked them if they would be willing to have their company name released, because we do not have authority to do so under the legislation. The company did respond that they would be able to have their name released. In the meantime, The Guardian had released a story suggesting that there had been some sort of cover-up, which we completely reject. We released the name.

Senator WATERS: In that quarterly report, when you first mentioned the incident—albeit not naming the company—how long after the incident itself was that? What was the delay between those two things?

Mr Smith: I would have to take that on notice. I am not sure how close—it may have been a matter of days, or it may have been some weeks.

Senator WATERS: Thank you. If you could take that on notice.

ANSWER

- The fluid release was reported to NOPSEMA on 8 April 2016.
 - As the duty holder (Woodside) took immediate action to stop the release and to ensure the incident did not reoccur, neither an improvement notice nor a prohibition notice was issued.
- NOPSEMA publishes industry performance datasets via its website on a quarterly basis.
- Information relating to the incident was first released publicly in the relevant quarterly dataset report, via NOPSEMA's website, on 29 July 2016. Information about the incident was also published in the relevant annual dataset report on 24 January 2017.
- On 15 May 2017, NOPSEMA released its Annual Offshore Performance Report (AOPR), which included a reference to the incident in a section highlighting hydrocarbon releases.
- On 18 May 2017, following a request from NOPSEMA, Woodside provided consent to release their name, and NOPSEMA confirmed to media that Woodside was the duty holder responsible for the release.
 - Specific details of duty holders are not included in dataset reports or the AOPR as statutory processes do not authorise NOPSEMA to publish these details.
 - Despite the legal constraints around disclosure of specific duty holder details, NOPSEMA secured agreement from Woodside within 24 hours of our first response to media enquiries.
- NOPSEMA releases specific details of incidents, such as the names of duty holders, where it has the legal authority to do so. This can exist when NOPSEMA issues an improvement notice or prohibition notice, under Freedom of Information legislation, or where the duty holder provides consent.