

**Senate Environment and Communications References Standing Committee.  
Inquiry into Oil and Gas Production in the Great Australian Bight.**

**Submission by the District Council of Ceduna, March 2016.**

This submission provides an outline of the District Council of Ceduna's views on the environmental, social and economic impacts of BP's planned exploratory oil drilling project, and any future oil or gas production in the Great Australian Bight, with reference to the Committee's Terms of Reference.

The effect of a potential drilling accident on marine and coastal ecosystems.

BP Developments Australia (**BP**) commenced engagement and consultation with the District Council of Ceduna (**Council**) in relation to the conduct of a seismic survey in the Great Australian Bight (**GAB**) in April 2011, providing Council with information regarding the conduct of the survey. Council advised BP that it did not have any specific concerns in relation to the conduct of the seismic survey.

BP then commenced engagement with Council in December 2014 in relation to their proposed exploratory oil drilling project in the Great Australian Bight (**GAB**), and in particular in relation to their planned Community consultation program.

BP conducted a presentation and workshop with Council members on 12 February 2015, providing an overview of the GAB petroleum exploration permit areas, the proposed exploratory drilling program and timetable, Environmental Plan preparation, stakeholder consultation process, offshore drilling rig and Onshore bases.

BP also provided details of GAB Sensitivities, risk assessments and mitigation strategies which would be included in the Environmental Plan including :

- Environmental Sensitivities of Threatened and Migratory species and the GAB Marine Reserve.
- Socio-Economic Sensitivities.
- Potential Environmental Impacts.
- Potential Impacts of :
  - Waste Management.
  - Discharge of Cuttings and Drilling Mud.
  - Underwater Sound.
  - Chemical Discharge.

- Invasive Species.
- Diesel Oil Spill.
- Oil Spill due to Loss of Well Control.
- BP's approach to Oil Spill Response Planning.
- Potential adverse Social Impact in the Ceduna area.

BP specialists provided an invaluable opportunity to address questions from Council members in relation to the Environmental Plan preparation and the issues being addressed as a part of the Plan preparation.

BP conducted a presentation and workshop with Council members on 30 June 2016, providing details pertaining to Well Control and Oil Spill Response Strategies for the proposed GAB exploratory drilling program, with particular reference to the causes of the Macondo failure, the lessons learned from that failure and the approaches developed for the GAB exploration to mitigate those failures.

Again, BP specialists provided an invaluable opportunity to address questions from Council members in relation to these matters and confirmed responses to Council member enquiries in writing.

BP also conduct public community information sessions in Ceduna in addition to individual sessions with identified and self nominated stakeholders.

In August 2015, Council provided correspondence to BP, thanking BP for consulting with Council in relation to the planned GAB exploration and drilling program and advising BP that the information provided to Council has been most adequate to inform Council of the program scope and proposed Environmental Risk Management Strategy, and further commending BP on the professional standard of their presentations.

Council were advised by BP of the submission of their original and revised Environmental Plans to the National Offshore Petroleum Safety and Environmental Management Authority (**NOPSEMA**) and provided with copies of the Environmental Plan summary for Council's information and reference, and Council were encouraged to ask questions or seek clarification of any aspect of the Plan.

In January 2016, representatives of the Australian Maritime Oil Spill Centre (AMOSC) met with Council to provide information to Council regarding the conduct of a coastal oil spill response survey as a part of the development of their oil spill response preparedness pertaining to the GAB exploratory drilling program.

Council are confident that BP's Environmental Plan and Strategies has adequately and appropriately identified and addressed the range of Environmental Sensitivities of the GAB, including marine and coastal ecosystems, and the Potential Environmental Impacts of their proposed exploratory drilling program in the GAB.

### Social and Economic Impacts

As a component of BP's Environmental Plan, BP identified Socio-Economic Sensitivities and potential impacts pertaining to or arising from their proposed exploratory drilling program, which were discussed with Council during the workshops with Council.

The Socio-Economic Sensitivities identified included the Fishing Industry, Tourism and Heritage and Cultural Sensitivities.

Council believes those sensitivities have been adequately addressed in the Environmental Plan.

In terms of constructive Socio-Economic impacts on the community, particularly within the Ceduna area, the Committee may not be aware of a number of initiative which BP has undertaken to date which are of benefit to the regional community.

BP have utilised an Industry capability network (**ICN**) for the provision of a range of contractual services associated with preparation for the exploratory drilling program, to enable regional industries to be involved in, and exploit direct economic and employment opportunities from the program, which has been extensively promoted in the Eyre Peninsula Region.

BP operate a Community Grants Program, which has directly benefitted community groups in the Eyre Peninsula Region.

In 2015, BP provided grants to the following community groups:

- Australian Red Cross – “Health Living Koonibba Outreach”.
- Ceduna and Districts Men's Shed – “Passing it on” program.
- Ceduna Country Fire Service – “Coppudurba UHF repeater replacement”.
- Eyre Futures Incorporated – “Wheels in Motion” program.
- The Combined Probus Club of Streaky Bay and Districts – “Eyre Peninsula Probus Rally”.

Without BP's commitment to Social Investment associated with the proposed GAB exploratory drilling program, it is unlikely that these community programs and activities would have been undertaken.

BP has also been a major sponsor of the annual Oysterfest in Ceduna in 2014 and 2015, and has committed to major sponsorship again in 2016 and 2017.

In February 2016, BP was a major sponsor of the Eyre Peninsula Local Government Association annual conference, and provided an update presentation on the GAB project to Local Government delegates from across Eyre Peninsula.

BP and Council have executed a lease over a portion of otherwise unused land at the Ceduna Airport for the operation of BP's aviation logistics base for the proposed exploratory drilling program.

The revenue generated by the lease will provide revenue to Council for community services and works which would otherwise be borne by Ceduna Council residents, and the economic activity generated by the operation of the aviation logistics operations will provide a direct economic benefit to local business enterprises.

BP's positive social and economic contribution to the communities of Eyre Peninsula and the Ceduna Region to date has been significant as a direct result of their presence in the region for the GAB exploratory drilling program.

### Summary

BP Developments Australia has provided information to, and consulted with the District Council of Ceduna and the Ceduna Community extensively since 2011 regarding the sensitivities, risks and mitigating strategies associated with their proposed Great Australian Bight Exploratory Drilling Program.

Council are confident that BP's Environmental Plan has adequately and appropriately identified and addressed the range of Environmental and Socio- Economic Sensitivities of the Great Australian Bight, including marine and coastal ecosystems, and the Potential Environmental Impacts of their proposed exploratory drilling program in the GAB.

BP's presence in the Region has already made a valuable contribution to the social fabric of the local community and will continue to do so into the future.

Thankyou for the opportunity to provide a submission to the Committee.