

# MALLESONS STEPHEN JAQUES

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Dear Sirs

## **Montara Inquiry - Response to AMSA and NOPSA submissions**

We set out below PTTEPAA's response to the responses provided by AMSA and NOPSA dated 24 May 2010.

### **AMSA**

1 In its comments on paragraph 1.100 AMSA:

- (a) says PTTEPAA should have had in its OSCP that AMSA would manage a large incident. The purpose of an OSCP is to state how PTTEPAA would manage an incident. AMSA has a role under the National Plan. The incident was not, other than prior to control of it being handed over the AMSA, managed under the PTTEPAA OSCP. The OSCP provides in section 1.1 that PTTEPAA may call on the resources of the National Plan and that this support is triggered through AMSA;
- (b) suggests that PTTEPAA did not have the capacity at the time of the incident to do what was required in its OSCP. PTTEPAA does not consider this a matter that falls within the terms of reference and considers that DEWHA's acceptance that the OSCP was fully implemented is fair and appropriate; and
- (c) appears to be critical of the approximately 8 hours before control of the incident was formally handed over the AMSA. PTTEPAA considers that it handed over control as soon as it became apparent that it needed AMSA to manage the environmental response and that in the circumstances, the comment that it handed over control immediately is both fair and appropriate.

### **NOPSA**

2 NOPSA states that PTTEPAA's submissions to it on water deluge were "materially deficient and technically flawed" and "*flawed and lacked rigour*". NOPSA makes it clear that these submissions were not assessed as Safety Cases. For PTTEPAA this meant there was little in the way of NOPSA issued policy or guideline to inform the form and content of the submission. PTTEPAA considered its submission on water deluge was both comprehensive and competent and is surprised by NOPSA's comments. NOPSA has never conveyed this assessment to PTTEPAA previously - either contemporaneously or in any de-brief session.

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- 3 NOPSA states “*Specifically, no written submission was made by PTTEP to NOPSA in relation to “surface capping” of the H1 well.*” PTTEPAA discussed the capping option at a meeting with NOPSA on 31 August 2009 and NOPSA’s comment was along the lines of “if you think you can demonstrate that it is safe for personnel then describe what you intend to do and demonstrate how you intend to mitigate the risk”. However, as described in Item 9 of PTTEPAA’s response to the draft report on Arresting the Blowout, PTTEPAA dismissed the option due to unacceptable risks.
- 4 PTTEPAA understands that NOPSA does not intend to refer to PTTEPAA as a “cost focused or mendacious operator”. PTTEPAA has acknowledged it must (and it will) improve its standards and performance but maintains that the mistakes that it made leading up to and following the Incident, as disclosed in the Inquiry process, were not caused by either cost cutting or mendacious behaviour on PTTEPAA’s part.
- 5 As a general proposition PTTEPAA supports NOPSA’s position outlined in paragraph 3 of its letter concerning the Regulatory Regime.

Yours faithfully

*Mallesons Stephen Jaques*