



Submission to the

**COMMISSION OF INQUIRY INTO THE
MONTARA WELL HEAD PLATFORM
UNCONTROLLED HYDROCARBON
RELEASE**

December 2009

1 INTRODUCTION

About AMOSC

The Australian Marine Oil Spill Centre (AMOSC) was established in 1991 as a wholly owned subsidiary of the Australian Institute of Petroleum. AMOSC's roles are to provide:

- Equipment and personnel on a 24-hour standby basis to respond to a major marine oil spill
- Oil spill response training for member companies and other interested parties
- Advice on use of oil spill equipment and response services.

The activities of AMOSC are fully integrated into '*The National Plan to Combat Pollution of the Sea by Oil and Other Hazardous and Noxious Substances*', managed by the Australian Maritime Safety Authority on behalf of the Federal, State and Northern Territory governments and the oil and shipping industries.

Participating oil companies and other subscriber companies to AMOSC carry out the vast majority of the oil and gas exploration and production, offshore pipeline and terminal operations, and crude oil and petroleum product tanker movements around the Australian coast.

Contact Details

Should you have any questions in relation to this submission, or require additional information from AMOSC, the relevant contact details are outlined below.

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The Australian Marine Oil Spill Centre welcomes the opportunity to provide a submission to the Commission of Inquiry into the Montara Well Head Platform Uncontrolled Hydrocarbon Release.

2 ADMINISTRATIVE ARRANGEMENTS TO COMBAT POLLUTION OF THE SEA – GOVERNMENT AND INDUSTRY INTERFACE

Australian Oil Spill Response – The National Plan

The National Plan to Combat Pollution of the Sea by Oil and Other Hazardous and Noxious Substances (The National Plan) provides the umbrella arrangements for oil spill contingency planning and response for Australia. The National Plan is managed by the Australian Maritime Safety Authority (AMSA) on behalf of the Federal, State and Northern Territory governments and the oil and shipping industries. The Australian oil industry is represented on the National Plan Management Committee and on the National Plan Operations Group, along with shipping industry and Federal, State and Territory government representatives. Full details of the National Plan and its related management arrangements are available on the AMSA website www.amsa.gov.au.

The National Plan sets out clear arrangements for oil spill contingency and response activities and responsibilities. There are clear divisions of responsibility between governments and industry for response to an oil spill. 'Statutory Agency' responsibilities are clearly defined in the National Plan, as are the roles of 'Combat Agencies' which have responsibilities for action in response to an oil spill.

The National Plan also sets out arrangements for contingency planning, including a comprehensive suite of training programs for personnel in preparation for responding to an oil spill, and a comprehensive stockpile of oil spill response equipment located around Australia for quick access when needed. These contingency arrangements provide for clear integration of Federal, State and industry training programs and equipment stockpiles.

A levy is imposed on all commercial shipping using Australian ports to fund the National Plan arrangements. In addition, the oil industry in Australia contributes substantial funds and resources to these National Plan activities and the national spill response equipment stockpile through the AMOSC training and services programs, and the AMOSC equipment stockpile which are outlined below.

The Australian oil industry, through the Australian Institute of Petroleum (AIP) has signed an MOU with AMSA further elaborating the responsibilities and commitments of both parties to support and work together on key operational aspects of the National Plan.

The Australian Marine Oil Spill Centre – AMOSC

AMOSC was set up by the Australian oil industry in 1991 to provide a co-ordinated industry interface with the National Plan. AMOSC represents the interests of both the upstream and the downstream oil industry in Australia, and is a wholly owned subsidiary of the Australian Institute of Petroleum (AIP).

Participating oil companies and other subscriber companies to AMOSC carry out the vast majority of the oil and gas exploration and production, offshore pipeline and terminal operations, and crude oil and petroleum product tanker movements around the Australian coast. Current AMOSC member companies are listed at **Attachment A**

AMOSC's roles are to provide

- Equipment and personnel on a 24-hour standby basis to respond to a major oil spill

- Oil spill training, at locations around Australia as well as at the AMOSC training centre at Geelong (Victoria)
- Advice on oil spill equipment and response issues as required
- Operational links to international oil spill response organisations
- Administration of the oil industry mutual aid arrangements for responding to oil spills

AMOSC provides the co-ordination point for provision of AMOSC and oil industry equipment and resources to the National Plan

Oil Industry Mutual Aid Arrangements – AMOSPlan

The co-operative arrangements for response to oil spills by the Australian oil and associated industries are set out in the AMOSPlan, which is managed by AMOSC. A copy of the AMOSPlan is available on the AMOSC website www.amosc.com.au

In recognition that oil spills may require response efforts beyond an individual company's immediate capabilities, the Australian oil industry has developed over many years co-operative arrangements for mutual aid. These arrangements are brought together under the AMOSPlan and cover

- **AMOSC Centre Rules** which set out AMOSC operations and AMOSC relationships with the two classes of AMOSC members
- Various legal and contractual agreements between AMOSC and its member companies (most of which are put in place at the time a company joins AMOSC)
 - **Core Group Secondment Agreements** covering arrangements for secondment of company staff to AMOSC, particularly to supplement AMOSC staff during an oil spill response
 - **Principal and Agency Agreements** which set out the basis on which personnel and company equipment can be loaned by each company to AMOSC
 - **Master Service Contracts** which set out the basic conditions for hire of resources from AMOSC (including equipment and personnel hired by AMOSC from other companies)
- **A Master Service Contract between AMOSC and AMSA** to enable AMSA to hire equipment and personnel from AMOSC on behalf of the National Plan
- **A Resources and Services Alliance between AMOSC and Oil Spill Response Ltd (OSR)** to enable activation of international oil spill response services as needed on behalf of the Australian oil industry and the National Plan
- **Mutual Aid Contacts** who are nominated by all AMOSC member companies.

The AMOSPlan can be activated by a company if it believes it requires additional resources to assist in responding to an oil spill. This may involve direct activation through AMOSC, or activation of resources from another specific company through AMOSC Mutual Aid Contacts

AMOSC Involvement in Oil Spill Response Activities

Australian oil industry personnel also participate directly in National Plan activities.

Industry Advisers have been nominated by AMOSC members to provide a direct link between the government appointed *Marine Pollution Controller* and the affected company in the event of an oil spill; the Industry Adviser also provides the direct link between the affected company and the agency/organisation providing the oil spill response.

Selected industry personnel have also been nominated as members of the *National Response Team*, a group of expert industry and government personnel available to assist the Combat Agency in responding to an oil spill.

Oil Spill Response Training in Australia

All the major stakeholders in the National Plan have established programs to enable personnel to be trained in the various aspects of the management and response to a marine oil spill, including familiarity with response design, deployment of resources, and safe use of equipment in the most effective way. These stakeholders also undertake regular simulation and training exercises to maintain personnel expertise.

AMOSC has established a comprehensive suite of training programs covering requirements for

- Oil spill Incident Controllers
- Oil spill supervisors
- Oil spill equipment operators
- Industry Core Group members
- Shoreline clean-up practices.

AMOSC also conducts a number of training courses tailored to meet the specific needs of particular companies. AMOSC training courses meet the content requirements of IMO specified training to combat pollution of the sea.

Depending on other AMOSC commitments, between 250 and 400 oil industry personnel attend AMOSC training courses each year.

Oil Spill Response Equipment

The National Plan takes an integrated approach to the acquisition, location and use of oil spill response equipment held by Federal and State/Territory government agencies, and the oil industry.

Individual oil companies hold stocks of equipment to enable them to meet potential Combat Agency responsibilities in the event of an oil spill, and to assist other oil companies as part of mutual aid arrangements. AMOSC also holds a major stockpile of oil spill response equipment at its Geelong headquarters with secondary stockpiles in Broome and Exmouth. AMOSC stockpile equipment is located in sites that facilitate rapid deployment of equipment by air and/or road to all parts of Australia likely to be impacted by a marine oil spill. AMOSC conducts regular annual reviews and maintenance of oil industry equipment stocks to ensure that all equipment is in a condition for immediate use, and that it remains fit for purpose.

All oil spill response equipment available for use in responding to an oil spill is listed in the Marine Oil Spill Equipment System (MOSES) which is operated by AMSA. The types of equipment held in the 'national' stockpile include

- Oil spill dispersant
- Dispersant spraying equipment for use on vessels and on land
- Various types of floating booms and oil containment equipment
- Various types of surface skimmers and other devices for collecting oil floating on the water surface
- Equipment to support oil spill clean-up on the shoreline.

AMOSC and AMSA jointly fund a contract which provides for a number of agricultural industry aircraft to be available at very short notice to undertake aerial spraying of dispersant on marine oil spills. Aircraft are available for mobilisation with less than four

hours notice from one of six locations around Australia, with additional aircraft available for mobilisation within 24 hours.

Additional oil spill response equipment is available to AMOSC through its relationship with Oil Spill Response Ltd, from the OSR bases in Singapore, Bahrain and Southampton. This includes access to very large stocks of dispersant and Hercules aircraft equipped to spray large quantities of dispersant.

3 AMOSC INVOLVEMENT IN THE MONTARA OIL SPILL RESPONSE

AMOSC received notification from AMSA at 10:35 on the morning of 21st August 2009 (phone call J. Storrie to W J Skibinski) advising that the AMSA Search and Rescue Centre had reported a communication from Troughton Island indicating that the West Atlas rig had been abandoned and the crew had taken to life boats. The rig was reported to be listing and a hydro-carbon leak was evident.

Communication was then established between AMOSC, AMSA (acting as Combat Agency at the request of the NT Government) and PTTEP (Operator of Montara Field, where West Atlas located).

By 13:00 the likely spill volume was reported by PTTEP to be approx 400 bbls/day and PTTEP requested assistance from AMOSC in accordance with their AMOSC membership agreement that provides for Member company access to all AMOSC resources.

By 19:00 on the evening of 21st August 2009, at the request of AMSA, AMOSC had coordinated the dispatch of 14,000 litres of Dispersant to Darwin by air and a further 36,000 litres by road. This dispersant was available for use by the aerial dispersant aircraft that had been mobilised by AMSA.

During the ensuing response AMOSC transferred further equipment and dispersant from the Geelong base as direct responses to specific AMSA/PTTEP requests for support. AMOSC also activated the AMOSPlan to access mutual aid from other AMOSC Member Companies. This took the form of additional supplies of dispersant, equipment and AMOSC Core Group support.

AMOSC provided substantial direct support in response to the Montara oil spill by way of personnel and resources (summarised below). In doing so AMOSC fulfilled its obligations under the *National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substance* to assist AMSA if requested in response to an oil spill incident regardless of cause or source.

During the conduct of the response AMOSC provided:

20 personnel for in excess of 400 man-days

- These personnel included AMOSC permanent staff, consultant and industry Core Group members.
 - **AMOSC**
 - W J Skibinski, General Manager: Provided liaison as requested between PTTEP (Perth) and AMSA (Canberra) as well as support to PTTEP in response logistics and strategies.
 - T. Budd, Senior Engineering Officer: Initially provided a coordination role in the distribution of equipment from AMOSC, and industry. He was then used in several at sea containment and recovery operations as well as environmental monitoring.
 - M. Smith, Senior Marine Officer: Provided support to AMSA as Aerial Coordinator
 - D. Jolly, Technician: Provided support to containment and recovery operations.
 - **AMOSC Consultants**
 - G. Hooft, C. Priestly and A. Russell: Were deployed to man vessels engaged in dispersant spraying operations.
 - **Core Group Members;**
 - G. Healey, M. Hicks, J. Phillips, T. Edwards, W. Goddard, S. O'Reilly, D. McGregor, M. Sharp, R. Micallef, S. Glanville, T. Lobegeier, P. Hales, M.

Grayden; (from Santos, Esso, Caltex, Woodside and Shell): Were deployed to assist in containment and recovery teams

Equipment

- Equipment was provided from the AMOSC Geelong Centre and through AMOSPlan arrangements from Woodside Energy Ltd and Esso Australia
- 9 loads of equipment were coordinated for dispatch to support the response comprising in total;
 - Dispersant Chemicals x 107,400 litres
 - Oil Spill skimming devices x 4
 - Dispersant spray systems x 3
 - Containment Boom x 2,200 metre
 - Power packs (for Boom) x 4
 - Tracker Buoys x 4
 - Temporary Storage x 2
 - Fauna Kit x 1

AMOSC call-out: how the emergency notification interface worked between PTTEP, AMOSC and AMSA

- Initial notification to AMOSC was by telephone, J. Storrie Manager, Environment Protection Response, AMSA to W. J. Skibinski General Manager AMOSC with early advice of a pollution incident.
- Subsequent phone calls were initiated by AMOSC to PTTEP (Perth Office) to establish the situation and to notify availability for support.
- Throughout the spill PTTEP maintained a response centre in Perth coordinating the response to the initial incident and supporting the oil spill response. AMSA initially maintained an Incident Control Centre in Canberra prior to transferring the Incident Controller and the Incident Control Centre to Darwin.

Decision-making on spill response actions: how the decision-making process worked between AMSA and PTTEP; AMOSC role in process

- AMSA was requested by PTTEP to accept Combat Agency role and in doing so assumed responsibility for the development of Incident Action Plans.
 - AMOSC were requested by PTTEP to provide full support to AMSA on behalf of PTTEP in accordance with AMOSC Membership arrangements.
- AMSA held open dialogue with PTTEP regarding the intended response strategies and kept AMOSC management informed/included in the planning processes.
- AMOSC maintained ongoing communications with AMSA and responded to requests for personnel and equipment.
- The AMOSC General Manager attended the PTTEP office in Perth and the AMSA Incident Control Centre in Canberra and regularly participated in Emergency Management Team Meetings representing AMOSC/Industry.
- AMOSC personnel or personnel engaged by AMOSC and deployed to assist in the response were subject to supervision and instruction by AMSA nominated team leaders.
 - Where AMOSC personnel were tasked by AMSA management to operate independently (e.g. single man operations on dispersant vessels) those personnel received information and instruction from the AMSA Incident Controller and operated according to the promulgated Incident Action Plan amended for daily operations.

Logistical arrangements: how the initial and subsequent logistical arrangements worked in terms of getting equipment and personnel into the spill location; how the interface with AMSA and OSR (and others) worked

- AMOSC responded to AMSA requests for personnel and equipment and by agreement made all transport, travel and accommodation arrangements for AMOSC initiated activities.
 - The first load of dispersant was dispatched by air to Darwin (in this instance the aircraft was sourced by AMSA) all other equipment was moved by road and arrangements for dispatch coordinated by AMOSC.
 - Receipt in Darwin was the responsibility of AMSA assisted by PTTEP.
- PTTEP engaged the maritime support services required for the deployment of personnel and resources into the response area and responded to AMSA requests for vessels and crews as required. (These were engaged through existing rig supply/support contracts)
- During the course of the spill AMOSC coordinated the provision of equipment from Geelong (Vic), Exmouth (WA) and Long Island Point (Vic) suitable vehicles were always readily available with sufficient drivers.
- Although OSR Ltd was engaged directly by the PTTEP parent company (PTT) and provided services directly to AMSA, AMOSC assisted in the initial communications and early transport arrangements (utilising the Alliance relationship with OSR Ltd).

Effectiveness of AMOSC activities:

- a. Logistics for equipment and personnel**
- b. Availability of personnel from AMOSC and Core Group; any personnel issues**
- c. OSR involvement and any issues requiring further consideration**
- d. AMOSC equipment and dispersant – suitability for task, serviceability, and any issues for replacement of equipment**

a) Throughout the spill response there was an ongoing requirement for transport, travel and accommodation. AMOSC met requests in a timely manner and set up a communications link between the AMOSC and AMSA Administration which enabled coordinated bookings.

b) At the request of AMSA, AMOSC provided personnel to operate both independently and as part of response teams.

- Consultants were engaged to set up and operate the vessel mounted dispersant operations while Core Group Members were deployed to response teams led by AMSA nominated personnel on the support vessels.
- AMOSC staff operated as requested in several roles including Aerial Observer, Environmental Observer/Assessor and Equipment operator.
- AMOSC Member companies provided Core Group support as requested in a timely manner.

c) Because the PTTEP parent company was independently a Member company of OSR Ltd, the Alliance Agreement between AMOSC and OSR was not activated.

- OSR personnel were directly requested and deployed by AMSA through discussion with PTTEP/PTT (Thailand). AMOSC and OSR Ltd are discussing strategies for streamlining this process in future responses.

d) AMOSC was set up as a support base for major spill response and this particular incident fitted well with the stockpile profile.

- The dispersant activation was handled efficiently and the resources were available for deployment in coordination with the activation of aerial dispersant capability.

- The provision of vessel mounted spray systems (from AMOSC and Woodside) enabled the adjustment of the delivery strategy to meet the spill characteristics and volumes.
- When a decision was made to consider containment and recovery operations, boom and skimmer systems from AMOSC were easily transferred to Darwin and subsequently onto support vessels. The recovery operation worked well.
- All AMOSC equipment was serviceable on deployment and where necessary maintenance and repairs were carried out on location.

4 ISSUES AND OBSERVATIONS ARISING FROM THE MONTARA OIL SPILL RESPONSE

A Circumstances and Likely Causes

ToR 2 Adequacy and effectiveness of the regulatory regime (including maritime matters covered by AMSA) applicable to operations at or in connection with the Montara oil field.

1 Could the regulatory regime reasonably have been framed and structured, or be monitored and enforced, in a way that would have avoided or mitigated the Uncontrolled Release? What improvements could be made to the way the regulatory regime is framed or monitored with a view to lowering the environmental and safety risks in offshore petroleum operations?

From the perspective of the oil spill response, AMOSC does not believe that the core regulatory regimes could reasonably be framed, monitored or enforced in some other way that would have avoided or mitigated the Uncontrolled Release.

In the context of the regime applying to the oil spill clean-up activities, AMOSC is strongly of the view that there should be very clear arrangements for regulatory responsibility and decision-making, in order to facilitate quick and effective oil spill clean-up actions. At the broadest level this will require clear delineation between responsibilities for environmental and OH&S matters related to offshore oil industry facilities, and responsibilities and decisions relating to oil spill clean-up activities.

The current legal and administrative arrangements provide a sound basis for delineating these responsibilities, but in some aspects there may need to be further clarification to definitively establish working arrangements. AMOSC considers that offshore oil spill response matters fall clearly into the following categories:

1. Environmental and OH&S matters related to offshore petroleum facilities (platforms, drilling rigs, pipelines, subsea completions and floating production facilities, and any safety zones around those facilities) are the responsibility of the relevant Designated Authority &/or NOPSA. [This includes approval of preparedness and response plans for handling marine oil spills.]
2. Matters relating to the clean-up of any liquid hydrocarbons spilt in marine environments, including associated equipment and response mechanisms/support activities, are the responsibility of AMSA and those agencies/organisations specified in the National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substances, and identified as action agencies for a particular incident.

These arrangements provide the most appropriate basis for handling of any future incidents, by clearly identifying the relevant operational boundaries for decision-making about the details of actual responses.

Supplementary elements may need to be specified in the National Plan to cover interactions with other regulatory agencies. For example; spill clean-up matters that require consideration and decisions under the EPBC Act will clearly involve interaction between AMSA and DEWHA; spill clean-up actions within any safety zones around oil industry facilities will require interaction between AMSA and NOPSA. In addition, organisations in both categories will have specific roles associated with spill response preparedness which will require consultation and co-ordination between the organisations, and may need to be elaborated in the National Plan.

These observations about specific improvements to the regime to enhance clarity of responsibility and decision-making are not expected to have mitigated the impact of the Uncontrolled Release. Rather the suggested changes would help clarify responsibilities and streamline decision-making during an incident.

2 Were the magnitude and risks of the Uncontrolled Release adequately foreseen by the plan established to handle an oil spill?

The National Plan and the PTTEP Oil Spill Contingency Plan recognise that an uncontrolled release of significant volume would require intervention by a multi agency response potentially supported by international assistance. Both plans make provision for high volume spills: the PTTEP Plan contains spill modelling for up to 15,000 kl of oil and The National Plan Tier 3 level spill addresses spills of greater than 1000 tonnes. In each of these circumstances, the plans have requirements for the mobilisation of National and International oil spill response resources. In each Plan the pre-arranged relationship between AMSA and AMOSC is key to immediate access to the main industry equipment stockpile and the National Fixed Wing Aerial Dispersant Capability.

ToR 4 adequacy and effectiveness of monitoring and enforcement by regulators of relevant persons under the regulatory regimes

3 The overall regulatory framework within which each regulator implements a monitoring and enforcement regime and whether that framework is able to effectively deal with events such as those leading up to and subsequent to the Uncontrolled Release.

In the context of the oil spill response, monitoring and enforcement of the relevant regime by AMSA is considered to be adequate and effective. The requirements for preparation of oil spill response plans are clearly enforced, and internal oil company business plans include specific arrangements for spill response preparedness.

AMOSC is of the view that actions taken during the Uncontrolled Release were closely monitored and enforced by AMSA consistent with the regimes covered in the National Plan.

4 Whether specific actions taken by DEWHA prior to the Uncontrolled Release were appropriate?

In the context of the oil spill clean-up, the decisions taken by DEWHA prior to the Uncontrolled Release are considered by AMOSC to have been appropriate. In order to facilitate speedy oil spill response decision-making, there needs to be clear, overarching environmental approvals for the use of potential oil spill clean-up options, and basic response strategies in the event different size oil spills and different operational and weather conditions, taking account of the implications of alternative approaches.

AMOSC is of the view that appropriate considerations have been given to all relevant matters relating to oil spill clean-up, so as to enable most effective options for oil containment/dispersal to be adopted in light of changing/emerging circumstances.

B Adequacy of Response

ToR 5 Adequacy of response by the owner/operator of the platform and the drilling rig

5 Why the owner/operator chose to tackle the Uncontrolled Release in the way that it did?

From the perspective of the oil spill response, the owner/operator was to be working from the initial stages of the Uncontrolled Release within the framework of the National Plan. There are clear arrangements in the National Plan for taking decisions on which Regulatory Agency will manage the spill response, and for deciding on who will carry out the role of Combat Agency. Given the initial judgements about the potential size and complexity of the spill, and hence the desirable spill response, early involvement of AMSA as the key regulatory spill response agency and combat agency were logical decisions, from AMOSC's perspective. This enabled maximum activation of available spill response resources and skilled personnel in the shortest possible time.

6 Might decisions taken have been different in the event of a larger uncontrolled release of hydrocarbons, an alternative location, or if the consequences of that release had been thought to have been greater? How were decisions made in that regard?

From the perspective of the oil spill response, the National Plan sets out clear management options that take account of the size, location and nature of the oil spill. The National Plan also clearly identifies the desired outcomes for spill responses. In each case the oil spill clean-up actions would be tailored to the size of the spill, the proximity to land, the weather conditions, the direction and speed of movement of oil on the water, and the suitability of various oil dispersant/containment equipment to the situation at hand.

Through the use of latest available expertise and modelling capability, the likely impacts of an oil spill can be reasonably well predicted, taking account of location, size of spill, type of oil, weather conditions and ocean currents. In light of this analysis, assessments can be made about the deployment of spill response personnel and equipment/services to best address the expected outcomes. This includes judgements about dispersal of oil slicks and whether to apply dispersants from aerial or surface craft, use of oil collection equipment, preparation for onshore clean-up, scheduling of back-up personnel and equipment.

7 The effectiveness of the relationship between the owner/operators and regulators and government, and how this relationship may have impacted the adequacy of the response to the Uncontrolled Release by the owner/operators.

Following the initial safety focussed response to the incident (ie safe evacuation of personnel from the platform) the owner/operator immediately sought support and assistance from the government in managing the oil spill response to the uncontrolled release. Access to industry support through AMOSC and OSR Ltd were immediately made available to AMSA and initiated by PTTEP membership of each organisation.

From an AMOSC perspective (ie in the context of the oil spill clean-up) there appeared to be open and positive dialogue between the owner/operator and AMSA and a positive responses to requests for resources to be organised through the company Incident Control Centre.

As events unfolded, the constructive relationship between DEWHA and PTTEP culminated in agreement on the content and scope of environmental monitoring plans.

ToR 6 Adequacy of regulatory obligations applicable to the titleholder, the owner/operator of the platform and the drilling rig, in relation to the response to the incident, including recommendations to improve regulatory obligations for the future.

8 Matters relating to the National Oil Spill Contingency Plan managed by AMSA.

AMOSC believes the National Plan provides an adequate and appropriate framework for establishing the obligations of the titleholder, the owner/operator of the platform and the drilling rig, in relation to the oil spill clean-up aspects of this incident. At this stage AMOSC does not expect that there will need to be any significant changes to the National Plan framework. However, the AMSA review of the incident will identify any operational matters that may need to be taken into account in the future concerning oil spill response actions

AMOSC expects that all relevant learnings will be incorporated into the National Plan. These recommendations are expected to be considered in detail in the context of the review of the National Plan scheduled to commence in 2010.

9 Did the National Marine Oil Spill Contingency Plan adequately envisage an Uncontrolled Release of hydrocarbons of the magnitude and duration of the Uncontrolled Release and in such a remote location in Commonwealth waters, or at least provide an adequate framework that could be adapted effectively to cope with differing events

AMOSC is strongly of the view that the National Plan has been designed to handle an oil spill of the magnitude and duration of the Uncontrolled Release. The National Plan has been developed over many years of Australian and international oil spill experience, taking account of the depth of knowledge available in Australia and overseas in responding to marine oil spills, some of which have been substantially larger than the Montara incident, and have involved much more persistent/heavier oil spills in much more arduous/hazardous weather conditions.

The National Plan has been regularly reviewed, in consultation with the States and Territories as well as the oil and shipping industry. These reviews have taken account of the changing offshore regulatory framework, as well as the range of areas and circumstances in which oil spills might occur. In addition, the National Plan takes account of the spill response equipment available within each jurisdiction, as well as the range of key matters relevant to activation, management and operation of an oil spill response.

In the case of the Montara incident, the National Plan provided a clear framework for rapid decisions to be taken as to who would be the Statutory Agency and who would be the Combat Agency. With clearly defined roles and responsibilities for these two agencies, the National Plan facilitated rapid decision-making concerning the specific oil spill response actions, including choice of spill containment/dispersal options, access to expert personnel, and logistics planning.

With regards to the specific strategies employed in this response, AMOSC believes the National Plan arrangements provide appropriate mechanisms to immediately mobilise resources capable of dealing with a larger volume incident, as well as to adjust the response quickly to address a more limited oil spill in the most efficient and effective way. For example, the Hercules aircraft mobilised from Singapore to undertake high volume application of dispersant was stood down once the spill extent was understood. The National FWADC (smaller aircraft) was then utilised for aerial application of much

smaller volumes of dispersant, then even smaller vessel mounted dispersant application systems were deployed to very specific patches of floating oil. At the same time there was ongoing assessment of the potential for containment and recovery operations and equipment was positioned in Darwin to conduct operations.

10 The extent to which the response should have been left to the owner/operator or should have been subject in certain circumstances to direction by regulators. To what extent does the existing regime strike an appropriate balance between the commercial interests of the owner/operator compared with broader public interest considerations?

The National Plan provides a clear framework to establish which regulatory authority will be responsible for a marine oil spill response, and the broad circumstances in which decisions will be taken about who will be the Combat Agency. This enables decisions to be made as to whether the owner/operator is the appropriate Combat Agency, or whether a government agency should assume that role, taking account of available owner/operator and oil industry expertise. The National Plan also enables decisions to be made to enable rapid intervention by AMSA in the event of any delays in decision making by the initial Combat Agency, in the broader public interest.

11 To what extent did the decisions by the owner/operators and the regulators comprehend the overall picture? To what extent did regulators work separately or jointly with the owner/operator to ensure an appropriate response? To what extent could other response mechanisms available within the regulatory regime have been used if the attempts to stop the Uncontrolled Release had continued to fail, and at what stage would these mechanisms have been implemented?

Because of the very early involvement of the owner/operator, AMOSC and AMSA in the initial assessment of the spill and its likely impacts, these three agencies had a very comprehensive overall picture of the spill characteristics, response options and response strategy. This enabled clear decisions to be taken about response actions for dealing with the oil spill clean-up, and for meaningful discussions with other regulators having responsibilities for related matters, such as DEWHA and NOPSA.

12 Whether the responses by AMSA were appropriate

AMOSC considers that the responses by AMSA were all appropriate in the particular circumstances of this Uncontrolled Release of oil. The full scope of the AMSA response is being assessed in the review of the incident being conducted under the National Plan arrangements. That review will consider all of the specific planning and operational decisions/actions taken by AMSA and identify which key positive experiences need to be incorporated into future response planning and actions, as well as opportunities to enhance or improve future planning or operational considerations.

As has been the case with previous oil spill incident inquiries under the National Plan, all recommendations will be carefully considered by the members of the National Plan Management Committee and by the National Plan Operations Group. Relevant recommendations will also be considered by AMOSC and the oil industry in the context of their ongoing response preparedness activities.

13 To what extent might the regulatory regime and specific obligations under the regulatory regime be improved upon in order to more effectively deal with future incidents.

At this stage it is not possible to specify what improvements might be made to the various regulatory regimes in order to deal more effectively with future incidents. Specific recommendations from the AMSA Inquiry into the Montara incident will need to be considered. AMOSC would envisage making a supplementary submission on this matter once these recommendations are available.

C Environmental Impacts

ToR 7 Assess the outcomes of the monitoring activities underway and make recommendations on whether any further measures are warranted to protect the environment

14 The adequacy of the Operational Monitoring Plan, with monitoring to be undertaken by AMSA in accordance with the National Marine Oil Spill Contingency Plan.

AMOSC believes that AMSA carried out adequate monitoring to facilitate the response strategy decision making. This included water sampling, fluorometry analysis and aerial monitoring of the spill and the spread of oil on the water surface. Subsequent analysis of data appears to indicate that water sampling and fluorometry measurement are best used to confirm aerial and local observations, and to supplement the longer term monitoring activities.

15 How effective was the Operational Monitoring Plan and what lessons have emerged.

From an AMOSC perspective the data provided by AMSA to operating personnel enabled the efficient conduct of dispersant and oil recovery operations.

16 What public reporting is envisaged to flow from the Operational Monitoring Plan, and what other action is envisaged following receipt of outcomes from the Plan.

AMSA has already commenced publication on the Departmental website of dispersal and recovery statistics.

D The Offshore Petroleum Industry's Response

ToR 8 Comment on the offshore petroleum industry's response

17 Responding to such events is technically challenging and expensive. It is important that every effort is made to tap into the considerable expertise and equipment that may be available within the petroleum industry, both within Australia and internationally.

AMOSC provides a central point of contact for the Australian oil industry to access the best available national and international advice on oil spill response preparedness and oil spill clean-up options. Through already established formal agreements, AMOSC is able to rapidly access the expertise and resources of Oil Spill Response Ltd, one of the leading global oil spill response organisations. AMOSC is also able to access additional expertise through counterpart industry spill response agencies on all continents.

This expertise was drawn on during the Montara incident, in considering particular oil spill clean-up options, and for access to additional oil spill response equipment.

Oil spill response expertise from other oil companies operating in Australia was also called on during the incident to help ensure that all options for spill response were considered.

Oil spill response equipment from the AMOSC stockpile was extensively used during the incident, as well as additional equipment sourced from other oil companies. Full details are in Chapter 4 of this submission.

18 What steps did the owner/operators take to tap into the expertise of the Australian and international petroleum industry. Was expertise or equipment sought or offered from other Australian or international operators? Was it taken up, and if not, why not?

In relation to the oil spill response, AMSA and PTTEP immediately accessed the support of the Australian oil industry through participation in the response by AMOSC. AMOSC is a member of the Global Response Network and has an Alliance Agreement with OSR Ltd the largest independent oil spill response company. Resources and expertise from AMOSC and OSR were utilised throughout this oil spill response, including personnel from Australia, Singapore and the UK.

19 Could the Australian petroleum industry effectively establish arrangements to ensure the availability of equipment and/or materials that may assist in minimising the duration and/or impact of any future uncontrolled release of hydrocarbons?

In relation to oil spill clean-up, AMOSC believes that comprehensive industry based arrangements are in place to ensure the availability of sufficient equipment and materials to assist in minimising the impact of any future uncontrolled release of oil. In combination with AMSA, the AMOSC/oil industry equipment stockpile ensures that appropriate quantities and types of equipment, materials and personnel are available in all key locations around Australia, or are able to be relocated to an incident at very short notice. Additional, well established, international arrangements also ensure that further equipment and materials can be sourced as needed in a very timely manner.

It is AMOSC's view that timely access to the necessary quantities and types of oil spill response/clean-up equipment was not an issue in responding to the Montara incident.

20 Are there ongoing lessons that the petroleum industry can take from this event?

While recognising that the National Plan sets out clear arrangements for deciding who will be the Combat Agency in the event of different size/nature oil spills, AMOSC believes there are potential benefits for the oil industry in having a greater number of trained industry personnel capable of undertaking senior roles in both the initial and ongoing spill response structure (eg Incident Controllers, Planning and Operations Officers). These industry personnel would be available to support an industry led Combat Agency response as well as to assist in a government/AMSA led Combat Agency response.

Prior to this incident, AMOSC had commenced the development and implementation of an upgraded suite of training programs focussed on developing such expertise within the oil industry. It is anticipated that the enhanced training programs will commence in 2010.

E Provision and Accessibility of Information**ToR 9 Provision and accessibility of information regarding the Uncontrolled Release**

21 Is it envisaged that at key points throughout the on-going response to the incident that there will be a stocktake in a systematic way?

It is AMOSC's view that in relation to oil spill clean-up matters, the Combat Agency, in consultation with the Regulatory Agency, should provide regular information to all stakeholders and interested parties. This should take the form of overview briefs on actions taken to date and actions planned, including impact monitoring as well as assessments of the size and nature of the oil spill.

More detailed briefings should also be provided on a regular basis for the various regulatory agencies involved in the spill, and their expert advisers. It is expected that all detailed briefings will provide a systematic stocktake of events and actions as well as an assessment of plans for the forthcoming period. These briefings should also include the owner/operator of the facility involved in the incident, and relevant oil industry organisations involved in the oil spill response.

AMOSC subscriber companies 2009/2010

Apache Energy Limited
ASP Shipping Management Pty Ltd
Beach Petroleum Limited
BHP Billiton Petroleum Pty Ltd
BP Australia Pty Ltd
Caltex Australia Limited
Chevron Australia Pty Ltd
Conoco Phillips
East Puffin Pty Ltd
Eni Australia
Hess Exploration Australia Pty Ltd
Inpex Browse Ltd
InterOil
Mobil Oil Australia Pty Ltd
Nexus Energy Limited
Origin Energy Ltd
Papuan Oil Search Limited
PTTEP Australasia Pty Ltd
Rio Tinto Alcan Gove
Roc Oil Company Limited
Santos Limited
Stuart Petroleum Ltd
Tap (Shelfal) Pty Ltd
Teekay Shipping (Australia)
The Shell Company of Australia
Vermilion Oil and Gas Pty Ltd
Woodside Energy Ltd