

**Agility Services
Contractor to Gorodok**

ANNUAL REPORT

2001-2002

**Pipeline Licence No.8
South Australia**

**Moomba to Botany Ethane Pipeline
MS00 To MS101 Section**

**Prepared by: Agility
Date: July 2002**

INTRODUCTION:

This report provides information to the Minister of Primary Industries and Resources of South Australia in accordance with requirements of Section 33 of the Petroleum Regulations 2000.

REGULATED ACTIVITIES:

Section 33.(2) (a)

a summary of the regulated activities conducted under the licence during the year:

1 IN-LINE INSPECTION:

There were no pigging activities during the period.

2 CORROSION CONTROL:

2.1 Annual Pipe to Soil Potential Survey:

A separate report was prepared for the annual CP results.

2.2 Cathodic Protection System:

All CP batteries were checked for correct water levels and topped up as necessary

The telemetry on the cathodic protection system has operated reliably for the entire period.

3. ELECTRICAL AND MECHANICAL MAINTENANCE:

Routine six monthly maintenance was performed at MS00, MS29, MS55 and MS83 as per the maintenance schedule. This includes all line valves and coolers at the Moomba inlet station. Santos operators inspected the Moomba cooler inlet station each week. This maintenance was performed in accordance with the requirements of Australian Standard 2885.

Valve "O" services were completed during the year.

WorkCover electrical safety checks were completed as required.

During this period there were no equipment failures that posed a threat to the operating integrity of the pipeline.

4. EASEMENT MANAGEMENT

4.1 Easement Maintenance

Some minor restoration was undertaken during the year to repair some minor subsidence and erosion. No major problems were identified.

Grass slashing has continued throughout the area on problem locations.

The easement was surveyed by air monthly.

Access road signage was improved and faded signs were replaced.

The Moomba site was cleared of weeds along with general cleaning and housekeeping.

4.2 Landowner and emergency services activities

Annual landowner liaison and package deliveries were completed in March 2002.

Landowners from Bollards Lagoon and Omicron have requested that we do not spray herbicide on the easement as they now practice organic farming.

4.3 Aerial Surveillance

Aerial patrols of the pipeline route by helicopter were completed each month with additional vehicle patrols conducted in association with other maintenance activities.

There was one issue reported where a SANTOS Contractor (DELCO) was found encroaching onto the MS easement. DELCO was on the understanding that the pipeline they were crossing was Adelaide pipeline. This was not the case. DELCO was then spoken to regarding this matter and an internal incident report was submitted. NO damage to the pipeline occurred.

5. HEALTH, SAFETY AND ENVIRONMENT

Monthly Lifeguard toolbox meetings were held for the period July 2001 to June 2002 as scheduled.

Topics included were manual handling and safety tagging.

There were no LT or MT injuries on the ethane pipeline for this period.

Two satellite telephones continue to be made available to persons travelling west of the Darling River. Remote area kits also continues to be utilised when travelling into isolated areas.

NOTE 1 : TOOLBOX MEETING-A self contained training program designed to be presented on team basis.

6. EMERGENCY RESPONSE

No incidents occurred during the period.

The new Incident Response Manual (emergency plan) was implemented early in 2002. The Manual was an upgrade to the previous version largely by streamlining the paperwork for individual roles and having client based sections.

A desktop simulation was held in January 2002 based upon a hit in the region of MW 544 (natural gas pipeline). The simulation proved the effectiveness of the new Manual for the ethane pipeline.

A simulation exercise was carried out at Cobar during May 2002 with the assistance of local emergency services. This simulation was to ensure all emergency services were mobilised on receipt of a 000 call.

7. QUALITY ASSURANCE

REGULATORY COMPLIANCE

Section 33.(2) (b)

a report for the year on compliance with the Act, these regulations, the licence and any relevant statement of environmental objectives

Gorodok and Agility (Gorodok's contractor) comply with all relevant Act, regulations, the licence and Statement of Environmental Objectives.

The pipeline is operated as per requirements of AS2885.3.

Rectification of Non-compliance

Section 33.(2) (c)

a statement concerning any action to rectify non-compliance with obligations imposed by the Act, these regulations or the licence, and to minimise the likelihood of the recurrence of any such non-compliance:

SUMMARY OF MANAGEMENT SYSTEM AUDITS

SECTION 33.(2) (d)

a summary of any management system audits undertaken during the relevant licence year, including information on any failure or deficiency identified by the audit and any corrective action that has, or will be, taken

DNV continue to certify Agility's quality system which covers the operation and maintenance of this pipeline. Planager Pty Ltd carried out a hazard audit of the pipeline in March 2002. A separate report is available.

List of reports

Section 33(2) (e)

a list of all reports and data relevant to the operation of the Act generated by the licensee during the relevant licence year

The list of reports as per Petroleum Act 2000 are shown in the following page:

1. Section 12 & 12 - Statement of Environmental Objective (submitted)
2. Section 29 - Fitness for Purpose Assessments (submitted)
3. Section 31 - Report on practice drill of the emergency response procedures (submitted)
4. Section 32 - Incident report (there was no reportable incident)
5. Section 33 - Annual report (this report)

Incident Reports

Section 33(2)

(f) in relation to any incidents reported to the Minister under the Act and these regulations during the relevant licensing year-

(i) an overall assessment and analysis of the incidents, including the identification and analysis of any trends that have emerged; and

(ii) an overall assessment of the effectiveness of any action taken to rectify non-compliance with obligations imposed by the Act, these regulations or the licence, or to minimise the risk of recurrence of any such non-compliance

There were no incidents reported during the year.

Threat Prevention, Mitigation

Section 33(2) (g)

a report on any reasonably foreseeable threats (other than threats previously reported on) that reasonably present, or may present, a hazard to facilities or activities under the licence, and a report on any corrective action that has, or will be, taken

This section of the ethane pipeline is relatively remote and as such no 3rd party activities are expected that might threaten the pipeline. Regular aerial surveillance continues on a monthly basis to observe any physical deterioration of the easement for correction and to identify unforeseen threats.

FUTURE OPERATIONS

Section 33(2)(h)

unless the relevant licence year is the last year in which the licence is to remain in force-a statement outlining operations proposed for the ensuing year

It is proposed to continue operations normally transporting ethane from Moomba in South Australia to Sydney in NSW.

PIPELINE OPERATION

Section 33(2)

(k) in the case of a pipeline licence-the volume of any regulated substance transported through the pipeline during the relevant licence year

The quantity of natural gas transported through the Moomba – Sydney ethane pipeline for the year ended 30 June 2002

Ethane		
Tonnes	m3	Max (tonnes)
25269	20605	949
28176	22188	1039
30312	23932	1064
29039	22880	1031
27811	21844	1010
26343	20768	987
26728	21022	1032
21950	17736	996
30748	24260	1073
29103	22711	1049
30764	24206	1565
30929	24368	1090
337171	266520	1565
		21/05/02