

Our ref: MER F2009/000828  
2022\_088



**Government of South Australia**  
Department for Energy and Mining

21 December 2022

Laura Fois  
Pipelines Superintendent  
Midstream Production Operations  
Santos Limited  
32 Turbot Street,  
BRISBANE QLD 4000

cc: Richard Holroyd

Dear Laura Fois,

## **EXTENSION OF TIME FOR COMPLETION OF FITNESS FOR PURPOSE ASSESSMENT REPONSE PIPELINE LICENCE 2**

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I refer to your letter dated 19 December 2022 requesting an extension of time to undertake the Fitness for Purpose (FFP) assessment, as required under Regulation 30 of the *Petroleum and Geothermal Energy Act 2000*, for the Moomba to Port Bonython Liquids Pipeline, licensed to Santos Ltd under Pipeline Licence (PL) 2.

The findings from the in-line inspection (ILI) program form a significant input to the fitness for purpose assessment for a transmission pipeline. The basis for requesting this extension is to enable the FFP Report to fully take account of the results of in - line inspections. Sections 1 and 4 of the pipeline have been inspected, however in part due to weather and COVID-19 delays, the final inspection report has not yet been received and the inline inspection of sections 2 and 3 have been delayed. Additionally, as a result of emergent corrosion findings on Sections 1 and 4, further assessment digs are to be completed in 2023 before the FFP report can be completed.

The due date for completion of the FFP assessment for the Moomba to Port Bonython Liquids Pipeline is currently 31 December 2022. Santos are seeking an extension to until the 31 December 2023 to enable the subsequent inspection of sections 2 and 3 of the pipeline, and the completion of any further required assessments.

Santos confirmed it believes the pipeline remains and will remain fit for purpose in the meantime because the small number of emergent significant corrosion findings located on the recently inspected pipeline sections 1 and 4 which have previously been determined to have the shortest calculated remaining life. Santos has no evidence to suggest the pipeline sections 2 and 3 have degraded at a greater rate. Furthermore, Santos note that the pipeline is consistently operated at a pressure significantly lower than pipeline the MAOP.

**Energy Resources Division**

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In this regard, pursuant to Section 134 of the Petroleum and Geothermal Energy Act 2000, I hereby grant an extension of time for completion of the FFP assessment for the Port Bonython Liquids Pipeline (PL 2) until 31 December 2023, with submission of a report within 2 months of completion of the assessment.

If you have any questions in relation to this matter please do not hesitate to contact Jack Greenwood on (08) 8429 2934 or [Jack.Greenwood@sa.gov.au](mailto:Jack.Greenwood@sa.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Malavazos', enclosed within a circular scribble.

**Michael Malavazos**  
**Director – Engineering Operations Branch**  
**Energy Resources Division**  
**Department for Energy and Mining**  
**Sub Delegate of the Minister for Energy and Mining**

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