

Gorodok PTY Limited

Annual Report

2003-2004

Pipeline Licence Number 8

South Australia

Moomba to Botany Ethane Pipeline

MS00 To MS101 Section

Prepared by Agility

Date: August, 2004

1. INTRODUCTION.....	3
2. REGULATED ACTIVITIES.....	3
2.1 INLINE INSPECTION (IL).....	3
2.2 CORROSION CONTROL.....	3
2.2.1 Annual Pipe to Soil Potential Survey.....	3
2.2.2 Cathodic Protection System.....	3
3. ELECTRICAL AND MECHANICAL MAINTENANCE.....	4
4. EASEMENT MANAGEMENT.....	4
4.1 EASEMENT MAINTENANCE.....	4
4.2 LANDOWNER AND EMERGENCY SERVICES ACTIVITIES.....	5
4.3 AERIAL SURVEILLANCE.....	5
5. HEALTH, SAFETY AND ENVIRONMENT.....	6
5. EMERGENCY RESPONSE.....	6
6. QUALITY ASSURANCE.....	6
7. REGULATORY COMPLIANCE.....	6
7.1 RECTIFICATION OF NON-COMPLIANCE.....	7
8. MANAGEMENT SYSTEM AUDITS.....	7
9. LIST OF REPORTS.....	7
9.1 INCIDENT REPORTS.....	7
10. THREAT PREVENTION, MITIGATION.....	8
11. FUTURE OPERATIONS.....	8
12. PIPELINE OPERATION.....	8
13. STATEMENT OF EXPENDITURE.....	9

1. 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.

2. Regulated Activities

2.1 Inline Inspection (ILI)

There were no in-line inspections carried out during the period.

2.2 Corrosion control

2.2.1 Annual Pipe to Soil Potential Survey

The annual pipe-to-soil survey from MS00 to MS101 was completed in May 2004. All test points surveyed were protected according to AS2832.1, although protection levels were generally slightly more negative than desirable.

2.2.2 Cathodic Protection System

The pipeline is protected by cross bonds to the adjacent natural gas pipeline, and a transformer rectifier at MS 244 (NSW). No significant outages affecting protection were recorded.

Telemetry on the cathodic protection system 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 'Gorodok Operations and Maintenance agreement 1994' and to requirements of Standard AS/NZS 2885.3 1997.

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 subsidence and erosion. No major problems were identified.

The easement was surveyed by air according to the Safety and operation plan.

Access road signage was improved and faded signs and stickers replaced. We repaired boundary gates and fences where necessary and re-painted faded components.

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 September 2003.

Landowners from Bollards Lagoon have requested that we do not spray herbicide on the easement because they now practice organic farming, and Gorodok's contractor, Agility, has been in compliance with this request.

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.

5. HEALTH, SAFETY AND ENVIRONMENT

Monthly Lifeguard toolbox meetings were held for the period July 2002 to June 2003 as scheduled. Topics included were manual handling and safety tagging and environmental management.

There was no LTI or MTI on the Ethane pipeline for this period in the SA area.

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.

5. EMERGENCY RESPONSE

No incidents occurred during this period.

6. QUALITY ASSURANCE

The management system remains DNV certified.

7. REGULATORY COMPLIANCE

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

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

7.1 Rectification of Non-compliance

There was no issue of non-compliance to the Act.

8. Management system AUDITS

Several audits were carried out on the management systems in place within Agility.

A Lifeguard audit (safety and environmental) was carried out in April 2004. No significant issues were identified.

The most recent Hazard audit of ethane pipeline and the Safety and Operating Plan (SAOP), was completed in June 2004. There were 25 corrective actions required across all areas of operation, 5 were considered high priority. Action items are being addressed on a priority basis.

9. List of reports

Section 33 - Annual report (this report)

9.1 Incident Reports

No incidents were reported on this section of pipeline.

No non-compliances were identified on this section of pipeline.

10. Threat Prevention, Mitigation

No reasonably foreseeable threats (other than those identified in the risk assessment previously reported) apply to this section of the pipeline.

11. FUTURE OPERATIONS

All maintenance operations will continue to be completed as scheduled to ensure that the integrity of the pipeline system is being maintained, as well as the safety and efficiency of Agility's operations.

12. PIPELINE OPERATION

The quantity of ethane transported through the Moomba – Sydney ethane pipeline for the year ended 30 June 2004 is shown in the following table:

	Tonnes m3		Max(tonnes)
July	22450	17708	1039
August	29278	23141	1068
September	22137	22422	802
October	29752	23465	1065
November	27798	21968	1022
December	24333	19274	1058
January	7609	6269	666
February	15535	12832	684
March	16284	13552	628
April	18359	15245	653
May	15727	13055	655
June	18685	15446	775
YTD	247947	204377	1068

13. Statement of Expenditure

Commercial in confidence