



**South Australian Government  
Department for Manufacturing,  
Innovation, Trade, Resources and Energy**

**Licence 8 - Annual Report  
July 2013 – June 2014**

**August 2014**



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## 1 INTRODUCTION

This report provides information to the Minister of Mineral Resources Development of South Australia in accordance with requirements of the Petroleum and Geothermal Energy Act 2000 and Section 33 of the Petroleum and Geothermal Energy Regulations 2000 and AS2885.3.

Gorodok Pty Ltd owns the Moomba-Sydney Ethane Gas Pipeline. APA Group maintains the pipeline on the behalf of Gorodok. The pipeline in this report begins at the Moomba gas fields in South Australia and ends at the SA and QLD border. The entire section is approximately 101 km of 219mm OD pipeline.

This report is applicable to Gorodok's activities in Pipeline Licence 8 (the South Australia Section of Moomba-Sydney Ethane Gas Pipeline) during the period 1st July 2013 to 30th June 2014.

## 2 REGULATED ACTIVITIES

### 2.1 *Inline Inspection (ILI)*

There was no in-line inspection carried out on this section of the pipeline during the report period.

### 2.2 *Corrosion control*

#### 2.2.1 Annual Pipe to Soil Potential Survey

The annual potential survey was completed in September 2013. Readings taken at all accessible test pints indicate the pipeline was protected according to the requirements of AS2832.

#### 2.2.2 Cathodic Protection System

Two CP units at MS29 and MS83 protect the pipeline. No outages affecting protection were recorded. Telemetry systems on the cathodic protection system operated reliably for the period.

### 2.3 *Emergency Simulation Exercise*

No emergency response exercises were conducted on pipeline license 8 during the report period.

### 2.4 *Mechanical and electrical maintenance*

Routine six-monthly maintenance was performed at MS00, MS29, MS55 and MS83 as per the maintenance schedule. This included 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 the requirements of Standard AS/NZS 2885.3.

Six monthly and security inspections (“O” service) were completed at each valve site.

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

## **2.5 Communications/SCADA**

The SCADA continued to function correctly throughout the year without incident.

## **3 EASEMENT MANAGEMENT**

### **3.1 Easement Maintenance**

The easement was surveyed according to the Safety and Operating Plan. No significant issues were observed.

General housekeeping has been maintained at the valve sites.

### **3.2 Landowner and Emergency Services Activities**

Landowners within the South Australian section of the pipeline were contacted by APA personnel during the report period.

### **3.3 Surveillance**

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

## **4 HEALTH, SAFETY AND ENVIRONMENT**

### **4.1 HSE System**

Gorodok Group recorded no LTI, MTI or environmental incidents on the pipeline in South Australia during the reporting period.

### **4.2 Environment**

There were no environmental incidents during the report period.

This report notes that Pipeline License 8 and Pipeline License 7 share a common easement. With respect of SEO objectives, an assessment of compliance against the SEO objectives regarding general maintenance activities is included in Appendix 1.

## **5 REGULATORY COMPLIANCE**

Gorodok (owner of Moomba-Sydney ethane pipeline) and APA Group comply with all relevant Acts, regulations, the licence and Statement of Environmental Objectives.

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

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

## 6 COMPLIANCE

### 6.1 Management System Audits

The following details actions identified during the annual SaOP audit, which was conducted in May 2014.

No	Ref	Audit Action	User ID	Priority
<b>Action</b>				
1		Institute a formal review of the generic JHAs used in association with PTW for maintenance and inspection work on the ethane pipeline, by each technician, on a yearly basis	APA	M
2		Prepare pressure relief valve (PRV) sheet with tolerance limits for the relief valves at Bulla Park	APA	M
3		Update the current Bulla Park Calibration Record sheets to include the PRVs and to remove obsolete equipment	APA	M
4		Ethane pipe entry and exits to be visually inspected. Task to be entered onto the MaintenanceConnection checklist and formally documented.	APA	M
5		Include a periodic check of the indicative depth of cover of the ethane pipelines in the Eastern Operations section. This may be conducted in conjunction with the Ground patrols of easements which is currently planned for the Eastern Operations section of the pipeline.	APA	M

### 6.2 List of Reports

#### 6.2.1 Reports Submitted to PIRSA

- Annual report (this report)

#### 6.2.2 Gorodok Data or Reports

- 2014 SaOP audit actions (included herein)

### 6.3 *Threat Mitigation, Prevention*

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

## 7 FUTURE OPERATIONS

All maintenance operations will continue as scheduled to ensure that the integrity of the pipeline system is maintained.

## 8 PIPELINE OPERATION

The following table details the quantity of ethane transported through the Moomba-Sydney ethane pipeline for the year ended 30 June 2014.

	<b>Tonnes</b>	<b>Max (tonnes)/day</b>	<b>Average (tonnes)/day</b>
July	21916	743	706
August	20736	755	669
September	18658	713	622
October	9062	684	281
November	17377	644	579
December	16849	719	540
January	16395	653	528
February	15714	646	524
March	16331	593	525
April	16409	613	547
May	17715	692	577
June	15454	578	515
<b>TOTALS - Tonnes</b>	<b>202616</b>	<b>755</b>	<b>551</b>

## 9 Statement of Expenditure

As the South Australian portion of the Moomba-Botany pipeline is relatively small, there is no cost data available separate from the cost data for the whole of the Moomba-Botany pipeline system.



### Appendix 1: Assessment of Compliance against SEO Objectives

Objective	Goal	Assessment Criteria	Objective achieved	Supporting Comment
1. To maintain soil stability / integrity on the easement.	1.1 To remediate erosion or subsidence as a result of pipeline operations in a timely manner.	No unremediated subsidence. The extent of soil erosion on the easement is consistent with surrounding land. No excessive erosion on areas adjacent to corridor as a result of easement.	Yes	Soil type in the region is characteristic of arid outback condition with sand dunes and sandy plains. The SCC project team performed an audit of all previously excavated sites and performed remedial actions as required. Due to weather conditions over the last two quarters, soil erosion and subsides are anticipated in and around recently excavated areas.
	1.2 To prevent soil inversion.	Vegetation cover is consistent with surrounding land. No evidence of subsoil on surface (colour).	Yes	Different soil types were stockpiled separately during excavation work to assist in restoration during backfill. No soil inversion issues were identified during project work inspections or aerial patrols. In EMP and confirmed with site HSE officer.
	1.3 To mitigate soil compaction if necessary by remedial action	No visual evidence of soil compaction following remediation of pipeline easement (e.g. hard soil, local water pooling)	Yes	The project team performed an audit of all previously excavated sites and performed remedial actions as required. Due to weather conditions over the last two quarters, some compaction is anticipated in and around recently excavated areas. Ongoing monitoring will occur during routine aerial patrols.
	1.4 To reinstate soil and terrain as near as practicable to pre-existing contours and conditions	Surface contours consistent with adjacent land	Yes	Excavation sites were reinstated to as near pre-existing condition as practicable. Ongoing monitoring will occur during routine aerial patrols.
2. To minimise and manage impacts to water resources.	2.1 To maintain current surface drainage patterns.	For excavations, surface drainage profiles restored. For existing easement, drainage is maintained to pre-existing conditions or better.	Yes	There are no major permanent watercourses within close proximity to any of the dig sites, and impacts to surface water flow or ground water from project works are considered to be negligible. No issues identified during routine aerial patrols.



Objective	Goal	Assessment Criteria	Objective achieved	Supporting Comment
	2.2 To minimise disruption to third party use of waters.	No reasonable complaints received from landholders or third party users in relation to use of surface waters.	Yes	There are no major permanent watercourses within close proximity to any of the dig sites, and impacts to surface water flow or ground water from project works are considered to be negligible. No complaints were received.
3. To avoid land or water contamination.	3.1 To prevent spills occurring and if they occur minimise their impact.	No soil or water contamination as a result of pipeline activities. Compliance with <i>Environment Protection Act 1993</i>	Yes	No environmental incidents were recorded. Spill kits were located at refuelling sites for the project duration.
	3.2 To ensure that rubbish and waste material are disposed of in an appropriate manner.	No pipeline related rubbish or litter on easement or at facilities or on surrounding land. Waste material is contained and disposed of in accordance with APA approved procedures and <i>Environment Protection Act 1993</i>	Yes	Waste produced by project works included coal tar enamel coating (containing asbestos and fibreglass), general rubbish, equipment and repair materials and oils/fluids. All coal tar enamel coating, rubbish and used repair material containers were stored in designated areas until they could be disposed of properly [in accordance with DEC (EPA) guidelines].  Camp also had facilities for grey water, sewage and general waste handling and removal. No issues identified during site inspections or HSE audit.
	3.3 To prevent impacts as a result of hydrotest water, trench water and waste water (e.g. wash-down water) disposal.	Discharge water meets appropriate ANZECC and EPA criteria for point of disposal. No evidence of impacts to soil, water and vegetation as a result of water disposal (e.g. soil erosion, dead vegetation, water discoloration).	Yes	No discharge water was disposed on easement. Camp had approved wash down, grey water, sewage and maintenance workshop, and kitchen facilities.

Objective	Goal	Assessment Criteria	Objective achieved	Supporting Comment
	3.4 To ensure the safe and appropriate disposal of camp wastewater (grey water, sewage).	No soil or water contamination as a result of camp wastewater disposal.	Yes	Camp had compliant and approved wash down, grey water, sewage, workshop and kitchen facilities. Camp has not yet been relocated.
4. To promote and maintain native vegetation cover on the easement.	4.1 To promote and maintain regrowth on the easement to be consistent with the surrounding area.	Species abundance and distribution on the easement is reasonably consistent with surrounding areas. Note: assessment of the consistency with surrounding areas will take into account that regrowth is a time and rainfall dependent process.	Yes	Soil type in the region is characteristic of arid outback condition with sand dunes and sandy plains. Re-growth concerns minimal as relatively free of vegetation.  Due to weather conditions over the last two quarters, prolific vegetation growth is anticipated in and around recently excavated areas.
	4.2 To minimise additional clearing of native vegetation as part of operational activities.	Vegetation clearing within the easement or on land adjacent to the easement is limited to previously disturbed areas, unless prior regulatory approval obtained under the <i>Native Vegetation Act 1991</i> .	Yes	The majority of works occurred within the pipeline easement, which has a history of disturbance and is relatively free of vegetation. No clearing required.
	4.3 To ensure maintenance activities are planned and conducted in a manner that minimises on native fauna.	Native fauna casualties associated with operations restricted to as low as reasonably practical.	Yes	While native fauna may have been disturbed as a result of project activities through vehicle movements and equipment noise, this disturbance was temporary in nature and of short duration. Consultation was undertaken with landowners prior to works to determine if there was livestock in the vicinity of works.  All excavations left unattended for any period of time were fenced. Excavations were also monitored during project works.

Objective	Goal	Assessment Criteria	Objective achieved	Supporting Comment
5. To avoid the spread of weeds and pathogens.	5.1 To ensure that weeds and pathogens are controlled at a level that is at least consistent with adjacent land.	The presence of weeds on the easement is consistent with or better than adjacent land. No new outbreak or spread of weeds or pathogens as a result of pipeline activities.	Yes	The EMP states that <i>"If weeds are identified on the pipeline easement prior to works, they will be removed and disposed of (weeds should not be of a higher density on the easement than the surrounding landscape). Vehicles and equipment will be checked and cleaned as required to minimise the introduction and spreading of weeds."</i> No issues were reported or complaints received.
6. To adequately protect heritage sites and values during operations and maintenance.	6.1 To ensure that identified heritage sites are not disturbed.	No impact to known heritage sites without approval under the <i>Aboriginal Heritage Act 1988</i> or the <i>Heritage Places Act 1993</i> . Any new sites identified are reported to appropriate authority and recorded.	Yes	All project works occurred in areas previously disturbed during pipeline construction. EMP states that: <i>"If any items of heritage significance are uncovered as a result of project activities, all works that may further disturb the item shall cease and the appropriate authority contacted"</i> . No items were identified during the work program.
7. To minimise noise due to operations.	7.1 To ensure operations comply with noise standards.	No reasonable complaints received.	Yes	Given the remoteness of the work sites, adjoining properties comprise large parcels of land, and there are no homesteads within close proximity to the dig sites. Noise is not considered to be an issue during works.  HSE toolbox meetings, PPE and JHA included standard noise control measure during the project.  No complaints were received and liaison with landowners occurred.
8. To minimise atmospheric emissions.	8.1 To minimise controlled and uncontrolled atmospheric emissions.	No uncontrolled atmospheric emissions (e.g. due to malfunction or mis-operation).	Yes	No uncontrolled emissions occurred except for a trivial leak as reported.

Objective	Goal	Assessment Criteria	Objective achieved	Supporting Comment
	8.2 To minimise the generation of dust.	No reasonable complaints received.	Yes	No complaints were received. Vehicles and equipment operating within the work area and accessing the site have the potential to create dust issues. Due to the remoteness of the work site, and no nearby homesteads, dust is not considered to be an issue during works. Project vehicle movements were monitored and toolbox meeting covered remote driving hazards, including dust generation and traversing sand dunes.
9. To avoid unnecessary disturbance to third party infrastructure, landholders or landuse.	9.1 To minimise disturbance or damage to infrastructure / land use and remediate where disturbance cannot be avoided.	Where disturbance is unavoidable or accidental, infrastructure or land use is restored to the satisfaction of the landholder or as near as practicable to undisturbed condition. Duration of disturbance does not exceed agreed timeframe. No reasonable complaints received.	Yes	Consultation with landowners occurred. Due to remoteness of operation, disturbance to third party was minimal. No complaints were received.
	9.2 To minimise disturbance to landholders.	No reasonable landholder complaints. Landholder activities not restricted or disturbed as a result of pipeline activities unless by prior arrangement.	Yes	Consultation with landowners occurred. Due to remoteness of operation, disturbance to third party was minimal. No complaints were received.
10. To minimise the risk to public health and safety.	10.1 To adequately protect public safety during operations.	No injuries or incidents involving the public.	Yes	No public injuries or incidents occurred during pipeline operation or project work
	10.2 To avoid fires associated with pipeline maintenance activities.	No pipeline related fires.	Yes	No pipeline related fires occurred.

Objective	Goal	Assessment Criteria	Objective achieved	Supporting Comment
	10.3 To prevent unauthorised activity on the easement that may adversely impact on the pipeline integrity	No unauthorised activity on the easement that has the potential to impact on the pipeline integrity.	Yes	The area is very remote. Dial before You Dig, Landowner consultation and aerial patrols have not identified any unauthorised activity on the easement.