



Acceptance of Woodside's Scarborough Offshore Project Proposal

KEY POINTS

1. While the impacts of COVID-19 on the community and industry continue to be assessed and managed, NOPSEMA is undertaking normal processes of assessment and regulatory oversight in accordance with legislative requirements.
2. As part of normal processes of assessment, NOPSEMA accepted an Offshore Project Proposal (OPP) from Woodside Energy Ltd (Woodside) on 30 March 2020, to develop the Scarborough Gas Fields off northern Western Australia.
3. This follows a thorough assessment of more than a year. Commencing in February 2019, the assessment period has included an eight-week public comment process.
4. NOPSEMA has approved the Scarborough project because it's reasonably satisfied that it can be undertaken in an environmentally responsible way pursuant to applicable legislation.
5. A statement of reasons and final OPP document will be published within 10 days, in accordance with the regulations. A media statement (attached) will issued on 31 March 2020.

Scarborough Assessment

6. For this decision, NOPSEMA accepted the arguments proposed by Woodside in considering Scope 3 emissions as indirect impacts in applying the relevant policies under the Environment Protection and Biodiversity (EPBC) Act. In assessing this offshore energy proposal, NOPSEMA considered the management of greenhouse gas emissions, including direct impacts and indirect consequences, or Scope 3 emissions.
7. NOPSEMA's assessment decision is based on the content requirements for the Scarborough OPP project. NOPSEMA does not have a policy or legislative remit to determine the treatment of greenhouse gas emissions for future projects.
8. All assessment decisions involving Scope 3 greenhouse gas emissions are treated by NOPSEMA on a case by case basis and decisions are based on the information provided for that particular proposal or activity.
9. Woodside proposes to adopt a range of management and mitigation measures to assist in reducing the project's direct greenhouse gas emissions through the Australian emissions reductions framework, ensuring it continues to manage and monitor the project throughout its life, reducing global greenhouse gas levels as indirect impacts of the project.
10. In recognising the need to transition to a lower carbon future, Woodside's proposal positions Scarborough gas to play a key role in the future energy mix. This role includes contributing to the displacement of more carbon-intensive power generation with gas; a less carbon-intensive fuel source.

Further Approvals

11. Woodside aims to start developing the Scarborough Gas Fields in 2023, following the drilling of wells, installation of pipeline and semi-submersible floating production unit (FPU).
12. These plans are subject to regulatory approvals, including an accepted environment plan, a well operations management plan and safety case. An accepted environment plan is required before any activity can begin. Environment plans are also reviewed by NOPSEMA every five years.

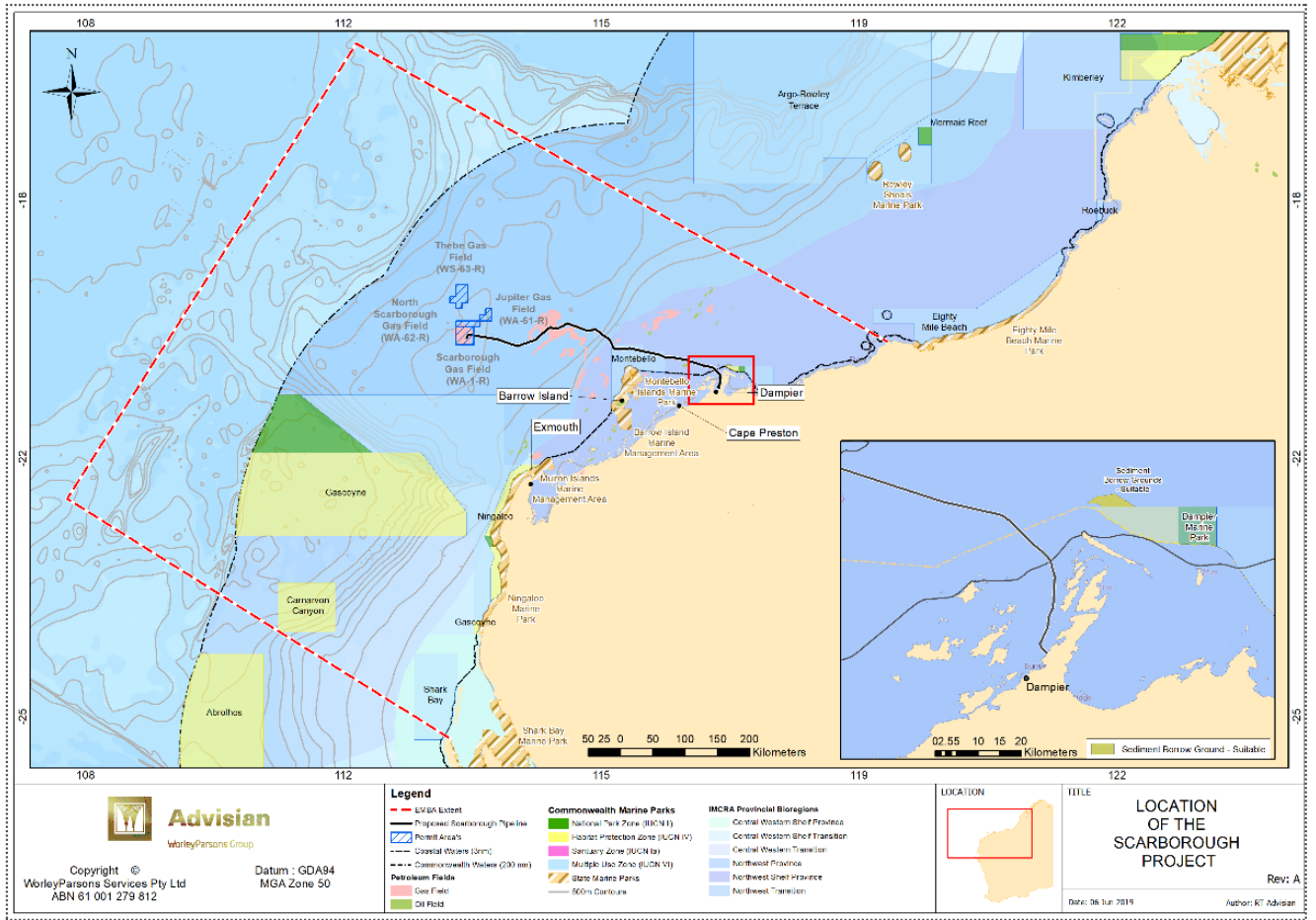
Media Interest

13. Woodside's proposed development of the Scarborough Gas Fields continues to attract widespread media attention and the interest of Environmental Non-Government Organisations (ENGOS) particularly with respect to how greenhouse gas emissions overseas (Scope 3) have been treated in NOPSEMA's assessment.
14. A media statement (attached) announcing the decision will be issued by NOPSEMA on 31 March 2020.
15. Ministerial talking points (below), can be used for media and public enquiries.

Ministerial Talking Points

- I can confirm that NOPSEMA has accepted Woodside's proposal to develop the Scarborough Gas Fields in accordance with its legislative responsibilities.
- I am advised that NOPSEMA has approved the Scarborough project because it's reasonably satisfied that the project can be undertaken in an environmentally responsible way, while appropriately managing greenhouse gas emissions.
- The approval follows a thorough assessment of more than a year. Commencing in February 2019, the assessment period has included an eight-week public comment process.
- NOPSEMA will publish a comprehensive statement of reasons and final OPP document within 10 days of the acceptance decision, in accordance with the regulations.
- **Environmental considerations and Scope 3 emissions:**
 - NOPSEMA's actions and decisions are guided by Commonwealth legislation such as the Environment Protection and Biodiversity Conservation (EPBC) Act and the National Greenhouse Energy and Reporting (NGER) Act.
 - As such, NOPSEMA must have appropriate and relevant consideration of greenhouse gas emissions from offshore energy projects, including direct impacts, and on a case-by-case basis, indirect consequences, or Scope 3 emissions produced overseas.
 - This approval includes provision for monitoring and adaptation to changes arising as a result of uncertainty in the context of global climate change.
 - Woodside proposes to adopt a range of management and mitigation measures to assist in reducing the project's direct greenhouse gas emissions through the Australian emissions reductions framework.
 - These measures will ensure Woodside continues to manage and monitor the project throughout its life, in reducing global greenhouse gas levels as indirect impacts of the project.
- **Lower carbon future:**
 - In recognising the need to transition to a lower carbon future, Woodside's proposal positions Scarborough gas to play a key role in the future energy mix.
 - Woodside will be contributing to actively displacing more carbon-intensive power generation with gas, as a less carbon-intensive source of fuel.
- **Further regulatory approvals:**
 - Woodside's proposal has met all requirements for this stage of the regulatory approvals process.
 - Woodside is yet to submit an environment plan, which will mark the next stage of the regulatory approvals process. An accepted environment plan is required before any activity can begin. Environment plans are also reviewed by NOPSEMA at least once every five years.

Activity Map



Further Information

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Attachment A: NOPSEMA Media Statement

Woodside receives initial regulatory approval for Scarborough gas project

31 March 2020

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) has accepted an Offshore Project Proposal (OPP) from Woodside Energy Ltd (Woodside) to develop the Scarborough Gas Fields off northern Western Australia.

While the impacts of COVID-19 on the community and industry are being assessed and managed, NOPSEMA continues to undertake normal processes of assessment and regulatory oversight in accordance with legislative requirements, of which this decision is testament.

Today's announcement follows a thorough assessment of more than a year, with the assessment period including an eight-week public comment process.

NOPSEMA has approved the Scarborough project because it's reasonably satisfied that it can be undertaken in an environmentally responsible way, while appropriately managing greenhouse gas emissions. This approval includes provision for monitoring and adaptation to changes arising as a result of uncertainty in the context of global climate change.

Woodside proposes to adopt a range of management and mitigation measures to assist in reducing global emissions, ensuring emissions across the lifecycle of the project would be reduced to acceptable levels.

In recognising the need to transition to a lower carbon future, Woodside's proposal positions Scarborough gas to play a key role in the future global energy mix. Woodside will be contributing to global efforts to reduce global greenhouse gas levels by actively displacing more carbon-intensive power generation with gas, as a less carbon-intensive source of fuel.

NOPSEMA's actions and decisions are guided by Commonwealth legislation such as the Environment Protection and Biodiversity Conservation (EPBC) Act and the National Greenhouse Energy and Reporting (NGER) Act.

As such, NOPSEMA must give appropriate and relevant consideration to greenhouse gas emissions from offshore energy projects, including direct impacts, and on a case-by-case basis, indirect consequences, or Scope 3 emissions produced overseas.

Woodside proposes to start developing the Scarborough Gas Fields in 2023, following the drilling of wells, installation of pipeline and semi-submersible floating production unit (FPU).

This approval is subject to further regulatory approvals, including an accepted environment plan, a well operations management plan and safety case. An accepted environment plan is required before any activity can begin. Environment plans are also reviewed by NOPSEMA at least once every five years.

A statement of reasons and final OPP document will be published by NOPSEMA within 10 days of the acceptance decision, in accordance with the regulatory requirements.

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Due to the complex and technical nature of NOPSEMA's work, media enquiries are best addressed in writing via email to ensure a thorough response to questions can be provided.

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