

# Board of Inquiry

## Tamarind development drilling applications

### Executive Summary of the Board of Inquiry's decisions on Tamarind Taranaki Limited applications for Marine Consent and Marine Discharge Consent EEZ100016

1. Pursuant to sections 62(1)(a) of the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 (EEZ Act), the applications for marine consent and marine discharge consent lodged by Tamarind Taranaki Limited (Tamarind) to undertake restricted activities (listed in Schedule 1 of the Marine Consent and Schedule 1 of the Marine Discharge Consent, both located at the beginning of this document) are GRANTED subject to conditions (listed in Schedule 2 of the Marine Consent and Schedule 2 of the Marine Discharge Consent).
2. The three-member Board of Inquiry (the Board) was appointed by the Hon David Parker, Minister for the Environment, with effect from 5 June 2018 pursuant to section 52 of the EEZ Act, to determine Tamarind's marine consent and marine discharge applications (the latter under delegated authority under s44(4) of the EEZ Act from the Chief Executive, Environmental Protection Authority (EPA)).
3. Tamarind lodged applications for marine consent and marine discharge consent on 8 March 2018 (the applications jointly having reference number EEZ100016). Tamarind sought a marine consent for the temporary installation, operation and removal of a semi-submersible drilling rig for the purpose of drilling up to 5 sidetrack wells at a depth of between 1,400m to 3,600m beneath the seabed from up to four existing wells. Tamarind intends to start drilling the sidetrack development wells in mid-2019 taking on average between 40-50 days to drill each sidetrack well, with the total duration of the drilling program not expected to be longer than 9 months. Tamarind sought a 5-year consent duration for both consents.
4. At the conclusion of the drilling programme all equipment and structures placed on the seabed (associated with this particular drilling programme) will be removed.
5. In terms of planned events, overall the Board found that the effects will be minor at best and, because of the short-term duration of the proposed activity, long-term or lasting effects are highly unlikely. The longest lasting effect will be very localised disturbance to the benthic environment, which is expected to recover within 5-10 years. The Board also found that the Area of Interest (AOI) is not an especially important feeding or breeding ground for any particular species, and the affected benthic environment is reasonably sparsely populated.
6. The Board considered the level of adverse effect from noise and vibration from the proposed activities, increased turbidity from sediment suspended in the water column, deposition and seabed disturbance, artificial lighting, and the discharge of harmful substances, on the marine environment and its associated fauna (marine mammals, fish (including eggs and larvae), reptiles, seabirds, phytoplankton and zooplankton in particular), and have concluded in each case that those adverse effects are at the minor (or less) end of the scale and can be appropriately managed – not all of which require specific conditions – or will more likely be actively avoided by species that are sufficiently mobile.

7. In terms of effects on existing interests, the Board found that the process of engagement with iwi was appropriate in providing an opportunity for all iwi to participate. By the close of the hearing the Board understood from correspondence presented to it that iwi and Tamarind had reached agreement on how to address outstanding concerns. The Board found no material adverse effect on existing fishing interests from planned events.
8. Biosecurity is managed by the Ministry for Primary Industries (MPI) under another marine management regime, and the Board found that this matter is not one that needs to be addressed through a condition of consent under the EEZ Act. The Board recommended that the EPA notes its concern regarding the risk potential for the North Pacific Sea Star to be introduced into New Zealand because of where the Rig is currently operating, and brings this matter specifically to the attention of MPI.
9. With respect to unplanned events – particularly loss of well control and blow out – the Board accepted that their potential effects are relevant and require consideration as part of the overall effects assessment under Section 59 of the EEZ Act.
10. However, the Board found that the risk of a loss of well control is very low – indeed almost negligible given the timeframe within which the activities will occur. Nevertheless, such an event, being of low probability but high potential impact, must be considered. Furthermore, Tamarind is required to have a number of approved spill management plans in place. Tamarind currently has an approved Spill Response Plan for its operations in the Tui field. The Board is satisfied that Tamarind (and the Taranaki Regional Council) has appropriate spill response planning in place.
11. With respect to any accidental diesel spill from a vessel collision or a marine vessel incident the Board found that such an event would likely cause the most harm to birds who land on the water, and its effect could be of moderate consequence.
12. However, the Board noted that the non-interference protection zone around the Rig will significantly reduce the potential for and speed of any such incident. While this event is extremely unlikely, its effect is moderate-high due to the potential for the release of hazardous materials.
13. While the most significant effect from a dropped object would occur if a dropped container was damaged and was slowly discharging its contents, the Board understands that Tamarind has protocols for handling goods and that these would be recovered where possible. Any effects would be localised in nature and the severity of the impact low.
14. The Board found little potential for cumulative effects due to the small spatial area of disturbance and the short duration of the activities.
15. In terms of the effects on human health, the Board found that exposure of people beyond the AOI to the effects of any discharge is highly unlikely given the distance from shore and the nature and quantities of potential discharges described.
16. In terms of indirect effects on human health arising from discharges to the environment, the Board found that the mobility and low potential exposure of commercial fish species means there is negligible risk of accumulation of harmful substances in fish that could

give rise to indirect health effects on consumers. No other potential vector was identified.

17. The Board applied the decision-making criteria set out in sections 59 and 60 of the EEZ Act, and also applied the information principles set out in section 61 of the EEZ Act.
18. In terms of the specific matters that the Board is directed to consider under Section 59 of the EEZ Act, it had done so and had found none of those matters of sufficient significance as to lead it to conclude that consent should be refused.
19. The Board was satisfied that an economic benefit will accrue from the proposal and represents an efficient use and development of the natural resource - effectively extracting the remaining reserves within the Tui Field, extending the life of the Field and maximising the use of the existing infrastructure within the Field.
20. In all these matters the Board has borne in mind the relevant High Court findings in *Taranaki-Whanganui Conservation Board anors v EPA [2018] NZHC 2217*.
21. In terms of uncertainty or inadequacy of information, the most significant detail lacking in the initial application was identification of the drilling rig that was to be used, as the characteristics of this determined many of the effects such as noise generation, deck drainage systems, and similar matters. However, prior to the hearing, the Rig was identified and contracted by Tamarind, which made the effects of this particular vessel more certain.
22. The Board did not consider that the information was sufficiently uncertain or inadequate as to require it to favour caution and environmental protection as required by Section 61(2) of the EEZ Act. Regardless, it was satisfied that the adverse effects are at such a generally minor level that favouring caution and environmental protection is, in fact, the outcome.
23. After considering all the information provided by Tamarind, all the reports sought by, and provided to, the Board, the expert evidence, the issues identified in oral and written submissions, and taking into account / having regard to the relevant matters listed in sections 59 and 61 of the EEZ Act, the Board found that granting both applications for marine consent and marine discharge consent will accord with the sustainable management of the natural resources and protection of the environment from pollution purposes as set out in section 10 of the EEZ Act.
24. The Board acknowledged that the application will generate a level of adverse effect, but considers that such effects can be appropriately avoided, remedied, or mitigated through the conditions it decided to impose pursuant to sections 62(3), 63 of the EEZ Act (and the requirement of other marine management regimes). The conditions are detailed in Schedule 2 of the marine consent and Schedule 2 of the marine discharge consent.