

**BEFORE THE EPA  
OMV NEW ZEALAND LIMITED APPLICATION FOR MARINE DISCHARGE  
CONSENT TO DISCHARGE OFFSHORE PROCESSING DRAINAGE (HARMFUL  
SUBSTANCES FROM DECK DRAINS)**

**IN THE MATTER** of the Exclusive Economic Zone and Continental Shelf  
(Environmental Effects) Act 2012

**AND**

**IN THE MATTER** of a Decision-making Committee appointed to consider a  
marine discharge consent application made by OMV New  
Zealand Limited for the discharge of trace amounts of  
harmful substances from deck drains in the  
South Taranaki Bight

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**STATEMENT OF EVIDENCE OF MATIU CORRIGILL PARK FOR  
OMV NEW ZEALAND LIMITED**

**Health, Safety, Security and Environment**

**Dated:** 30 July 2018

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J G A Winchester / H P Harwood  
Telephone: +64-4-499 4599  
Facsimile: +64-4-472 6986  
Email: james.winchester@simpsongrierson.com  
DX SX11174  
P O Box 2402  
Wellington

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## **EXECUTIVE SUMMARY**

1. In addition to its compliance with New Zealand's regulatory regime for offshore oil installations, OMV has a comprehensive Management System that in many respects goes above and beyond the legislated regulatory requirements. Together these measures provide environmental protection and benefits, even if this is not necessarily the key purpose of the specific regulatory regimes.
2. OMV has processes and procedures in place to identify all environmental hazards associated with on-going operations and that they have implemented risk treatments and mitigations to minimise the risk of an unplanned incident from occurring.
3. I agree with the findings and recommendations raised in the EPA's Key Issues Report and Stantec report around uncertainty and OMV's approach to adopting the "As Low As Reasonably Practicable" (**ALARP**) approach to reducing environmental risks. In this regard, I support the recommendations of both these reports and the concluding statements that the conditions proffered by OMV (and the associated ESRP procedures to be provided further in the EAD marine consenting required to undertake these activities), will provide the appropriate mitigation or control mechanisms around managing these uncertainties and the storage and use of harmful substances on the MODU(s).
4. OMV's ongoing success as an oil and gas operator and explorer in New Zealand relies on establishing and maintaining the trust and respect of a wide range of stakeholders, including iwi and community representatives as well as local and central government regulators. More importantly than the wide range of legislative and regulatory requirements to engage and consult with stakeholders, OMV has a long-term interest in investing in, building trust and maintaining these relationships.

## **INTRODUCTION**

### **Qualifications and experience**

5. My full name is Matiu Corrigan Park.

6. I hold a Bachelor of Science in Ecology from Otago University, and a Masters in Environmental and Resource Planning from Massey University. My professional memberships include the New Zealand Planning Institute. I hold a NEBOSH (National Examination Board in Occupational Safety and Health) International General Certificate in Occupational Health and Safety.
7. I am currently employed as Health, Safety, Security and Environment (HSSE) Manager Australasia for OMV New Zealand (OMV), based in Wellington, and have held that position since January 2017. Prior to that, I was OMV's Environmental Expert for 2 years. I have worked in the fields of ecology, planning, research and environmental policy for over 20 years. From 2007 until 2014 I was an environmental planner and ecologist with Boffa Miskell in Wellington. From 2002 until 2007 I was a senior environmental advisor for the Ministry of Transport. From 1997 to 2000, I was self-employed in a range of ecological and environmental planning roles, including field survey and site inventories, restoration planning, research and assessment of effects.
8. My principal role at OMV is to implement the OMV HSSE Management System into the OMV New Zealand branch office, and to ensure that OMV is fully compliant with New Zealand legislation relevant to HSSE. I am responsible for a small team of HSSE specialists, including an environmental expert. As a core part of this role, I am required to regularly visit the company assets offshore as part of integrating HSSE into the company culture.
9. I am also responsible for working with the relevant regulatory authorities, including Maritime New Zealand, the Environmental Protection Authority (EPA), regional and district councils, and the High Hazards Unit of WorkSafe New Zealand. I am responsible for liaising with OMV Aktiengesellschaft's (OMV AG) head office in Vienna, and ensuring that HSSE information from OMV AG is communicated to OMV in New Zealand.

#### **Code of Conduct**

10. I confirm that I have read the Code of Conduct for expert witnesses contained in the Environment Court of New Zealand Practice Note 2011 and that I have complied with it when preparing my evidence. Other than when I state that I am relying on the advice of another person, this evidence is

entirely within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

11. I confirm that this statement is true and correct to the best of my knowledge.

#### **Role in marine consent application**

12. I have not had any direct role in preparing the marine consent application and associated impact assessment. However, throughout the preparation of the marine discharge consent application, I have worked closely with SLR Limited (**SLR**) and OMV's in house Environmental Expert, Mr James Luty, to ensure the application is consistent with the regulatory requirements and OMV's internal HSSE standards.
13. OMV has contracted SLR to provide environmental and planning expertise for this application. OMV has had a long working history with SLR, including most relevant to this application the Maari Field annual production environmental monitoring as well as the historic pre- and post-drill environmental monitoring surveys of OMV NZ's Matuku-1, Manaia2 and Whio exploration and appraisal drilling wells in the Taranaki Bight.
14. A large part of the application process has been stakeholder engagement. Part of my role has been to assist the technical specialists with stakeholder engagement, including attending meetings with iwi, hapu and fisheries organisations as well as liaising with the EPA leading up to, during and post-lodgement of OMV's marine discharge consent application (and other engagement relating to the wider exploration and appraisal drilling programme (**EAD programme**)). In this role, it has been my responsibility to ensure that all practicable steps have been taken to liaise with existing interests and identified interested parties. I discuss this in further detail later in my evidence.
15. The HSSE matters I oversee form part of the framework within which OMV manages all of its activities, including the EAD programme.

## Scope of Evidence

16. In this brief of evidence, I will discuss:
- (a) An overview of the HSSE regulatory regime relevant to the EAD programme under the:
    - (i) Health and Safety at Work Act 2015 (**HSWA**);
    - (ii) Health and Safety at Work Petroleum Exploration and Extraction Regulations 2016 (**Safety Case**);
    - (iii) Hazardous Substances and New Organisms Act 1996;  
and
    - (iv) Maritime Transport Act 1994.
  - (b) OMV's approach to HSSE, in particular OMV's policies and procedures to prevent discharges of hazardous substances into deck drains.
  - (c) OMV's consultation programme.
  - (d) My response to the EPA's reports and submissions.

## HSSE REGULATORY REGIME

17. The health, safety, security and environment regulatory regime for offshore oil installations is made up of four key pieces of legislation – the Health and Safety at Work Act 2015 (**HSWA**), the Maritime Transport Act 1994, the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 (**EEZ Act**) and the Hazardous Substances and New Organisms Act 1996 (**HSNO**). These four key pieces of legislation complement each other to some extent, and they all provide for health, safety and environmental protection.
18. I briefly describe the HSWA, Maritime Transport Act 1994 and HSNO regimes below.

## Health and Safety at Work Act 2015

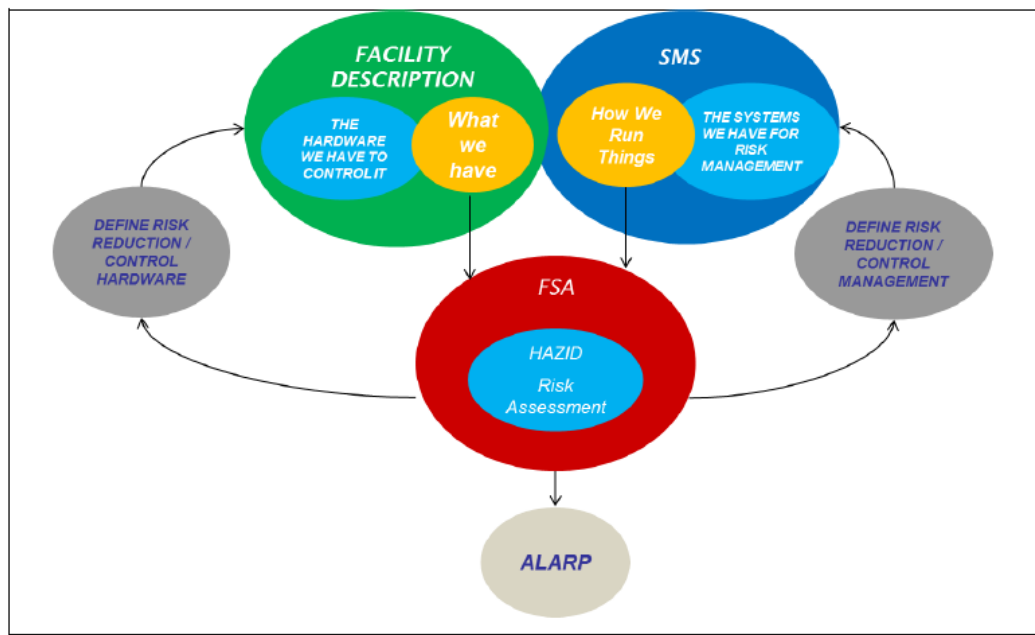
19. The purpose of the HSWA is to provide a balanced framework to secure the health and safety of workers and workplaces.<sup>1</sup> Under the HSWA, the person conducting the business or undertaking has the primary duty of care for workplace safety to take reasonably practicable tests to ensure the health and safety of both workers and other persons.<sup>2</sup>
20. The Health and Safety at Work (Petroleum Exploration and Extraction) Regulations 2016 place a general duty on OMV to ensure that any installation it owns or operates is safe for any person on or near the installation, and that all work carried out on the installation is carried out safely.<sup>3</sup>
21. These regulations also require OMV to ensure that an installation is not operated without an approved safety case. Under these regulations, a safety case for exploration drilling activities is required and must be submitted to the High Hazards Unit of WorkSafe New Zealand for approval. A safety case sets out how a particular facility is to be operated safely. The safety case outlines the major accident events, i.e. incidents with potential for two or more fatalities, along with the measures to prevent, mitigate and control a major incident if one does occur. For each identified major accident event, a series of independent barriers are determined in accordance with industry guidelines to prevent initiation of the event, and control and mitigate the consequence if the event does occur.
22. A good example of this would be a well blow-out during drilling. In this example, the barriers would include a blow-out preventer, maintenance and training, system design for expected reservoir conditions, well control emergency response actions, gas detection equipment, escape and fire protection etc. The equipment based barriers are considered Safety Critical Elements and as such will require a Performance Standard with associated maintenance and assurance requirements to ensure it meets the necessary performance.

1 Section 3(1) HSWA.

2 Section 36 HSWA.

3 Clause 8(1).

23. Prior to undertaking exploration drilling activities, the safety case must describe all operations that are proposed to be undertaken as part of the activity covered by the safety case. If a particular operation is not described by the safety case, that operation is not allowed to be undertaken.
24. The safety case sets out how a particular facility is to be operated safely.
25. The different parts of the safety case and their interrelationship is described in Figure 1 below.



**Figure 1**, elements of a safety case

26. The objectives of the safety case are to:
- (a) *Plan*: to plan for, and allocate resources to developing all the necessary policies, procedures and plans for a safe operation, including personnel competency and training and emergency response;
  - (b) *Analyse*: to understand major hazards and risks so that requirements can be fed into the design process and the operations safety management arrangements;
  - (c) *Influence and Steer*: to use the results and conclusions of the hazard analyses studies to develop operations safety management requirements for major hazards;



- (d) *Verify*: to verify that activities are performed as required and that outputs from the hazard analysis and management process are incorporated into operations; and
- (e) *Document*: to provide a robust documentary trail that demonstrates management of operations risks to As Low As Reasonably Practicable (**ALARP**) and which can be used as an ongoing tool to improve safety performance.

### **Maritime Transport Act 1994**

- 27. The Maritime Transport Act 1994 promotes safety in maritime transport and the protection of the marine environment. The Maritime Transport Act 1994 also provides for the making of rules to protect the marine environment.
- 28. Specific rules that regulate oil spills and oil spill prevention and preparedness for offshore installations were made under the Maritime Transport Act 1994. Part 131 of the Marine Protection Rules (**MPR**) regulates oil spill prevention planning from offshore installations. The objective of MPR Part 131 is to “*ensure that offshore installations operating in New Zealand continental waters and in the internal waters of New Zealand have marine oil spill contingency plans (OSCP) that will support an efficient and effective response to an oil spill*”. MPR Part 131 also ensures “*that certain pollution prevention equipment and arrangements on board installations meet international performance standards and in-service maintenance requirements*”.
- 29. The primary method of regulating oil spills from offshore installations under MPR Part 131 of the Marine Protection Rules is through Oil Spill Contingency Plans (**OSCP**).
- 30. Under MPR Part 131 any offshore drilling activities are required to contain highly prescribed details about risk identification, assessment and prevention, and emergency oil spill response procedures. The OSCP for exploration will need to give effect to the provisions of the International Convention for the Prevention of Pollution from ship 1973/78 and the

International Convention on Oil Pollution Preparedness, Response and Cooperation 1990 in respect of offshore installations.

31. For exploration activities, the OSCP will need to contain highly prescribed details about risk identification, assessment and prevention, and emergency oil spill response procedures. MPR Part 131 prohibits the operation of an offshore installation (which includes a drilling rig) unless there is an approved OSCP in place addressing the matters in MPR Part 131. The OSCP will be prepared by OMV NZ in the first instance prior to submission to Maritime NZ for a detailed review.
32. Before submitting an OSCP, operators must consult with the persons whose interests in the vicinity of the installation are likely to be affected by a spill of oil from that installation (including regional on-scene commanders, regional offices of the Department of Conservation and tangata whenua).
33. Maritime NZ then reviews the OSCP and decides whether to approve it pursuant to MPR Part 131. Maritime NZ may approve the OSCP plan for a period not exceeding 3 years.

#### **Hazardous Substances and New Organisms Act 1996**

34. The HSNO aims to protect the environment and the health and safety of people from the adverse effects of hazardous substances. HSNO is largely implemented by the EPA.
35. There are 22 regulations under the HSNO Act covering a broad scope of controls including the management, disposal, classification, packaging and transport of hazardous substances and new organisms. Most relevant to this EAD application, is regulation 4(1) of the Hazardous Substances (Health and Safety Reform Revocations) Regulations 2017 (LI 2017/233) of which Schedule 6 sets out the minimum degrees of hazard for substances with ecotoxic properties for aquatic organisms.
36. Specifically for this EAD application, regulation 4 of the Exclusive Economic Zone and Continental Shelf (Environmental Effects—Discharge and Dumping) Regulations 2015 refers to the harmful substances as being either:

- (a) a substance that is ecotoxic to aquatic organisms and is hazardous for the purposes of the Hazardous Substances (Minimum Degrees of Hazard) Regulations 2001;
  - (b) oil;
  - (c) garbage; or
  - (d) sediments from mining activities other than petroleum extraction.
- 37.** OMV takes its use of harmful and hazardous substances seriously. In all operations, OMV is careful in its selection of harmful or hazardous substances, including:
- (a) where practicable, choosing those harmful and hazardous substances that are the least toxic or ecotoxic, as well as through close adherence to transportation, use and handling guidelines; and
  - (b) comprehensive Permit to Work<sup>4</sup> procedures, including pre-work Job Safety Assessments for all situations involving potential exposure to harmful and hazardous substances.
- 38.** In addition, from 1 December 2017 the rules around managing hazardous substances that affect human health and safety in the workplace transferred from HSNO to the Hazardous Substances Regulations under the HSWA.

### **Relationship between the legislative regimes**

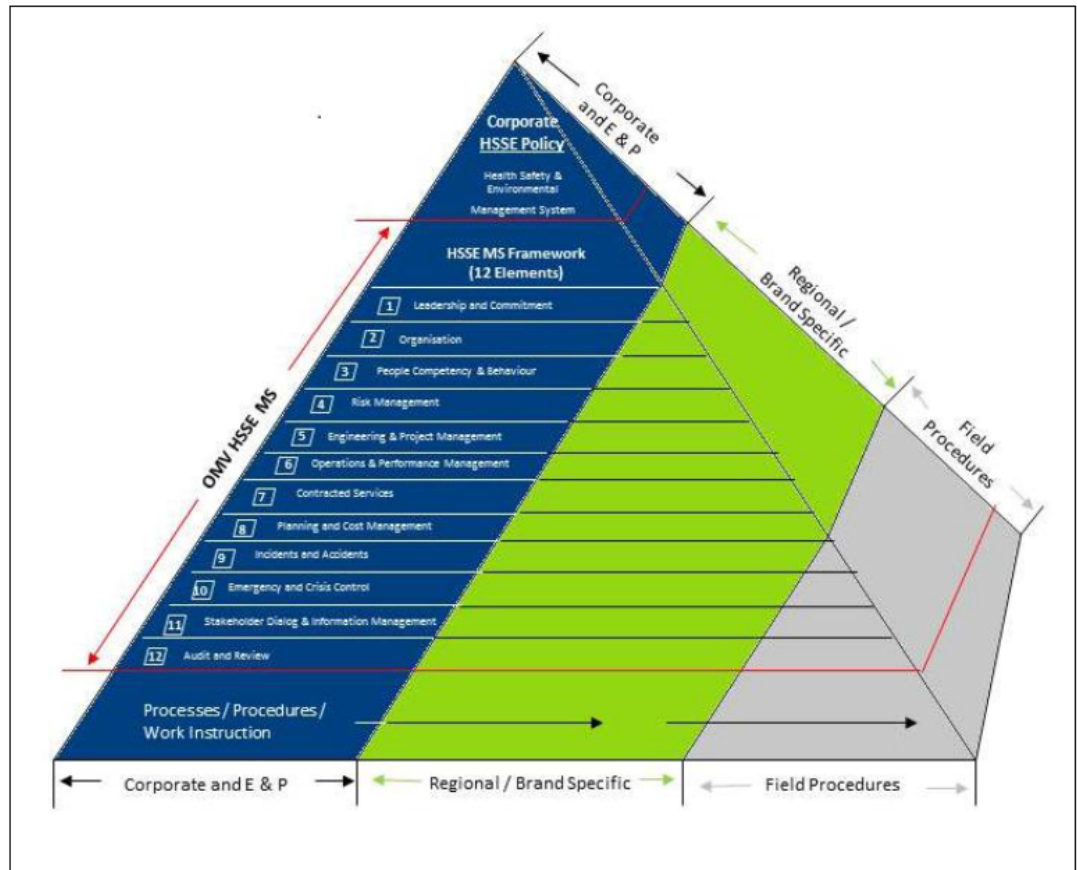
- 39.** OMV is required to comply with each of the above regimes, in addition to the requirements of the EEZ Act and any conditions within its marine consents. As can be seen from the description above, each of the regimes covers different aspects, but the requirements complement each other to some extent. One example of this is the concept of risk assessment which is enshrined in the HSW Act. Many of the control measures and risk

<sup>4</sup> A permit-to-work system is a formal written system used to control non-routine work (not covered by an approved procedure) that are potentially hazardous. A permit-to-work is a document which specifies the work to be done and the precautions to be taken.

reduction measures under this regime, such as identifying hazards and assessing risks, also provide a significant contribution to reducing environmental risk.

## **OMV'S APPROACH TO HSSE**

- 40.** OMV AG's approach to HSSE consists of a hierarchy of HSSE documents. At the top of the hierarchy is the OMV HSSE Policy, which sets out OMV's key HSSE goals. Below that, the HSSE Framework is the primary method used to achieve the key goals set out in the HSSE Policy. The HSSE Framework comprises 12 Elements within which all businesses in the OMV group must manage HSSE. The HSSE Policy and HSSE Framework are supplemented by corporate directives, standards, recommendations and procedures that must also be adopted by the business.
  
- 41.** For example, OMV has developed a comprehensive procedure to manage diving operations. Diving is identified as an approved activity in the Safety Case, however, the high hazards associated with this activity demand special precautions which are detailed in this corporate procedure. There are similar procedures for hazardous activities like lifting and hoisting, land transportation and ground disturbance. In addition to the general hierarchy, the safety case outlines HSSE matters in respect of a particular facility. The HSSE Policy, HSSE Framework and Safety Case are described in greater detail below. The hierarchy of HSSE documents is summarised in Figure 2 below.



**Figure 2, overview of OMV HSSE Management System Structure**

### OMV's HSSE Policy

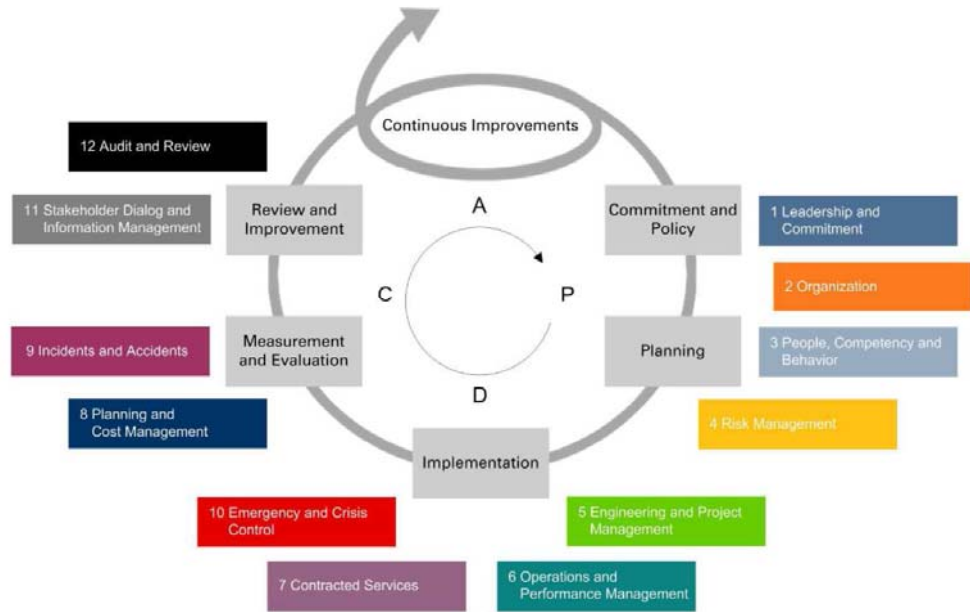
42. The high level OMV HSSE Policy (**HSSE Policy**) is attached as **Appendix A**. The HSSE Policy sets out the key HSSE goals of OMV AG and it applies to all aspects of the OMV group. The HSSE Policy states that HSSE is a line management responsibility with equal importance to all other business processes. In OMV NZ tendering processes, the HSSE credentials of a tenderer are considered alongside technical, commercial and financial factors.
43. The HSSE Policy states that the OMV HSSE standards go beyond what is required to comply with local health and safety laws and regulations. For example:
- (a) OMV prohibits the use of certain chemical substances at its facilities;

- (b) OMV insists on having a hyperbaric chamber on location for all diving operations regardless of depth or duration of any diving operations;
- (c) OMV insists on additional driver safety training for any OMV employee who is required to drive on company business;
- (d) OMV operates a Journey Management system to enhance driving safety for contractors and employees;
- (e) OMV's clothing policy and Personal Protective Clothing requirements are higher than industry requirements (industry standards require two layers of clothing be worn, whereas OMV requires three layers of clothing and a dry-suit with personal locator beacons). This requirement is based on Best Industry Practice from the North Sea;
- (f) OMV's standards for helicopter operations are more stringent than HNZ requirements which only cover flight/passengers and availability of helidecks. OMV is part of a shared services agreement which requires a Shell Aviation audit. This audit includes not only all aspects of flying to and from offshore installations but the safety systems available on the installation and also the training and competence of helideck crews;
- (g) OMV operates a permit to work system for all work carried out on offshore and onshore installations under its control. The permit to work requires the personnel working under the permit (and also the permit holder) to carry out a Job Safety Analysis which is a rigorous form of hazard identification. These are hard copied and attached to the Work Permit to ensure all hazards are identified and mitigated prior to the work commencing;
- (h) OMV undertakes a Hazard in Operations assessment for all modifications and upgrades, which is not required under New Zealand law.

- (i) OMV undertakes a Hazard and Design assessment for all operations that are outside day-to-day operational procedures, which is not required under New Zealand law; and
- (j) OMV has implemented full compliance with the Ministry of Primary Industry-led voluntary Craft Risk Management Standard for biofouling (including paying for the relevant requirements), even though compliance was not mandatory until this year.

## **HSSE Framework**

- 44.** In addition to the regulatory requirements set out briefly above, OMV has developed and implemented a comprehensive HSSE Management System which is designed to ensure that HSSE goals are achieved. The HSSE Management System ensures that OMV Group controls its HSSE risks effectively, that industry best practice is followed, internal and external regulations are complied with, and continuous improvement will be achieved.
- 45.** The HSSE Management System consists of a hierarchy of HSSE documents. The HSSE Policy sits at the top of the hierarchy, and sets out OMV's key HSSE goals (see **Appendix A**). One of these is to ensure that OMV HSSE standards go beyond minimum legal compliance.
- 46.** The HSSE Corporate Management System sits below the HSSE Policy and is the primary method used to achieve the key goals set out in the HSSE Policy. The HSSE Management System consists of 12 Policy Elements (See Figure 3 below), such as Risk Management, which aims to ensure hazards are identified, the risks are assessed and appropriate controls are implemented to demonstrate risks are ALARP.



**Figure 3 HSSE Management System - 12 Policy Elements**

47. The high level goals of each policy element set out in Figure 3 above are summarised in Table 1 below.

**Table 1: High Level Goals of the 12 HSSE Elements**

Policy Element	Element Title	High Level Goal
1	Leadership and Commitment	Management will provide visible and active leadership in developing and maintaining a culture supportive of HSSEQ matters
2	Organisation	The organisation and responsibilities for the management of HSSEQ will be defined and documented
3	People Competency & Behaviour	All people will be selected, trained and developed to carry out their duties competently
4	Risk Management	Hazards will be identified, risks assessed and the appropriate controls implemented
5	Engineering & Project Management	Facilities will be engineered to meet relevant codes of practice and specifications, operational requirements and statutory regulations.
6	Operations & Performance	All activities involving the exploration, development, production, processing,



	Management	transportation and distribution of hydrocarbons will have relevant safe, secure and precautionary systems of work defined and performance indicators established
7	Contracted Services	Supplies and Contracted Services will be controlled to ensure they comply with Company HSSEQ requirements
8	Planning and Cost Management	Objectives, targets and financial resources will be planned to integrate HSSE in all business activities and avoid losses.
9	Incidents and Accidents	Incidents and accidents will be analysed to establish root cause and prevent recurrence
10	Emergency and Crisis Control	Organisational arrangements, facilities and training shall be provided to control emergencies and crisis situations
11	Stakeholder Dialog and Information Management	Active dialog with stakeholders and communities will ensure confidence in the integrity of our activities. Accurate and relevant documentation will be ready for safe working and to minimise undesirable effects.
12	Audit and Review	An independent audit and review system will be established to assess the effectiveness of the HSSEQ management and identify areas for improvement

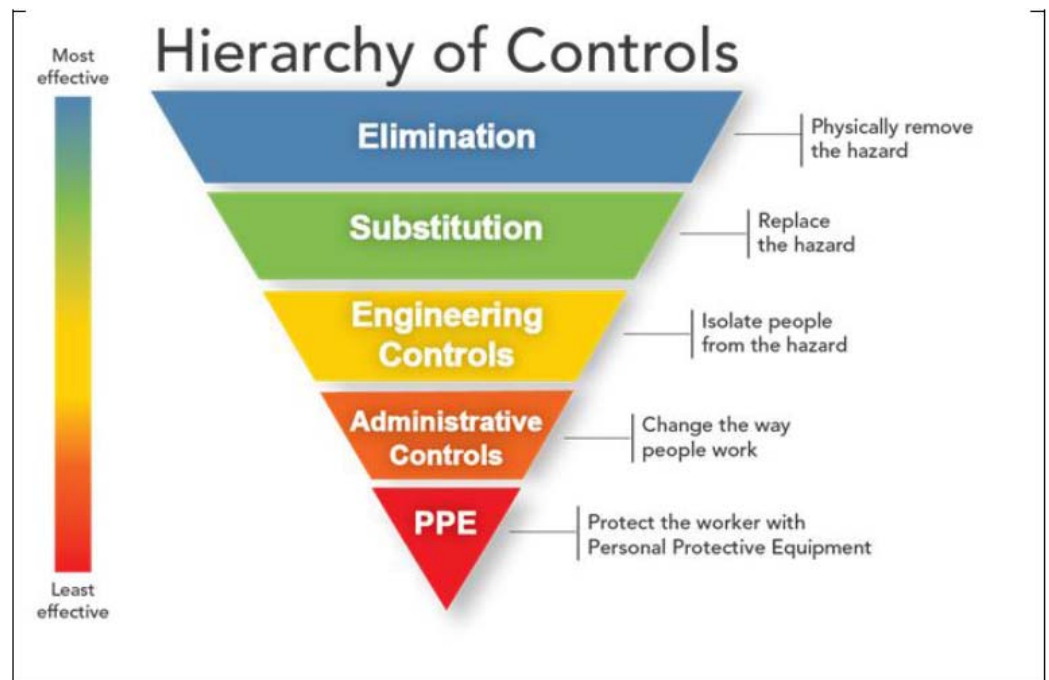
- 48.** To illustrate the way in which these elements inherently help to manage environmental risks as well as risks to personnel and equipment, below I note some key aspects of element 4 (Risk Management). The aim of the Risk Management element is to ensure hazards are identified, the risks are assessed and appropriate controls are implemented to demonstrate risks are ALARP.
- 49.** By way of example, the Maari WHP Safety Case demonstrates that for the Maari facilities, the OMV corporate risk criteria and standards for risk management are satisfied and that risks can be demonstrated to be ALARP. The Risk Management element also aims to ensure that risks, so far as is reasonably practicable, are effectively and efficiently controlled in accordance with the preferred hierarchy as discussed in the next section of my evidence. It also aims to ensure that individuals exposed to the hazards are aware of the risks, the controls implemented and that their responsibilities are clearly identified.

- 50. The Risk Management policy element stipulates that inspections of key safety equipment and procedures (e.g. emergency equipment availability and compliance with procedures) are carried out once per week.
- 51. A Job Safety Analysis is required for each job, to identify hazards and to provide adequate controls to help ensure a safe work environment is provided. In addition, mandatory toolbox meetings prior to commencing work ensure that those involved in the work are aware of the hazards involved, the controls in place and the current procedures to be followed.

**POLICIES AND PROCEDURES TO PREVENT DISCHARGES OF HARMFUL SUBSTANCES FROM DECK DRAINS**

**Hierarchy of control measures**

- 52. The process of risk assessment of chemical use requires OMV to follow a hierarchy of control measures to eliminate or minimise risk as shown in Figure 4 below.



**Figure 4, Hierarchy of Controls**

- 53. By following this model, OMV effectively reduces risk to both employees and contractors and to the environment. An example of how this process

may work in practice for harmful substances associated with exploration drilling would be as follows.

- (a) *Example of Elimination:* From time to time the decks on the MODU will have to be degreased to minimise the potential for slips. OMV may use a chemical product for cleaning the deck of the MODU. However, if practicable, a high-pressure, or steam, washer, would be used to eliminate the need to use a chemical product.
- (b) *Example of Substitution:* Should the use of a high-pressure, or steam, washer, be ineffective then a chemical product may be required. However, if OMV cannot fully eliminate the need for the use a chemical product, OMV would use a chemical cleaner that does not contain a substance that is classified as harmful under HSNO that is capable of effectively degreasing decks.
- (c) *Example of Engineering Controls:* The use of a non-harmful chemical product for deck degreasing could result in substances in the deck drainage system that could disrupt the separation process in the water treatment system, for example by creating an emulsion. This in turn could cause the in-line Oil-in-Water analyser to detect an oil in water content higher than the allowable limit of 15ppm (process as outlined in more detail in the EPA's Stantec Report). This would result in the automatic closure of the overboard discharge valve and divert the contaminated water back through the water treatment system until the oil in water content is less than 15ppm.
- (d) *Example of Administrative Controls:* In extreme circumstances, for example prolonged torrential rain, extended operation of the MODU deluge system or other unforeseen circumstances where the stability of the MODU is threatened, there may be a requirement to by-pass the water treatment plant and direct the deck drainage overboard. In this instance, the Permit to Work system would be used to manage the process of opening the required valves controlled under the Locked Open / Locked Closed Register.

- (e) *Example of Personal Protective Equipment:* If a substance cannot be used in a closed system where personnel are not exposed to the substance, prior to the handling or use of any substance on the MODU, the product Safety Data Sheet (SDS) would be consulted and personal protective equipment (PPE), as stipulated on the SDS, would be utilised as a last line of defence. I also note that for OMV activities involving harmful substances, SDS requirements for harmful substances are included in Permit to Work procedures as well as other procedural/administrative controls such as Job Safety Assessments.

**54.** Examples of standard controls for the handling and use of substances are as follows: -

- (a) Prior to tasks involving the handling or use of any substance, the person responsible for the task shall ensure that all personnel involved in using the substance are under the supervision of a HSNO Approved Handler and fully aware of the safe handling and usage requirements.
- (b) Additional, equipment may be required for the handling of chemicals and substances, including eye baths and spill kits. This equipment must be identified from the SDS and be in the vicinity of the workplace and known by the work party prior to the substance being handled or used.
- (c) An up-to-date SDS must also be available at the worksite during the execution of the task and appropriate PPE must be supplied to, and used by, all personnel involved.

**55.** As an example, there is a higher potential for a loss of containment during operations involving breaking containment for maintenance activities like replacing a valve or clearing a blockage. Tasks like these are managed via the MODU Permit to Work system and are subject to a risk assessment. The risk of a spill would be highlighted as part of the risk assessment and control measures would be put in place. These could be: -

- (a) flushing the line to remove any traces of hydrocarbons or harmful substances;
- (b) isolating the section;
- (c) bleeding down any trapped liquids to the drains system;
- (d) placing a catch-pan under the flange being broken to capture any residual liquids;
- (e) outlining appropriate collection and/or disposal requirements; and
- (f) wearing the correct PPE for the task.

**56.** Should the controls in this example fail and a spill on deck occurs a process like the one set out below would be followed: -

- (a) identify the substance and obtain information (typically from the SDS) about hazards and physical/chemical properties;
- (b) secure the area and prevent unauthorised and/or unprotected entry;
- (c) establish detailed PPE requirements for spill clean-up based on SDS and other information;
- (d) contain the area using sandbags or absorbent booms (provided they are compatible with the substance);
- (e) block openings to drains through use of scupper plugs/shut-off valves etc;
- (f) spread absorbent material (pads or granules) on and around the substance (provided they are compatible with the substance);
- (g) prevent further release/escalation;

- (h) recover the released material, if practicable, and/or scoop up contaminated absorbent material for off-site disposal as per the SDS and MODU *Garbage Management Plan*; and
- (i) depending on the scale of the release, report details of the incident to the EPA and WorkSafe NZ in accordance with regulation 70 of the *Health and Safety at Work (Petroleum Exploration and Extraction) Regulations 2016 (Declaration of Notifiable incidents)*.

## CONSULTATION

- 57. OMV has consulted extensively with a range of stakeholders as part of the Taranaki EAD programme. As part of OMV's corporate requirements to be open and transparent, OMV has worked hard to build and maintain trusted working relationships with many groups and individuals in the areas it operates in New Zealand.
- 58. By way of background to this Taranaki EAD programme, following the initial NZ Government granting of the Taranaki exploration permits, OMV commissioned a stakeholder engagement plan specifically to identify stakeholders with existing interests. Once this engagement plan was completed, OMV management and technical experts took all practicable steps to meet with stakeholders with identified existing interests to introduce OMV and provide some context to each of the exploration permit obligations – as well as anticipated permit activity timeframes, from seismic acquisition through to exploration and appraisal drilling – and ultimately to a potential producing field.
- 59. Engagement with stakeholders with existing interests in the Taranaki exploration permits continued as part of the seismic acquisition work for the summers of 2016/17 and 2017/18. Further, as part of OMV's commitment to engagement, independent iwi marine mammal observers representing iwi and hapū with existing interests in OMV's exploration permits formed part of both 2016/17 and 2017/18 seismic surveys.
- 60. To illustrate the extent of the engagement undertaken specifically for the EAD application - OMV has engaged with the following:

- (a) two regulators (Environmental Protection Authority, Ministry for Primary Industries);
  - (b) five regional councils;
  - (c) twenty-six iwi and hapū organisations;
  - (d) seven fisheries organisations; and
  - (e) three offices of the Department of Conservation.
- 61.** As part of this commitment, OMV maintains an OMV NZ Stakeholder Register outlining all stakeholder engagements undertaken by OMV to ensure a consistent approach to stakeholder engagement and to assist with regulatory reporting – for example, OMV is required under the Crown Minerals Act 1991 to provide a summary of iwi engagement as part of its annual reporting process under production and exploration permit obligations.
- 62.** Where OMV identifies a concern during stakeholder engagement, OMV's approach in the first instance is to attempt to mitigate the concern. Specifically for this application, OMV has met with the EPA applications team to discuss a number of issues raised by stakeholders.
- 63.** OMV's approach has always been that the provision of specific information matters discussed during consultation meetings is not appropriate. Sharing this information would compromise the free and frank discussions which are essential for effective consultation, and would undermine OMV's ability to consult with those groups and individuals in the future.
- 64.** OMV is continuing to engage with all stakeholders with identified existing interests in the wider Taranaki Bight where the exploration and appraisal activities are planned.

## **RESPONSE TO EPA REPORTS**

- 65.** The EPA Key Issues Report prepared by Ms Carmona-Noklegaard outlines the hazardous substance rules the EPA remains responsible for under the Hazardous Substances (Classification) Notice 2017. Most relevant to this deck drainage consent application is Ms Carmona-Noklegaard's discussion on the 9.1. HSNO classification approach.

66. I support the recommendation made in Ms Carmona-Noklegaard's Key Issues Report that the most appropriate approach to classifying hazardous substances according to their aquatic ecotoxicity in New Zealand is to adopt the New Zealand HSNO classification system. In addition to the HSNO classification system being the best known approach for ranking harmful substances in New Zealand among harmful substance suppliers and users, it is consistent with existing OMV's approach to harmful substance management for OMV's primary producing offshore asset, the Maari Field. OMV has no intention of using any other classification system.
67. The Stantec report also references the "As Low As Reasonably Practicable" (**ALARP**) approach to reducing environmental risks (as I have discussed earlier in my evidence), noting that "reasonably practicable" in the definition of ALARP is a narrower term than "possible" (the words used by in the OMV application) because making sure a risk has been reduced ALARP is about weighing the risk against the effort and/or cost needed to further reduce the risk.
68. Like all OMV activities undertaken in New Zealand, I confirm that it is OMV's intent for this EAD programme to use the least ecotoxic substances wherever practicable and to commit to ensuring that OMV's exploration activities meet and where possible exceed environmental requirements set by regulations. We have given similar assurances to stakeholders – and note in particular this is sought in the submission from Te Kotahitanga o Te Atiawa Trust.
69. In this regard, I am confident that OMV will select a suitably equipped drilling rig to meet the intent of the application and also implement the requisite systems and procedures to reduce the risk of harmful substances entering the deck drainage system (including environmental policies, assurance tasks, staff training, and the use of spill kits where a loss of containment to the deck area occurs). As specified in OMV's application, and as noted by the Stantec and EPA Key Issues Report, many of these matters will also be included in the Emergency Spill Response Plan (**ESRP**) required to be prepared and approved by the EPA under Regulation 24 of the Dumping and Discharge Regulations.



70. Finally, I agree with the findings and recommendations in the EPA's Key Issues Report and Dr Lieffering's report that the proposed conditions (and the associated requisite ESRP procedures to be provided further in the EAD marine consenting required to undertake these activities), will provide the appropriate mitigation or control mechanisms around the storage and use of harmful substances on the MODU(s).

## **RESPONSE TO SUBMISSIONS**

71. A number of the submissions relevant to the scope of my evidence relate to OMV's consultation and engagement process. I have outlined OMV's approach to consultation and engagement as a separate section earlier in this statement.

A handwritten signature in blue ink, consisting of a series of fluid, connected strokes that form a stylized, somewhat abstract shape.

**Matiu Corrigill Park**

30 July 2018

## Appendix A – OMV's HSSE Policy



## **HEALTH, SAFETY, SECURITY AND ENVIRONMENTAL POLICY**

OMV New Zealand Limited is a wholly owned subsidiary of OMV Exploration & Production GmbH, Austria. As an operator and partner, OMV is involved in exploration, production and development projects both onshore and offshore throughout New Zealand.

This policy sets out our vision for the New Zealand venture and is to be known and understood in conjunction with the OMV Corporate HSSE policies and all applicable laws, legislative requirements and standards.

We believe at OMV that HSSE is an integral part of our business processes and that no other business objective will take priority over HSSE.

We are committed to continuous improvement in health, safety, security and environmental performance, and in our operations, risks to employees, contractors and the environment are identified, assessed and managed in accordance with leading industry practises.

We empower all personnel involved in our operations to take the responsibility of stopping any job they feel is unsafe.

Our goal is to eliminate or minimise risks and to prevent accidents, injuries or harm, and everyone is expected to take this goal as a personal obligation and challenge.

➤ **OMV will demonstrate adherence to this policy by:**

- Ensuring compliance with all applicable laws, regulations and standards within all levels of the business.
- Setting key performance indicators and processes for the business to drive improvement, appraise performance and report progress.
- Ensuring all design and construction is undertaken to maintain the highest level of safety and that all equipment is maintained to operate safely within the design constraints.
- Requiring all contractors to meet our HSSE contractor management standards prior to award of contract.
- Engaging our contractors in regular meetings and consultation to review HSSE performance and working together to improve and maintain standards.
- Actively communicating HSSE policy and objectives to our employees, contractors and stakeholders and engaging in relevant HSSE training.
- Providing systems and training to ensure that all incidents including incidents, near misses, dangerous occurrences, hazards, concerns and complaints are reported, adequately investigated and steps taken to prevent recurrence.
- Conducting regular monitoring, periodic reviews and audits to ensure that this policy and associated HSSE management systems are correctly implemented, maintained and, where necessary, improved.
- Providing an environment in which our employees are encouraged to participate in the area of HSSE Management in the workplace.
- Supporting the safe and early return to work of injured employees with appropriate recovery processes and programmes.

This policy applies to all OMV New Zealand Limited controlled activities.

**Senior management will review the HSSE policies & procedures annually or more frequently if required.**

  
**Gabriel Selischi**  
Managing Director

  
**Dominik Auer**  
Finance Director