

Appendix 2 – Assessment of activities against adequacy

Section 39(1) matters (Impact assessment) considered	Assessment
<p>Section 39(1)(a)</p> <p>Does the request documentation contain information describing the activity for which ruling is sought</p>	<p>I consider the request documentation and additional information provided by BW Offshore (BWO) meets the criteria set out in s 39(3). Specifically,</p> <ol style="list-style-type: none"> 1. Part 1 of the Impact Assessment (IA)¹ and the ruling assessment tool describes the proposed programme of work that includes the eight (8) activities that requestor proposes to undertake to disconnect the Floating Production Storage and Offtake facility (FPSO) Umuroa and the five (5) activities for which this ruling is sought. <p>For clarity the eight (8) activities that BWO intend to undertake are:</p> <ol style="list-style-type: none"> a. Activity 1: <u>FPSO Preparation and demobilisation preparatory works,</u> b. Activity 2: <u>Surveys and Inspections (Diver and ROV operations),</u> c. Activity 3: <u>Disconnection – Subsea equipment (SSE),</u> d. <u>Activity 4: Not included in this request: Disconnection – Mooring systems,</u> e. Activity 5: <u>Subsea equipment placement on seabed,</u> f. <u>Activity 6: Not included in this request: Mooring lines retrieval,</u> g. <u>Activity 7: Not included in this request: Anchor temporary placement on seabed and retrieval,</u> h. Activity 8: <u>FPSO sail away.</u> <p>Of these activities, Activities 4, 6 and 7 are not subject to this ruling request and are not considered against the section 10(1) decision making criteria or matters under sections 39, 59, 60, or 61 of the EEZ Act. Activities 1 and 8 were considered under EEZ500028 but do not require authorisation. Activity 2 was considered under Ruling EEZ500028 as it applied to Activities 4, 6, and 7. This activity related to the connection and disconnection of strops and slings from the mooring lines. In the current Ruling request, Activity 2 relates to the the connection and disconnection of strops and slings from the Subsea Equipment (SSE). This is an activity that is restricted under ss 20(2)(b) and (c) and was not assessed nor authorised under EEZ500028.</p>
<p>Section 39(1)(b)</p>	

¹ Received by the EPA from BWO in email correspondence dated 18 February 2020.

Does the request documentation contain the information describing the current state of the area where it is proposed that the activity will be undertaken, and the environment surrounding the area?

I consider the request documentation describes the current state of the area of the proposed activity (and surrounds) and meets the criteria set out in s 39(3).

Specifically,

1. In Part 1 of the IA, BWO define the Area of Interest as the extent of PMP 38158, but specifically relating to the field's production assets and the assets owned by BWO. BWO do not present biological or physical survey data collected for the purpose of this ruling request. However, the information provided by BWO does include the monitoring results of the physical and biological environment between 300m and 6,000m from the FPSO, between 2012 and 2018. I consider this information sufficient to understand the likely physical conditions and biology of the benthos beneath the FPSO.
2. Section 1 of Part 2 of the IA² describes the following aspects of existing environment in PMP 38158 and the surrounding area:
 - a. Climate,
 - b. Oceanography,
 - c. Bathymetry and seabed features,
 - d. Existing marine protected areas,
 - e. Marine habitats,
 - f. Marine invertebrates,
 - g. Fish (including sharks),
 - h. Marine reptiles,
 - i. Seabirds,
 - j. Marine mammals,
 - k. Socio-economic context,
 - l. Ocean users, and
 - m. Cultural context.
3. I note that Tamarind Taranaki Limited (Tamarind) has been discharging harmful substances from the FPSO since 2007 under an approved Discharge Management Plan (Deemed Marine Discharge Consent EEZ900008) and subsequent Marine Discharge Consent (EEZ300006). The information in section 1.0 of Part 2 of the IA includes monitoring results of the existing environment that has been subject to previously consented discharges, and where the activities subject to this ruling request are proposed to take place.
4. I am aware that following the latest monitoring survey in the Tui Field in 2018 there has been an unintended release of hydrocarbons in that field. This incident was reported to occur on Thursday 21 November 2019. The

² Received by the EPA from BWO in email correspondence dated 17 January 2020, then revised on 11 February 2020.

	<p>volume of this release was estimated by Tamarind to be 100L of crude oil. Any potential impacts from this incident form part of the existing environment within which BWO are proposing to undertake activities. On 21 February 2020 BWO provided a description of the likely effects of this spill on the existing environment.</p> <p>5. BWO also describe previously authorised and reasonably foreseeable activities that would be undertaken concurrently with the proposed activities. BWO describe these other activities as “normal or simultaneous operations” that are either already consented or, in its view, do not require authorisation from the EPA to be undertaken. BWO describe the effects of these activities in Part 2 of the IA. I consider these activities form part of the existing environment and that these have been provided in sufficient detail to enable the EPA and persons whose existing interests may be affected to understand the activity's effect on the environment.</p> <p>I consider the request documentation describes meets the criteria set out in s 39(3).</p>
<p>Section 39(1)(c)</p> <p>Has the requestor identified the persons whose existing interests are likely to be adversely affected by activity?</p>	<p>In Section 3.1 of Part 1 of the IA, BWO identify the existing interests that may be affected in PMP 38158. I consider the request documentation meets the criteria set out in s 39(3) and (4). Given the limited scale and significance of the activities and their effects, I consider BWO have made a reasonable effort to identify parties with existing interests that may be affected by this ruling request. Specifically,</p> <ol style="list-style-type: none"> 1. BWO identify fishing interests which may operate in PMP 38158, 2. BWO identify other holders of marine consents (the nearest being the Māui field, 24kms from the FPSO <i>Umuroa</i>), <p>BWO identify the interests of Te Kahui o Taranaki Trust (Taranaki Iwi) and Ngāti Tara Hapū in the Tui Field (PMP 28158).</p>
<p>Sections 39(1)(d), 39(1)(e), 39(1)(f)</p> <p>Is the EPA satisfied that the requestor has made a reasonable effort to identify the effects of the activity on the environment and existing interests (including cumulative effects, effects on biological diversity and integrity of marine species, effects on rare or</p>	<p>Considering the potential scale and significance of the effects of the activities described in Parts 1 and 2 of the IA, and supporting information I consider the request documentation meets the criteria set out in s 39(3) and (4). BWO has made a reasonable effort to identify the effects on the environment for its planned activities.</p> <p>Specifically I consider,</p> <ol style="list-style-type: none"> 1. The descriptions of effects on the environment and existing interests in Part 2 of the IA are commensurate to the scale and significance of the proposed planned activities and are in sufficient detail to enable the EPA and existing interests to understand the nature of the activity. BWO's

vulnerable ecosystems, and effects that may occur in NZ or in the sea above or beyond the continental shelf beyond the outer limits of the EEZ)?

descriptions sufficiently describe potential effects on diversity and integrity of marine species, ecosystems, and processes.

2. BWO has not addressed any effects that may occur in NZ or in the sea above or beyond the continental shelf beyond the outer limits of the EEZ. I consider Activity 3 may result in effects that may occur in NZ or in the sea above or beyond the continental shelf beyond the outer limits of the EEZ due to a hydrocarbon spill. I have sought expert advice on this matter to inform my consideration of effects under section 59(2)(a).
3. Section 1.1.4 of Part 2 the IA acknowledges that habitat protection areas are present in the wider area surrounding PMP 38158 but not within that area. In addition, Section 1.2.1 of Part 2 of the IA states there have not been any sensitive environments³ or reefs observed in PMP 38158.
4. BWO addressed cumulative impacts in Section 2.10 of Part 2 of the IA.

Section 2.8 of Part 2 of the IA describes social-economic and cultural aspects and impacts from the proposed activities. BWO states it does not consider any existing interests to be directly impacted by the proposed activities and notes there may be positive effects on fishing rights. BWO states it has attempted to engage with iwi to address the impacts on existing interests and has provided an engagement log that details its attempt. I consider that BWO made a reasonable effort to identify effects on existing interests, however I note its attempts to seek information from iwi on cultural matters warranted EPA seeking further information for consideration.

<p>Section 39(1)(g)</p> <p>Has the requestor described any consultation it has undertaken?</p>	<p>On 20 February 2020, BWO provided a spreadsheet of parties it has engaged with in relation to its plan to leave the Tui field⁴, including dates, the nature of the correspondence, and a summary of comments received.</p> <p>I consider that BWO has described its engagement with existing interests that it considers may be affected by the activities such that the request documentation meets the criteria set out in s 39(3). I consider that the extent of that engagement was very limited and that further information requests to specific parties to fully understand by the proposed activities on those parties was warranted.</p>
<p>Section 39(1)(h)</p>	<p>No evidence of written approvals were included in the engagement log.</p>

³ As defined in Schedule 6 of the Exclusive Economic Zone and Continental Shelf (Environmental Effects – Permitted Activities) Regulations 2013.

⁴ No specific reference is given to the ruling request or any activities that are the subject of that request.

<p>Are copies of the written approvals included? (Y/N)</p>	
<p>Section 39(1)(i)</p> <p>Does the request documentation contain information specifying the possible alternative locations for, or methods for undertaking the activity that may avoid, remedy, or mitigate the effects?</p>	<p>The request documentation meets the criteria set out in s 39(3). Section 2.2 of Part 1 of the IA describes the location of FPSO within the Tui Field in PMP 38158. BWO has not considered alternative locations for the activities proposed in this ruling. I consider this appropriate because of the fixed location of the FPSO.</p> <p>Section 5.9 of Part 1 of the IA describes alternatives for the suite of activities, including leaving the FPSO in an un-manned state, and flushing the flowlines, umbilicals, and gaslift lines.</p>
<p>Section 39(1)(j)</p> <p>Does the request documentation contain information specifying the measures the applicant intends to take to avoid, remedy or mitigate the effects?</p>	<p>The request documentation meets the criteria set out in s 39(3) for planned activities. Section 2.7 of Part 2 of the IA describes the effects of the activities on the environment and existing interests, in addition to measures that will be taken by BWO to avoid, remedy or mitigate these effects. I consider these measures are adequate to determine the scale and significance of some effects on the environment and existing interests.</p> <p>BWO do not describe measures to avoid, remedy or mitigate the effects of an unplanned spill event from the flowlines or wellheads. BWO assert it does not own or control the subsea equipment. I consider the onus is on BWO as the requestor to describe in detail the effects of the activity including effects that may arise irrespective of who owns the assets, and to propose measures it can take to avoid, mitigate, and remedy those effects.</p>
<p>Section 39(2)(c)</p> <p>Does the request documentation describe the effects on human health that may arise from the effects of the activity on the environment?</p>	<p>Section 1.1 of Part 1 of the IA states that BWO addressed the effects on human health in its Impact Assessment. An assessment on human health is not directly provided in Part 2 of the IA.</p> <p>BWO provided an Activity Specific Environmental Risk Assessment Spreadsheet to the EPA that identified no interactions between planned activities and human health which precluded human health from a more detailed risk assessment⁵.</p> <p>Based on the information contained in the spreadsheet, I consider the IA does not describe the effects on human health that may arise from the effects of the activity on the environment but that these were sufficiently addressed in the scoping assessment. I consider this meets the criteria set out in s 39(3).</p>

⁵ Provided to the EPA by email on 19 February 2020.