

LEGISLATIVE COUNCIL ENVIRONMENT AND PLANNING COMMITTEE

Inquiry into Decommissioning Oil and Gas Infrastructure

Melbourne – Friday 6 March 2026

MEMBERS

Ryan Batchelor – Chair

David Ettershank – Deputy Chair

Melina Bath

Gaelle Broad

Jacinta Ermacora

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Sarah Mansfield

Rikkie-Lee Tyrrell

Sheena Watt

**Necessary corrections to be notified to
executive officer of committee**

WITNESSES

Don Hough, Principal, Energy Infrastructure Regulation,

Linda Bibby, Acting Executive Director, Policy and Programs, Resources Victoria, and

Sandra O'Farrell, Manager, Petroleum Authorisations, Resources Victoria, Department of Energy, Environment and Climate Action.

The CHAIR: Welcome back to the proceedings of the Legislative Council Environment and Planning committee's inquiry into oil and gas decommissioning here in Victoria. We are joined by representatives from the Department of Energy, Environment and Climate Action.

All evidence that we take is protected by parliamentary privilege as provided by the *Constitution Act 1975* and the provisions of the Legislative Council standing orders. Therefore the information you provide during this hearing is protected by law. You are protected against any action for what you say during the hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of the Parliament.

All the evidence is being recorded. You will be provided with an approved version of the transcript following the hearings, and that will ultimately be made public and posted on the committee's website.

Welcome. My name is Ryan Batchelor. I am the Chair of the Environment and Planning Committee and Member for the Southern Metropolitan Region. My colleagues –

Sheena WATT: Hello. Sheena Watt, Member for Northern Metropolitan Region.

Sarah MANSFIELD: Sarah Mansfield, Western Victoria Region.

Melina BATH: Melina Bath, Eastern Victoria Region. Good afternoon.

Wendy LOVELL: Wendy Lovell, Northern Victoria Region.

The CHAIR: Thank you all for joining us today. As we start, it would be great if each of you could just say your name and the organisation you are appearing on behalf of for the Hansard record, and then we will get into proceedings.

Linda BIBBY: I am Linda Bibby, Acting Executive Director, Policy and Programs, at Resources Victoria.

Sandra O'FARRELL: I am Sandra O'Farrell. I am Manager, Petroleum Authorisations, within Resources Victoria.

Don HOUGH: Don Hough, Principal, Energy Infrastructure Regulation, from the Department of Energy, Environment and Climate Action.

The CHAIR: Thank you. These proceedings are pretty straightforward. We will invite you to make an opening statement, and then we will get into some questions. Over to you.

Linda BIBBY: Thank you, Chair, and good afternoon, committee members. I welcome the opportunity to appear before the inquiry. I would just like to acknowledge the Wurundjeri Woi-wurrung people, the traditional owners of the land where we are appearing today, and pay my respects to elders, past and present.

Visual presentation.

Linda BIBBY: We represent Resources Victoria and also the energy infrastructure regulation within the Department of Energy, Environment and Climate Action, DEECA, which has a range of responsibilities to support a livable, inclusive and sustainable Victoria with thriving natural environments. Our areas of DEECA are responsible for promoting and regulating oil and gas resources and overseeing production, infrastructure and pipelines. We work closely with state and Commonwealth regulators as well as other DEECA groups involved in recycling, marine and coastal management and First People's self-determination. I will cover three

points: the location of offshore oil and gas infrastructure, Resources Victoria's regulatory role in decommissioning and operator obligations.

Infrastructure in offshore waters – most of the oil and gas infrastructure is offshore in the Bass Strait in Commonwealth waters, where there are over 400 wells, around 20 platforms and more than 2000 kilometres of pipelines. In Victorian waters infrastructure is all subsurface and relatively limited. There are no platforms or drilling rigs; there are nine wells – four of those have already been decommissioned; and there is around 80 kilometres of pipeline in that Victorian offshore waters area. In terms of Resources Victoria's role in offshore decommissioning, the decommissioning process involves initial planning and permitting for the removal of structures, well plugging and abandonment, removal of structures, transport to ports and onshore processing, recycling and disposal of materials. The duty-holder for all stages of that process is the operator that holds the rights to access the oil and gas resources.

As a regulator our role in the offshore area is focused on the initial decommissioning steps and depends on whether the decommissioning operations are solely in Victorian waters, in Commonwealth waters or if they are onshore. In Victorian waters out to the 3-nautical-mile limit Resources Victoria regulates petroleum titles and environmental management. There are also requirements that are enforced by the EPA. NOPSEMA has statutory responsibility for health and safety and structural integrity for pipelines. In Commonwealth waters beyond that 3-nautical-mile boundary the National Offshore Petroleum Titles Administrator, known as NOPTA, regulates titles and resource management; NOPSEMA regulates health and safety, structural integrity and environmental management; and Resources Victoria's role in Commonwealth waters is largely an administrative one. Onshore, Resources Victoria regulates petroleum titles, operations and rehabilitation requirements, including bonds; the energy infrastructure regulator oversees pipeline licensing; and WorkSafe, Energy Safe Victoria and the EPA also have roles depending on the particular activity. Across all of these areas we work cooperatively with our co-regulators and with other agencies to support consistent, risk-based and effective regulatory outcomes.

The obligation to complete decommissioning rests with industry. Operators must comply with legislative and regulatory requirements, relevant Australian and international standards and international conventions such as for addressing marine pollution or for hazardous substances. Victorian and Commonwealth governments share common decommissioning policy settings, including full removal of infrastructure as the base case, with alternatives considered case by case. Applications for title surrender may be refused if decommissioning is incomplete. The regulatory regimes for offshore petroleum operations are well established, they are mature and they are substantially aligned across all Australian jurisdictions that host a petroleum sector. Where Resources Victoria is the regulator, decommissioning is regulated as part of petroleum operations. This means decommissioning planning must be undertaken during the earlier stages of operations, approvals and consents for decommissioning are required and noncompliance with decommissioning obligations can be enforced.

In closing, Resources Victoria's role is to facilitate responsible resource development while protecting the environment, communities and public safety. We apply a risk-based regulatory approach and work closely with our co-regulators to ensure decommissioning is completed safely and effectively when production ends. Thank you for the opportunity to make a statement. We welcome the committee's questions.

The CHAIR: Thank you very much. How prepared do you think the department and the state regulators are for the task of decommissioning that is about to commence in the state?

Linda BIBBY: From our perspective we have quite a restricted role compared to the Commonwealth. As I said, most of the infrastructure is out in Commonwealth waters. There are about 14 pipeline crossings across the entire Victorian coastline in state waters, and as I said, there is no infrastructure at surface, no platforms. Decommissioning has been happening already, and the regime, as far as we can tell, has been effective. There are no practical gaps for that Victorian waters component.

The CHAIR: For the decommissioning projects that have already commenced, how many of them have been completed?

Sandra O'FARRELL: There have been four wells in the Victorian waters region that have been decommissioned already, and there are over 400 wells that have been decommissioned onshore as well. Those

onshore wells have been decommissioned from the early parts of the industry. The most recent ones that were completed were in 2024.

The CHAIR: Did you say four in Victorian waters?

Sandra O'FARRELL: Correct.

The CHAIR: One of the things that have come up a lot is what happens to the pipelines. In those four instances what happened to the pipelines as part of the decommissioning process?

Sandra O'FARRELL: For those particular four wells in Victorian waters there were no connections to pipelines at all. Some of them were exploration wells, and others were drilled from an onshore location subsurface to the offshore reservoir, and those have been decommissioned as they were no longer needed. So there were no connecting pipelines offshore to those wells.

The CHAIR: But all of the pipe from the onshore drilling site to the offshore well, was that removed? I presume it went under the foreshore. What was the depth, what was in the tube, and was it pulled out at the end?

Sandra O'FARRELL: There are parts of the well that need to be retained in situ to maintain critical safety and protect the environment. In the best practice approach for decommissioning wells there are certain parts of the wells that need to be retained in place.

The CHAIR: Have there been any reported environmental issues arising from any of the wells that have been decommissioned so far in Victoria?

Sandra O'FARRELL: Nothing that has been reported so far, no. There have been no discoveries of that.

The CHAIR: What sort of monitoring regime is in place for those wells to ensure that they continue to not exhibit any environmental concerns?

Sandra O'FARRELL: The regulator commenced a monitoring program in –

The CHAIR: Sorry, which regulator?

Sandra O'FARRELL: The Resources Victoria regulator commenced a monitoring program as part of the recommencement of the industry post the moratorium that ended in 2021. A sophisticated camera was used to inspect each of those wells. It discovered no concerns at those wells, and that program is continuing to be implemented.

The CHAIR: Under that program how often do you expect that condition checking will occur at those wells?

Sandra O'FARRELL: Using a risk-based approach, that would be determined on a case-by-case basis.

The CHAIR: Right. For the prospective decommissioning – so not the ones that have been done but the ones that are coming – obviously most of it is in Commonwealth waters, but there are 14 pipeline crossings, you have said, across the Victorian coastline. What do you think the most significant risks are to that decommissioning process for the state?

Don HOUGH: I am happy to respond to that. The risk is multidimensional, but I would focus on one matter which is of importance to the community, so I will use that perspective, which is the actual crossing of the coast. At the moment, as Linda pointed out, the default position – a reference case, if you like – is removal. We are aware that in some instances people have assumed the reference case is the actuality, then looked at the coastline which they love and cherish and then considered what would be the consequences of decommissioning that pipe at that location, so I think that is the one that is certainly topical. At a technical level, it is really around making sure the pipeline is properly purged and cleaned prior to any decision whether it is to remain in situ or be removed.

The CHAIR: That is my time. Ms Bath.

Melina BATH: Thanks, Chair. Thank you very much, Ms Bibby, Ms O'Farrell and Mr Hough. I am interested to understand the department's engagement with Esso, because they are the operators. I have been scribbling down some of your comments. Could you explain: has there been any formal engagement? What does that look like – meetings, conversation, phone calls, emails? This is a very important process that has to happen, and there is regulation to be adhered to and the operator has responsibility. What has been the department's engagement with Esso?

Don HOUGH: I will talk about the onshore and I will talk about the *Pipelines Act*. It is circumstance driven, so in the last couple of years – Esso previously maintained a refinery at Altona; that refinery closed.

Melina BATH: Sorry; I do not mean to – I am just interested in the engagement.

Don HOUGH: It is by all of the matters you talked about – phone, direct meetings, emails – in terms of what are the statutory obligations they have as the duty holder, then the changes and particularly the changes in pipework to convert a refinery to a storage.

Melina BATH: And in terms of the offshore decommissioning then in Victorian waters, off Barry Beach, there has been discussion of those wells and that decommissioning process?

Don HOUGH: I have been party to some of the implications for the onshore, so bringing things onto Barry Beach. Separate to the current role I have, I have a detailed familiarity with Barry Beach and the area there, so I have had discussions with them around what the environmental and operational consequences are.

Melina BATH: And would you describe the engagement as fair, good or reasonable with Esso? Are they being a good citizen in this, a good industry in this? Are they agreeing and getting back to your requests or comments or emails or phone calls?

Don HOUGH: I would describe it as professional and robust.

Melina BATH: Thank you. And in terms of robust, you spoke about regulations, legislation, standards and then international standards. We will pop those Commonwealth requirements over there. Are you aware of Esso's plans? Have they submitted some plans so far – because this is coming, isn't it? The decommissioning is coming, and they are focused on what they are doing. Have they kept you abreast of their plans so far, or is it too early to say?

Don HOUGH: They have. There are two levels. One is formally as government officials, and indirectly we are part of a larger group that get regular updates that are sent out through the community at large, and we receive those updates.

Melina BATH: Okay. And again, I am not trying to press the point, but they have been professional and fair and reasonable and disclosing and working with the department? You do not feel that they have been working at crosshairs?

Don HOUGH: No, nothing. There is vigour in any conversation.

Melina BATH: Good.

Don HOUGH: We have a job to do. They have a job to do. I feel there is mutual respect, and that is not simply based on offshore; that is also based on the interaction that I have at Longford and also to the west of Melbourne.

Melina BATH: A long history of Esso's footprint in Victoria and the work that it has done. Thank you. And just in relation to regulation, legislation, standards, international standards, federal and state laws, what can the department do to ensure that these multiple layers are not duplicating? Is there a way that it can be streamlined, because this is a new process in effect in our state, so are you looking to – I am not saying 'streamlined'; you are not here reducing safeguards or shortcutting. I am just meaning non-duplication. Are there things that the department is doing in that space?

Linda BIBBY: Yes. We work, as I said, with our co-regulators and have regular interaction with them to ensure that both ways we have regulatory continuity and complementarity, if you like, but no gaps and no significant overlaps.

Don HOUGH: Can I speak to a practical example?

Melina BATH: Thank you. Please.

Don HOUGH: The other – we are dealing with the decommissioning, so it is one part of the life cycle. At the construction end, as Sandra indicated, some of these pipelines are constructed from onshore and go offshore. The practical steps are that there – and this is both in terms of ensuring accountability and that there is not procedural failure, but also for clarity for the community, where we have got the ability to credit the one document as meeting a number of statutory obligations. So instead of having bespoke document by statute, by statute, by statute, we are able to do, and that is what they have done, as a matter of practice.

Melina BATH: And one quick supplementary: in terms of keeping the community abreast, do you feel that the department is upholding its responsibilities, because, again, this is new into Gippsland? The industry has been there a long time, but the decommissioning is a new activity. How is the department communicating with

Don HOUGH: In the first instance that responsibility is with the duty holder –

Melina BATH: With Esso?

Don HOUGH: coming back to your question, which is to ensure that they do what is required by law and good practice.

Melina BATH: And you feel that there has not been any dereliction of duty there? They are doing what they need to be doing from the department's –

Don HOUGH: They are doing that. That is a thing that we constantly evaluate, because it is all in the eye, at the end of the day, of the beholder.

Melina BATH: Thank you. Thanks, Chair.

The CHAIR: Thank you. Dr Mansfield?

Sarah MANSFIELD: Thank you. Thank you for appearing today. I was hoping you could provide some clarity. The EPA was not clear on this, but my understanding is that emissions, say fugitive emissions from activities in Commonwealth waters off the coast of Victoria, would actually be attributed to Victoria under legislation, because the emissions have to be attributed to a state or territory. Is that the case?

Linda BIBBY: I would have to take that one on notice. I am happy to give you an answer on that one.

Sarah MANSFIELD: Thank you. In light of that, it would be good to have an understanding of then what responsibility DEECA or Resources Victoria have in terms of monitoring or accounting. I know that that is in Commonwealth waters, but if the emissions are attributed to the state, I would have thought there might be some role for our regulatory authorities in that process, so it would be good to just understand that. What happens if an operator defaults on their decommissioning obligations? Say they go bankrupt, or there is an instance where suddenly that company can no longer meet their requirements, but there is decommissioning that needs to be done, what happens in that instance?

Linda BIBBY: There are several regulatory powers we have to enforce compliance and ensure decommissioning is completed to a satisfactory standard. Planning for decommissioning is considered as part of environment plans which need to be approved, and we can accept or require amendments before accepting them. We monitor compliance with environment plans, and we have powers to issue remedial directions to both current and former title holders, and we can direct removal and management of property, capping and sealing wells, conservation of the environment and remediation of damage. We can also refuse to accept surrender of a title, and direct title holders to hold insurance and so forth. If somebody is unable, the minister can step in and

do that work and then any infrastructure left in place, for example, can be removed and sold and then becomes a debt that can be chased in court.

Sarah MANSFIELD: Okay. So I guess what I am trying to understand is, is there any – would the public, or the government on behalf of the public, have to take responsibility for that infrastructure in the event that that company, for whatever reason, was not able to complete and did not have the financial ability to complete that decommissioning work?

Linda BIBBY: Yes, that would be an outcome which the legislation provides for.

Sarah MANSFIELD: Okay. Would you support some form of industry-funded trailing liability scheme to cover the potential costs of that?

Linda BIBBY: I think that is probably more a question for the government. We have –

Sarah MANSFIELD: No worries. The EPA said that the companies themselves have responsibility for monitoring the environmental impacts of their infrastructure, even once they have handed back a licence. It sounds like, from what you are saying, it is actually the state, Resources Victoria, that has been doing that monitoring for some of the onshore and those offshore projects. There was monitoring that Resources Victoria was doing, presumably because the decommissioning had been completed and licences had been handed back. So what further role do the companies have themselves in that monitoring and responsibility for that infrastructure once it has all been decommissioned and licences handed back?

Linda BIBBY: They do retain that responsibility. The work we are talking about there in terms of the monitoring is part of our compliance actions that we take to make sure that operators are meeting all their obligations and that if any concerns are found, then they are followed up promptly with compliance action.

Sarah MANSFIELD: And if there is a failure of compliance, what is the maximum penalty that can be issued?

Linda BIBBY: I would have to take that one on notice.

Sarah MANSFIELD: Have any compliance notices or penalties been issued during decommissioning works in Victoria?

Linda BIBBY: No.

Sarah MANSFIELD: No. And just in the last few seconds: was Resources Victoria notified or were they asked to play any role in the issue around Minerva and the plastic clamps?

Sandra O'FARRELL: Yes. Resources Victoria was responsible for assessing the environment plan for the activity to take place and has been supporting the EPA in its investigation into the incident.

Sarah MANSFIELD: Thank you.

The CHAIR: You said you were responsible for the environment plan for the activity to take place. What activity are you referring to?

Sandra O'FARRELL: The decommissioning of the pipeline, but it would also be for the construction of the pipeline and the ongoing operation and maintenance of the pipeline. For all phases of that life cycle, an environment plan is required for each activity to take place, whether that is construction, operation or decommissioning.

The CHAIR: And you are involved in those processes, whenever that occurs?

Sandra O'FARRELL: Correct.

Linda BIBBY: It is a whole-of-life-cycle approach.

The CHAIR: Thank you. Ms Watt.

Sheena WATT: Thank you, and thank you so much for being here today. I earlier asked some questions around the financial assurance for decommissioning costs. When is it during the process that that is undertaken? We understand that the Victorian government could ensure operators provide adequate financial assurance. Is that something that is currently done? Who in fact is responsible for said function, and where in the process of approvals is that undertaken? I am keen to understand that question.

Sandra O'FARRELL: The decision regarding the financial assurance is made at the time when the environment plan is decided upon. Should the environment plan be accepted, then a direction is issued on the authority holder to hold sufficient insurance against the activities to take place.

Sheena WATT: So is that you guys? DTP? Help me understand who actually assesses whether or not they are covered correctly.

Linda BIBBY: It is Resources Victoria for all Victorian state waters.

Sheena WATT: So Victorian state waters –

Linda BIBBY: And onshore.

Sheena WATT: and onshore. And that includes, then, the pipes that we are talking about as well?

Linda BIBBY: Yes.

Sheena WATT: So are there financial assurances required for the pipes from the Commonwealth projects that are going through the 3-kilometre state waters? I am just trying to understand.

Sandra O'FARRELL: So for the financial assurance details, Resources Victoria is concerned regarding the activities and any incidents around the pipelines in Victorian waters, and the Commonwealth regulators would be setting the requirements for financial assurance for the infrastructure in Commonwealth waters.

Sheena WATT: Okay. So where there are pipelines that need to be decommissioned that are in state waters that are connected to projects that are in federal waters, the state does have some responsibilities for assuring that those elements that are in the 3-k zone are in fact financially assured by the state as well as whatever the federal folks do.

Sandra O'FARRELL: As well as the Commonwealth.

Linda BIBBY: Yes.

Sheena WATT: Okay. That is handy to understand – that you can check it off with both. Good to know. Those assurances: how regularly are they reviewed? What does that actually look like? Do we check that they have got a certificate of currency? What are the elements of checking this assurance? We have seen, as has happened on onsite mining operations, various companies which have – what was the word? – packed up and left or sold it on to a third party that does not, in fact, have a full ability to deliver on the decommissioning work. I am keen to understand that a bit if you have any commentary, any of the three.

Sandra O'FARRELL: I can take part of the question on notice, and I can answer part of the question now. Part of the question I can answer now is that an environment plan is required to be revised as a variation every five years, so those details are reviewed every five years. I will have to take on notice the questions about what details are investigated.

Sheena WATT: I had another question with respect to traditional owners and Resources Victoria and DEECA. I am perhaps interested in your engagement with traditional owners. Is there anything you want to speak to with respect to that, particularly with opportunities for decommissioning and the ongoing oversight of operations within Aboriginal waters? Do you have any commentary about your engagement with traditional owners with respect to decommissioning? I know it is something that has been active in New Zealand and WA.

Sandra O'FARRELL: I affirm what Don mentioned earlier in that the responsibility is on the authority holder, on the licensee, to undertake that consultation, and it would be –

Sheena WATT: Do you seek assurances that that has happened with respect to traditional owners?

Sandra O'FARRELL: Absolutely. The details are included in the plans that are submitted, and those plans are reviewed.

Sheena WATT: I am just trying to understand: is it an option or is it something that is required? What are the elements of significance of the engagement with traditional owners?

Sandra O'FARRELL: The Federal Court made a ruling in 2022 and another one in 2023 regarding consultation that needs to occur for all activities. It has been made clear that engagement with all relevant stakeholders is to be comprehensive and genuine.

Sheena WATT: Are we able to get details of that ruling?

Sandra O'FARRELL: Sure.

Sheena WATT: That would be very handy. Thank you. And that is it for my questions, Chair.

The CHAIR: Thanks, Ms Watt. Ms Lovell.

Wendy LOVELL: Thank you. You talked before about the decommissioning that has happened in Victoria and the fact that full pipelines still are retained because they are subsurface. Can you tell me what has happened to those pipelines? Were they cleaned before they were sealed? Were they filled? What has been the process with those?

Sandra O'FARRELL: If I can just start with a point of clarification, the infrastructure that we are referring to are not pipelines but wells. They were drilled from an onshore location and proceeded on a bit of a horizontal trajectory. Those wells were decommissioned as per industry standards for decommissioning any wells.

Wendy LOVELL: So when they have been capped, is the cap onshore or is it –

Sandra O'FARRELL: Yes.

Wendy LOVELL: So what prevents leaching into the soil of anything that is still within that cavity?

Sandra O'FARRELL: The decommissioning methodology used on wells includes cement plugs to be inserted within the well at certain depths, and they are dependent on the geological formations at place and whether there are aquifers, groundwater, that they have transected through, so plugs would need to be installed in those wells. That would create an additional barrier to minimise any risk of contamination or leaching through those areas.

Wendy LOVELL: Okay. And who retains responsibility for that infrastructure that is still there? Is it retained by those who were operating the well? Or is it now the responsibility of the state if there is a problem?

Sandra O'FARRELL: I can throw to Don to talk about personal property.

Don HOUGH: I can respond in terms of under the *Pipelines Act*, which is a slightly different circumstance than we have just covered. Under the *Pipelines Act*, pipelines are personal property. So if they are left in situ, they can only be left in situ with the express agreement of the landowner. We had a recent instance where the landowner actually saw value in the pipeline, and there was a very formal transfer from the then licence-holder to the landowner because they wanted to repurpose that pipeline.

Wendy LOVELL: That is the pipelines. But these four wells that were drilled from onshore – if there is a problem with those in the future, who is the responsible authority now?

Sandra O'FARRELL: If there is no licence in place for that licence, then that responsibility reverts to the minister.

Wendy LOVELL: So it is the state.

Sandra O'FARRELL: Yes.

Wendy LOVELL: One of the things that we are finding in this inquiry is that it seems to always be somebody else's responsibility. The state says that it is the Commonwealth's; the Commonwealth says that it is the state's or they say it is the company's or whatever. It concerned me before when you just said, 'Well, that's in Commonwealth waters.' What interaction is there between the state and the Commonwealth on the decommissioning in Commonwealth waters given that an environmental disaster does not recognise where the border is between state and Commonwealth waters and it is all heading towards the shore, so into the state waters? What interaction are you having with the Commonwealth? And how are you monitoring that things are being done appropriately so that it does not affect state waters in the future?

Linda BIBBY: We engage regularly with the Commonwealth, both NOPTA and NOPSEMA, the national regulatory counterparts, but also we are working quite closely with the Offshore Decommissioning Directorate and the work that is happening across Australia in decommissioning. We are actively involved in that and working with the Commonwealth.

Wendy LOVELL: Is there an agreement in place if there is an environmental disaster that comes into state waters? Is there an agreement that you have with the Commonwealth around clean up of that?

Sandra O'FARRELL: DEECA or Resources Victoria would be a support agency for that, and it would be a matter to be handled under the *Emergency Management Act*. We can provide further details around that separately.

Wendy LOVELL: Thank you.

Don HOUGH: If I could give a case study: if it was oil, then absolutely there are very formal national arrangements in terms of responding to oil spills, which Victoria is a party to.

The CHAIR: Mr McIntosh.

Tom McINTOSH: Thank you. Just from the top, can you talk us through how many rigs are operating and not operating off Victoria at the moment, how many platforms?

Linda BIBBY: Off Victoria there are no offshore platforms or drilling rigs in Victorian waters. It is our understanding there are about 20 platforms in Commonwealth waters, and NOPSEMA has issued a direction for about 12 of those to be decommissioned. Decommissioning has to start by September 2027.

Tom McINTOSH: The four wells: that is how many wells sit within state waters across the whole state, is that right?

Sandra O'FARRELL: Correct.

Linda BIBBY: There are nine wells in state waters. All of those are down the coast, down that Port Campbell–Warrnambool area. They are all drilled from an onshore paddock, and they go down. It is called horizontal extended reach. They head deep under the subsurface through the rock out to access the reservoirs offshore in state waters. That was the way that was most effective to access those reservoirs when they were planned. Rather than an offshore platform, they chose to have the infrastructure onshore and head out under the sea.

Sandra O'FARRELL: If I can just add to that, there were at least two wells that were also drilled along the Gippsland coast that were drilled using an offshore drill rig, and they were drilled vertically onsite. Those wells were accessing the Golden Beach gas field, so off the coast from Golden Beach in Gippsland.

Tom McINTOSH: Thank you. Of those nine wells, when they are capped, are there measures over time to assess for leakage? Or once they are capped and assessed as complete, is it understood then there will not be leakage if the capping is done correctly?

Linda BIBBY: That is the intention. But we do have a compliance program, as we were talking about earlier, to monitor for fugitive emissions, so we have conducted a program of all the existing wells, as my colleague mentioned earlier, with the restart of onshore petroleum, that did not find any fugitive emissions. But that is something that we do continue to monitor as part of our normal regulatory activities.

Tom McINTOSH: And does the state take that responsibility on, or are there any funds contributed from the companies that have done that drilling and extracted that gas?

Linda BIBBY: It is part of our regulatory activities. We have cost recovery for petroleum regulation. Particular activities – submission of environment plans and so forth – carry fees associated with them, so under DTF guidelines we do cost recovery on our regulatory activities.

Tom McINTOSH: In a similar line of questioning to Dr Mansfield's, if there is a company that is no longer in existence, with those wells, and you are checking in, making sure that there is no leak, where would the cost recovery be at that point, or is that just a cost the state has to take on?

Linda BIBBY: We could chase a former title holder and ask them to make good. If there was no former title holder, then that would fall to the state.

Tom McINTOSH: Thank you. Just talk us through: I think for us here on this committee, for community, for industry, clearly understanding who is responsible for what from various government perspectives – do you think there could be benefit to a central coordinating body, particularly as we are talking about a big program of decommissioning, or do you think the current systems and processes are adequate?

Linda BIBBY: As I mentioned earlier, we do work closely with our co-regulators and the Commonwealth and other agencies. We have found that it is effective to date, and we have not discovered any practical gaps with the legislative and regulatory arrangements.

Tom McINTOSH: Well, that is my time there, Chair.

The CHAIR: Thank you. Just a follow up question to a question Dr Mansfield asked the EPA, which they did not know the answer to – we thought it might be best asked of DEECA, and it may not be your bit of DEECA that answers it – and that was whether any emissions from wells in Commonwealth waters are applied to Victoria's emissions count. Do you know the answer to that question?

Linda BIBBY: I do not know the answer, but I will endeavour to get you one.

The CHAIR: If you could take that on notice, that would be useful, both answering the policy question about 'Is it?' and then a quantum question about how much.

Linda BIBBY: I will do that.

The CHAIR: Thank you. Anyone else have any other questions? We are good. Thank you very much.

With that the committee will take a short break.

Witnesses withdrew.