

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

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Gaelle Broad

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

WITNESSES (*via videoconference*)

Andrew Lobb, Vice-President, Decommissioning, and

Philippa Milne, Senior Environmental Adviser, Woodside Energy.

The CHAIR: Welcome back to the proceedings of the Legislative Council Environment and Planning Committee's Inquiry into Decommissioning Oil and Gas Infrastructure in Victoria. We are joined this afternoon by representatives from Woodside Energy.

Just a short statement: all the 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 the 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 the 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 a proof version of the transcript following the hearings. Transcripts will ultimately be made public and posted on the committee's website.

Welcome. Thanks for joining us. My name is Ryan Batchelor. I am the Chair of the Environment and Planning Committee and Member for the Southern Metropolitan Region in the Legislative Council of the Parliament of Victoria. I will introduce my colleagues. I might start with Melina, on my right.

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

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

Tom McINTOSH: Tom McIntosh, Eastern Victoria Region.

Sarah MANSFIELD: Sarah Mansfield, Western Victoria Region.

The CHAIR: And joining us online as well is –

David ETTERSANK: Hi. David Ettershank, Western Metropolitan Region.

The CHAIR: For the Hansard record, can I ask each of the witnesses before we commence just to state your name and the organisation you are appearing on behalf of, please.

Andrew LOBB: Good afternoon, Chair and committee members. My name is Andrew Lobb. I am the Vice-President, Decommissioning, for Woodside.

Philippa MILNE: Good afternoon, Chair and committee. My name is Philippa Milne, and I am the environment lead for Project Australia at Woodside.

The CHAIR: Thanks very much for joining us today. It is a pretty straightforward format for the hearing. We will invite you to make an opening statement, and then we will begin with some questions. Over to you.

Andrew LOBB: Thank you, Chair and committee members, and thank you for the opportunity to appear today on behalf of Woodside Energy. As the committee is aware, we did not provide a submission, and therefore I have a fulsome response. Woodside was founded in Victoria more than 70 years ago and has grown into Australia's leading energy company. Today we operate across Australia and internationally, supplying energy that households, industries and communities rely on every day. Our operations are built on longstanding experience, a strong safety culture and a clear responsibility to manage our assets across their full lifecycle. Woodside's Victorian portfolio includes retired infrastructure in the Otway Basin and infrastructure in the Bass Strait at Gippsland that connects directly into Victoria's energy system.

Subject to regulatory approvals, Woodside is progressing towards operatorship of the Bass Strait assets in the second half of 2026. This strengthens our ability to meet domestic energy demand and maintain reliable supply

for Victorian consumers and industry whilst we plan and manage the decommissioning of offshore wells, platforms and pipelines across Australia in a coordinated and orderly way.

Decommissioning is a planned activity within the lifecycle of our assets whereby planning is required years in advance. Our approach is designed to ensure work is done safely, responsibly and in line with regulatory expectations while giving governments and regulators confidence that assets will be dealt with in a timely and predictable way. These plans recognise the unique nature of the work being complex and high cost, requiring specialised safety requirements in remote marine environments and often utilising highly sought after international marine vessels, drilling equipment and expertise. Woodside are one of Australia's largest holders of offshore decommissioning obligations, and we have demonstrated our ability to deliver at scale. Between 2023 and 2025 we progressed one of the most extensive offshore decommissioning programs in the country, investing more than US\$2 billion across Australian assets. This included major works on both the east and west coasts, with work progressed at our Enfield, Stybarrow, Griffin and Minerva assets. In Victoria this included completing the plugging and abandonment of the remaining wells at the Minerva field and recovering around 1400 tonnes of subsea equipment. That equipment has been transported to Laverton North, where it is being dismantled and recycled to the fullest extent, supporting local business activity.

Woodside believes how decommissioning is delivered matters not only for the environment but also for local capability, supply chains and confidence in the regulatory system. Woodside's campaign-based approach supports workforce participation and helps build national capability to manage the scale of decommissioning Australia will face in the coming decades. Science and evidence underpin all of our decisions. Before selecting decommissioning options we undertake environmental and technical studies to understand the impacts, the risks and the trade-offs. This is an important assessment, as it underpins and is embedded in Woodside's environment plans. We also invest in national research initiatives including the national decommissioning research initiative and the Centre of Decommissioning Australia to strengthen industry knowledge and regulatory confidence across Australia. We recognise that community and stakeholder expectations are evolving. Woodside engages with communities, traditional owners, fishers and other marine users to ensure their views are understood and considered as part of planning and decision making. Our objective is to balance safety, environmental protection, community expectations and regulatory requirements in a practical and transparent way.

In closing, decommissioning is a significant and long-term responsibility for Woodside. We are committed to learning and improving, working openly with governments, regulators, industry and communities to deliver safe, efficient and responsible outcomes that support Australia's energy system and environmental objectives.

The CHAIR: Thanks very much. We will start with some questions. Woodside, as you mentioned, is in the process of assuming the operatorship of the Bass Strait fields – subject to regulatory approval, we understand. The committee has received extensive briefings from ExxonMobil on their plans for the decommissioning. What effect will a change in operatorship have on ExxonMobil's stated decommissioning plans and approvals?

Andrew LOBB: Woodside is aligned with the current ExxonMobil plans for decommissioning, and they will remain unchanged. If I can offer a bit of context in terms of that agreement, under the agreement Woodside will assume operatorship of the Bass Strait production assets, the Longford gas plant, the Long Island Point gas liquids processing facility and the associated pipeline infrastructure. This transition is subject to regulatory approvals, as you say, and targeted for completion in the second half of 2026. There are a large number of notifications and submissions, and we are working through those to transition operatorship. An important thing to note here is that, whilst Woodside will assume the role of operator, title responsibilities and equity ownership between the joint venture remain unchanged, and ExxonMobil will remain an equal partner in the joint venture. What is great for Woodside is that the majority of the Bass Strait Australian workforce will keep doing the same job and simply transition to Woodside, so we are really looking forward to welcoming them to the Woodside team and building our capability with that Victorian on-the-ground experience that has been developed over decades of operations in Victoria.

The CHAIR: Woodside has had some experience with decommissioning projects in the past. Can you tell us what you think are the biggest risks associated with decommissioning projects and the strategies you think are most important to mitigate those risks?

Andrew LOBB: The first that I would talk to in terms of risks is being underprepared and not being ready for the large-scale remote activities that typically occur in the marine environments in which we work. A key learning for us is really to invest in that front-end planning to understand what options are available to meet our obligations as a title holder and execute that decommissioning but equally to invest in and understand the environment in which we are working and ensure that with the methods we choose and the timing with which we elect to execute that work we limit and avoid environmental impact in doing so. That is the primary one.

The CHAIR: Have you got any examples for us of where you think, upon reflection, some decommissioning projects could have been done better, and what are those improvements you would make?

Andrew LOBB: Yes. Really for us in terms of our portfolio – and it is extensive – one of the key learnings for us is in late-life operations, ensuring that when the cessation-of-production date occurs – and it is variable; there is no predetermined date with that, it is a range of time, so it is a window – we are ready to meet our obligations, particularly with the timeliness of where work is required to be executed in line with NOPSEMA's requirements. That is a real example for us. There are different timeline and timing obligations associated with well plugging and abandonment, facility removal or subsea infrastructure.

The CHAIR: Are there any features of the operations of Bass Strait that are scheduled for decommissioning that you are particularly concerned about?

Andrew LOBB: What I will say there is that we are aligned with ExxonMobil's plans for the Bass Strait, and any questions around the specifics are really best left with them in this instance.

The CHAIR: Thank you. Mr Ettershank.

David ETTERS HANK: Thank you, Chair. Thank you for coming along today; it is much appreciated. Could I ask, in terms of the relative experience of Woodside vis-a-vis Exxon of managing decommissioning, would I be correct in assuming that Exxon globally as well as in Australia is a lot more experienced in this business than Woodside?

Andrew LOBB: I understand they have a centre of excellence based in the United States which they connect with as part of their planning and their execution of decommissioning work. What is favourable, as I mentioned, is that the joint venture remains whole, so despite the transfer of ownership to Woodside, that experience and that knowledge base will still be accessible by the venture, including Woodside.

David ETTERS HANK: I want to come back to the States in a sec. Let us just take that question, though, of the joint venture, because I think that is obviously an interesting issue. We understand that currently the risk is contained within the JV, and it is largely separate from the revenues associated with being the operator. I think we also know that Exxon is moving capital out of Australia at a significant rate. What is to stop Exxon from onselling its equity in the joint venture to a less well capitalised firm and creating a regulatory gap there?

Andrew LOBB: Well, the regulations have strengthened in that area in recent times, particularly around the requirement for financial assurance for any change in that regard. Equally, trailing liability in the event that any new titleholder cannot meet their obligations exists for all titleholders in the Australian regulatory regime.

David ETTERS HANK: But that risk would only accrue in the context of an accident or a major incident, wouldn't it? It would not necessarily occur in the context of a transfer of assets by Exxon.

Andrew LOBB: In terms of decommissioning, certainly. But, sorry, your specific question?

David ETTERS HANK: The question is the prospect that if Exxon is getting out and you are stepping up the degree to which Exxon can actually exit the joint venture and potentially be replaced by a less financially capable company.

Andrew LOBB: Of course any change in title has its own framework and regulatory approvals associated with that, so that would come into play.

David ETTERS HANK: All right. I guess the other one is there has been a lot of consumer concern that has come up in the context of discussions around this inquiry with regard to Woodside's history. Putting aside Minerva, which we understand is potentially sub judice at the moment, you do have a bit of a record of

problems in terms of environmental spills if we go to – what have we got – around Ningaloo and a couple of your other sites in the south, to the point where I think the US environmental regulator in one of their reports cited your Australian operations as a potential risk in considering applications in the US. What is your response to that?

Andrew LOBB: My response to that is I do not actually have those details, but what I can do to help with the inquiry here is take that question back to my organisation and provide some information in that regard. I just do not actually have that information to be able to actually answer it factually.

David ETTERS HANK: Okay. I think that will do. Thank you, Chair. Thank you very much.

The CHAIR: Thank you, Mr Ettershank. Ms Bath.

Melina BATH: Thank you for being here this afternoon. If we contemplate the handover of operatorship to Woodside from Exxon, Esso/Exxon has been in the footprint in Gippsland for 60 years. Some will say they are very trusted; others will have different opinions. They are a known quantity. We have heard that Exxon has conducted over 300,000 interactions with the community and stakeholders. What I want to understand is you are being passed the football, a very important football, I think, for our region; what sort of changeover has happened? How does that look? Yes, you have been in the background, but now you are actually going to take operatorship. Can you explain the transfer information and continuity training – can you walk us through that, please?

Andrew LOBB: Yes, sure. We are in the transition planning stage at the moment, so preceding that change in operatorship. Simplistically, in how we are seeking to manage this transition so that it is seamless it starts with the transfer of people and therefore knowledge, experience and know-how. It includes information, so that detailed asset information that as a partner in the JV we do not have access to today, but in the future we will. Equally, with respect to a seamless transition on day one, that would include contracts that had been novated across to the Woodside organisation. Our objective is to welcome that very experienced team and workforce that, as you say, have built decades and decades of experience with their tools, their management systems and everything that they need to deliver that safe, reliable production every day.

Melina BATH: Okay. Thank you. So for example, community engagement: you are planning on offering those community engagement officers the same job so that there is that interface continuity? That is my understanding.

Andrew LOBB: Yes, that is correct.

Melina BATH: My question was going to be around contractors during the handover. You do not see any major change in current contractors losing their contracts?

Andrew LOBB: No, not at all.

Melina BATH: Thank you. And in terms of CMA, we have just heard that the actual decommissioning, the disassembling contract has gone to CMA. Is that going to continue under Woodside?

Andrew LOBB: I am unfamiliar with that acronym; I do apologise. I would just reinforce that any mechanisms that are in place or transitioning to be in place in service of the work remain unaffected by this operatorship change.

Melina BATH: Great. When I asked the department of environment – it was earth resources and energy infrastructure today – in Victoria and considering the Victorian footprint of legislation and regulation, they said that they had had good and ‘robust’, I think was the word, communications with Exxon. Have you to date had any conversations with Victorian state government departments, or is that still in the future?

Andrew LOBB: Phillipa, with respect to the transition, are you –

Phillip MILNE: I can talk to the engagement that is been happening with NOPSEMA, but I think we would need to take the question on notice around state government engagement.

Andrew LOBB: Yes. Sorry, I do not have that information with me, but I can certainly take it away to the organisation and respond by taking that on notice.

Melina BATH: Thank you. Clearly when you take over there needs to be all the different elements, both federal and state and ours as a state parliamentary inquiry. We are going to make recommendations to the state government: 'This committee recommends the state government does X or Y.' Is there anything that Woodside would want to see in those recommendations?

Andrew LOBB: Yes. There are three that I would like to share, given the opportunity, and they are really founded around streamlining and supporting the interface that you described just then between Commonwealth and state. There are a number of approvals, permits et cetera that are required in support of a decommissioning program, so we do see a value and an opportunity in establishing single points of contact for matters such as that. In the layers of approvals that are needed, again, in support of the program, measures to allow approvals to be secured in parallel rather than sequentially is also a way for a process like that to be more efficient. And lastly, CODA, the Centre of Decommissioning Australia, have been mapping Australia's decommissioning waste and facilities landscape, and we believe continuing to mature that would give both regulators and operators a shared reference point. So they are the three key areas for us.

Melina BATH: Thanks. My time is finished, but thank you.

Andrew LOBB: Thank you.

The CHAIR: Dr Mansfield.

Sarah MANSFIELD: Thank you. And thank you for appearing today. We have learned that you have a 50 per cent financial interest in the joint venture with Exxon in the Bass Strait, in the operations in the Bass Strait. Have you modelled the potential costs of decommissioning, including the relative costs of different options for that decommissioning?

Andrew LOBB: I pointed out before that we are one of the larger holders of decommissioning obligations, and our approach to restoration cost estimates, those that you are referencing there – we believe that process and those accounting processes are robust, they are transparent and they are risk weighted. Decommissioning provisions reflect the regulatory requirements that we have as a titleholder, the engineering data, the understanding of the environment in which work needs to be undertaken and benchmarking. They are reviewed regularly, and they are audited.

In terms of specific provisions, they are confidential by nature, but –

Sarah MANSFIELD: But you have done that work. You have modelled it. You have looked at 'Okay, if we remove all the infrastructure' versus leaving some of it there. You have a sense of what the different costs would be.

Andrew LOBB: We have taken a preliminary view on that, yes.

Sarah MANSFIELD: Yes. Okay – because for some reason Exxon has not done that work, is what they have indicated. I would have thought both parties would have to have an understanding of the potential costs, at the very least, going into a joint venture.

Andrew LOBB: It is the titleholder's responsibility to manage their own business, and what I have shared then is to outline Woodside's process.

Sarah MANSFIELD: Okay. Last year NOPSEMA issued Woodside with an order to better plan its decommissioning works after a string of what NOPSEMA determined were preventable offshore safety and environmental incidents that occurred during decommissioning works, including at the Minerva site in Victoria and two sites in Western Australia. Why should the public have confidence in your ability to safely, from a workplace safety as well as an environmental safety perspective, take on that decommissioning work of the Esso platforms in the Bass Strait?

Andrew LOBB: Thank you for the question. We have entered an emerging sector in our industry, and through the process of executing the work at scale that I referenced in my introductory remarks there have been

successes, yet there also have been events that Woodside has learned from. As a company we take full ownership of the performance of all of our decommissioning activities, and we strive to seek to understand and learn from any events that we encounter and with those learnings apply those forward in revised methods or risk controls to ensure that when work recommences there is improvement and it can be demonstrated. That is how we approach these things. We pursue excellence. We are in an emerging stage of developing and executing decommissioning works, and I acknowledge there are areas that we need to improve and get better.

Sarah MANSFIELD: Okay.

Andrew LOBB: In terms of Victoria – sorry, if I may – again, that comes back to the strength of the operator transition that I referenced a moment ago with Bass Strait. Having their experience and their capability join Woodside in the second half of this year to execute that forward program that you reference is really a strength to the whole agreement.

Sarah MANSFIELD: Okay. Woodside delayed decommissioning works for the Northern Endeavour and other projects for such an extended period that the infrastructure had deteriorated to the point where it could no longer be safely decommissioned as planned. In the case of the Northern Endeavour, which I think everyone is familiar with, the assets were then transferred to another operator, who was not able to complete the decommissioning, and the public were left with the liabilities for that. Is delaying decommissioning a deliberate tactic to avoid the cost of decommissioning? Obviously there is no return on investment.

We do not have any sense of a timeline. We have got a rough sense of the platform program, but for all the remaining infrastructure as yet – all the pipelines and everything else that is still going to be there – we have not been given any sense of the timeline for removing that. Is delay a tactic that is being used here?

Andrew LOBB: The answer is no. What has changed recently is the strengthening of the regulatory framework, which NOPSEMA would be able to talk to you about, particularly their compliance expectations in the timing of when work needs to be executed from that point of cessation of production. That is a key change for all Australian companies in the industry.

The CHAIR: Thanks, Dr Mansfield. Ms Watt.

Sheena WATT: Thank you so much, and thank you to you both for joining me today. I have a suite of questions. Hopefully I will get through them. I want to go to our earlier conversations with previous witnesses about the recycling of steel. I want to ask about how much of the steel from the Minerva decommissioning was recycled and where that was recycled. Can you tell us a little bit about the process, experience and findings?

Andrew LOBB: Thank you for the question. I will hand over to Philippa on the specifics around that.

Philippa MILNE: I am happy to take the question. At the current point 94 per cent of the infrastructure that has been recovered from Minerva has been recycled. That activity is due to be complete by September 2026. That is due to the extensive cleaning that has to take place before that equipment is recycled. The steel is being recycled locally at InfraBuild in Laverton North. That goes through a rigorous testing and cleaning regime before it gets to the point it is recycled. The concrete is being recycled at Ausdecom. They have a concrete recycling facility in Laverton North. The majority of the plastic is also being recycled locally between different plants throughout Melbourne.

Sheena WATT: That is actually very, very good to hear and a much higher number than I was expecting. What is the current state of the decommissioning workforce in Victoria? Are we ready for the large-scale efforts required before us? And if not, how can we really upskill for the workforce that we need? Can you talk a little bit about your investments into building the workforce needed to have decommissioning ready and able in our state?

Andrew LOBB: It is a good question. In terms of the local Victorian demand –

Sheena WATT: Yes, Victoria specifically.

Andrew LOBB: I would point to ExxonMobil's projections around that. If I can talk to our footprint and what Woodside are doing, in terms of the Minerva decommissioning works, we would expect the same level of demand and opportunities for local employment that exist today when works recommence. We look at

capability build internally and with our contractors. Firstly, internally we are doing a lot of efforts to cross-skill our people, so transferring personnel and our service providers from a project environment or an operations environment into decommissioning, because you need that full complement of skills, so they are transferable. That also applies to our contractors. One thing that Woodside does with respect to decommissioning – and you will see more of this – is a campaign approach where we start to look longer term and we start to connect projects so they are not stop and start, and that then allows us to onboard and build those skills in a workforce and the technical expertise that supports that and then provide longer continuity. With that continuity brings a greater length of time to build that capability. So that is our strategy around that.

Sheena WATT: As an organisation you have been involved in decommissioning around the globe, I assume. Can you walk us through some comparisons of international experiences compared to here in Victoria? Are we top tier? Where are we at? I am interested to know where we fall on the international scale of Woodside's operations in terms of the sophistication of our decommissioning.

Andrew LOBB: That is a good question. In terms of the basins, if you look at Australia, we are an emerging sector in the industry compared to more mature basins such as the United Kingdom, the United States, as you reference, or in Brazil, the deepwater facility. We are in the process of building those networks and those partnerships for exchange of information. It is early days for us. In parallel with that, we are in a number of committees with the Centre of Decommissioning Australia, so CODA, but also international decommissioning committees as another route to understand what best practice is elsewhere in the world and how we can learn and apply those to Australian conditions and apply them within the Australian regulatory framework. That is very much a work in progress for us.

Sheena WATT: Lovely. If we have more time, Chair, I will come back with further questions.

The CHAIR: Yes. Mr McIntosh.

Tom McINTOSH: Thank you. We have just had a lot of submissions around the state holding funds to ensure that work is completed. I should remember these numbers; we have been through them so many times now. But if we are talking about, say, 13 platforms, by memory – or whatever the number of platforms we are talking from an oil perspective – and we have got gas platforms that are going to run for, let us say, another 10 or whatever it is years, Woodside will hold 50 per cent of the value of those platforms as well. Is that correct?

Andrew LOBB: We are a 50 per cent equity owner in the GBJV.

Tom McINTOSH: So there are platforms that will be decommissioned in this stage over the next five-odd years, and there are another series of gas wells that are still producing that will need to be decommissioned into the future?

Andrew LOBB: Yes. The specifics around the quantities I would have to validate. But yes, there are platforms and, yes, there are wells that are still operating today and would ultimately need to be decommissioned.

Tom McINTOSH: So what would you say to people who have recommended to this committee that the state or federal government should hold funds to ensure that work can be done into the future?

Andrew LOBB: I would point them to the titleholder's responsibilities in the Australian regulations – that that obligation to decommission infrastructure resides with the titleholder. Woodside recognise that and we make provisions for that, for that forward program.

Tom McINTOSH: Just being hard-nosed economically about our ability to deal with it, if there are wells that need maintenance over time or any matter, without getting into the specifics – but from a Victorian perspective it is about assurances that Woodside would be able to pay to have those works done 10, 15, 20 years from now, particularly if we are not talking about those decommissioning projects even starting for 10 to 15 years from now – what would you say about those calls for governments to collect funds and hold them now to ensure that work happens in case Woodside are not able to meet that financial burden in the future?

Andrew LOBB: I would say again that we understand our responsibilities and we have made provisions for that. It is also in the trailing liability mechanisms within the regulations that, perhaps in the scenario you are describing there, NOPSEMA would direct Woodside to attend to whatever the issues are at that time – if they demand it. They exist for that very reason, to ensure that a titleholder meets their obligations.

Tom McINTOSH: Just looking at it from a Victorian perspective, the current gas – I have forgotten the name, but they say it is 200 petajoules. So let us say there is 10, 15 years of gas there. If Woodside get to a point where those wells do not have any more supply and Woodside does not actually have any other investments in Victoria that meet the state's desires going forward, like electricity generation or something that really contributes to our state, I suppose it is just that hesitation of – you know, if you look at the International Energy Agency, they are saying world gas sales are going to start to diminish in the next 10 to 15 years. So if Woodside is not diversifying its income streams, from a risk perspective the Victorian government looks at it and says, 'Well, here's a company that is not diversified insofar as its financial risk. How do we know that it's going to be able to complete the works over those next 20, 30 years?'

Andrew LOBB: Yes, I understand your question. What I might do is just take that on notice and think a bit more deeply around your question, go back to my organisation and provide you some information that would help address that question – if I may take that on notice.

Tom McINTOSH: Yes, absolutely. I have got about 10 seconds. I think Ms Watt picked up on the recycling of metal – that was the other key point I was keen on. I will leave my questions there. Thank you, Chair.

The CHAIR: Thank you. Mr Lobb and Ms Milne, thank you so much for joining us today. We appreciate the time you have taken and the evidence you have provided to us. You will be provided with a proof version of the transcript in the coming week to review.

With that the committee will take a short break.

Witnesses withdrew.