Climate Justice Taranaki Submission at the EPA Board of Inquiry Hearing

In the matter of Tamarind Taranaki Limited's marine consent and marine discharge consent applications for development drilling activities in the Tui Field, offshore Taranaki

8 November 2018

www.climatejusticetaranaki.info

Our Key Points

- **1. Impacts on marine mammals**
- **2. Cumulative effects**
- 3. Disjoint processing of related applications
- 4. Non-notified applications
- 5. Economics
- 6. Cost of climate inaction

Impacts on marine mammals – Precautionary principle?



GRANT MATTHEW/STUFF

Twelve sperm whales have washed up on a South Taranaki beach.

Tamarind oil spill modelling, 21/3/2018 Legend on the Sea Surface (% obability of hydrocarbon exposure on the sea surface - Exclusive Economic Zone hreshold or greater than 0.5 g/m²) ① Miell Location 10+20 New Zealand 10 day loss of well control 20-30 MAQ0648J Tamarind Tui OSM 30-40 40 - 50

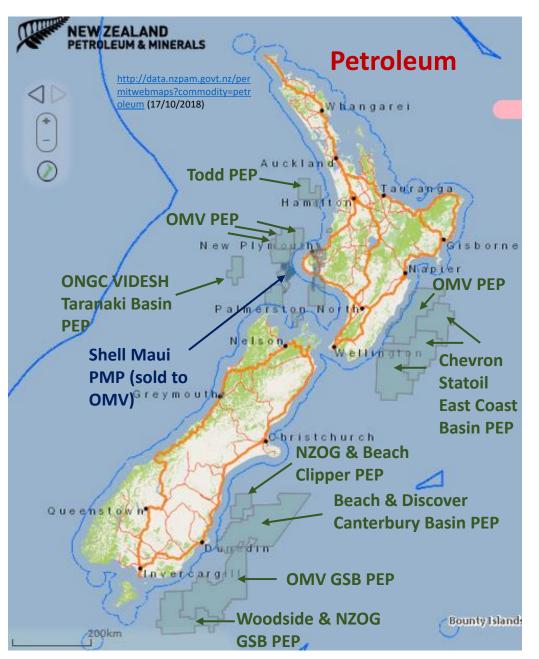
Figure 20 Probability of oil exposure on the sea surface above low exposure (≥0.5 g/m²) from a 110-day loss of well control.

DOC is not intending to investigate the potential cause of death for these sperm whales any further. Once the veterinary pathologist made his determination about the usefulness of a necropsy, there were few other options for investigation. Iwi flensed several of the whales to collect bone for cultural purposes and reported no gross abnormalities or other unusual findings. Samples described in our separate response to Q3 were collected but are unlikely to provide insight on the reason for these strandings. DOC is always keen to understand why these events happen, but options for investigating are unfortunately limited.

OIA response from DOC to CJT, 24/10/18

Risk & Responsibility?

Cumulative effects – What are we not considering?



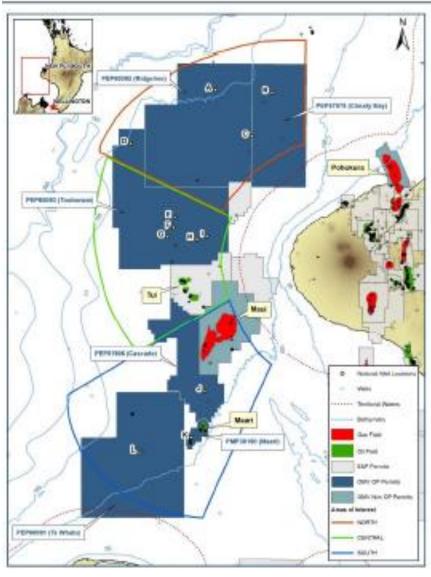


Cumulative effects and disjoint processing

Tamarind already holds a marine discharge consent (EEZ3000006) for the discharge of produced water at sea and has been discharging an increasing amount over time (IA s 1.2.5).

"There is also potential that the drilling rig used for the side-track drilling may engage in exploration drilling within PMP 38158, which would be the subject of a separate marine consent application once details of that project have been defined" (IA s 3.6). "If undertaken, exploration drilling is anticipated to be undertaken using water based drilling muds only, with only a very limited number of products being potentially ecotoxic and triggering the definition of a harmful substance" (IA s 3.6.2).

Disjoint processing of related applications & Non-notification



OMV Proposed Well Locations

OMV New Zealand Limited

Decision Date: 04 October 2018

On 4 October 2018, the Decision-making Committee granted, subject to conditions, marine discharge consent to OMV New Zealand Limited. https://www.epa.govt.nz/public-consultations/decided/omv-new-zealand-limited/

CJT wish to seek clarifications as to whether legal advice (independent of OMV's) has been sought in considering s 44 and before the decision as per 27/9/2018 was made. Please provide us with any reports or correspondence concerning such advice.

Legal advice was provided as part of the statutory decision making process.

The documents listed below are in scope of your request, as they comprise of, and incorporate, legal advice on this matter. The documents are being withheld under section 9(2)(h) of the OIA, in order to maintain legal professional privilege. **OIA response from EPA to CJT, 5/11/18**

Because the <u>wells are of exploratory and appraisal</u> <u>nature</u>, the marine consent application for the drilling will <u>not be notified</u> and there will be <u>no</u> <u>opportunity for public submissions</u>.

Economics: Decommissioning costs

The government expects to pay over \$800 million in the next 25 years to oil companies, as tax and royalty rebates (42-48 % of total cost), to decommission their aging offshore rigs and structures

http://www.stuff.co.nz/taranaki-daily-news/news/90952440/Governmentfaces-multi-million-dollar-bill-to-decommission-oil-rigs

Inland Revenue is considering introducing 'Refundable tax credit' for decommissioning

http://www.petroleumconference.nz/wpcontent/uploads/2017/04/23-Hulbert-Community-22-March.pdf

http://taxpolicy.ird.govt.nz/publications/2017-ris-areiirmbill/petroleum-mining-decommissioning Government faces multi-million dollar bill to decommission oil rigs

LEIGHTON KEITH Last updated 09:19, March 29 2017





Costs & risks from plugged & abandoned wells

MBIE's recent review of more than 960 onshore wells drilled over the last 150 years found a number of wells to have *"outstanding plugging and abandonment (P&A) commitments, i.e. these wells are not recorded as having been plugged and abandoned. These wells represent an unknown risk to health and safety, and the environment".*

MBIE has been looking for a suitably qualified technical service provider to assist in determining and describing the technical integrity of these wells, and provide a methodology that ranks the risk these wells pose, which will be used to prioritise any activities to address this risk.

How climate change could send your insurance costs soaring .

LEITH HUFFADINE Last updated 05:00, January 6 2018



"Council chief executive Tim Grafton says New Zealand can expect to face, on average, annual costs of \$1.6 billion... from natural disasters, based on data going back to 1900." https://www.stuff.co.nz/environment/climate-news/98001955/how-climate-

change-could-send-your-insurance-costs-soaring

Climate Disruption Costs

International journal of science

G• 🖂 🙆

EDITORIAL · 25 SEPTEMBER 2018

https://www.nature.com/articles/d41586-018-06827-x

The costs of climate inaction

A new analysis breaks down the likely social cost of carbon emissions by country and should make unhappy reading for politicians.

Combined country-level costs (and benefits) add up to a global median of more than \$400 in social costs per tonne of CO2 — more than twice previous estimates. On the basis of CO2 emissions in 2017, that's a global impact of more than \$16 trillion.

New Zealand ill-prepared for rising cost of climate change

NewsTalk ZB Staff, National, Sunday, 17 December 2017, 7:08AM



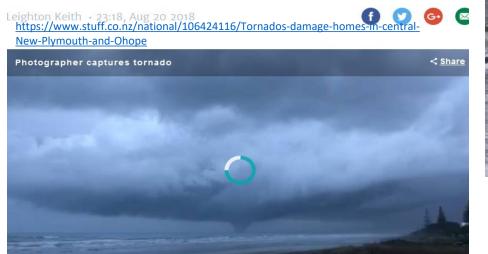
We have 12 years to limit climate change catastrophe, warns UN

Urgent changes needed to cut risk of extreme heat, drought, floods and poverty, says IPCC

Overwhelmed by climate change? Here's what you can do



Tornados damage homes in central New Plymouth and Ohope •



e Climate Crisis

Impacts on our life-support system & inter-generational equity

Residents evacuated, breakwater closed and power cut as storm hammers region

Jane Matthews, Brittany Baker and Stephanie Mitchell18:24, Feb 01 2018



https://www.stuff.co.nz/taranaki-daily-news/101066650/Residents-evacuatedbreakwater-closed-and-power-cut-as-storm-hammers-region

2017: Our extreme year of weather

13 Dec, 2017 1:24pm https://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11



Highest temperature in New Zealand for seven years recorded https://www.stuff.co.nz/national/10090

2180/waiau-records-highesttemperature-in-new-zealand-for) • • • • • • • •



Waiau recorded the highest temperature in New Zealand since 2011 on Thursday with a high of 37C.

Climate change risk prompts Super Fund to sell shares in oil, gas firms

1:05 pm on 15 August 2017

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Eric Frykberg, Transport, Energy & Resource Infrastructure Reporter Seric.frykberg@radionz.co.nz

The New Zealand Superannuation Fund has sold shares in some of the world's biggest companies to reduce exposure to firms emitting greenhouse gases.



"We think that climate change represents a material risk, one that is not being properly priced by the markets... This is clearly not an ethical decision at this stage, it is an investment decision" Matt Whineray of NZ Super Fund http://www.noted.co.nz/money/investment/why-nz-super-fund-is-ditching-millions-worthof-climate-damaging-investments/

Stranded Assets

Schlumberger To Exit Land, Marine Seismic Acquisition Business

Velda Addison Senior Editor, Digital News Group Hart Energy Friday, January 19, 2018 - 12:10pm



Energy company sells its NZ oil fields

3:29 pm today

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Canadian energy company Tag Oil is selling up and quitting New Zealand.



Transition? Gas is a bridge to nowhere!



Fugitive emissions captured by a FLIR camera in Texas

https://www.youtube.com/watch?v=RAo 3mh8CwMU&feature=youtu.be



https://www.youtube.com/user/ earthworksaction/videos

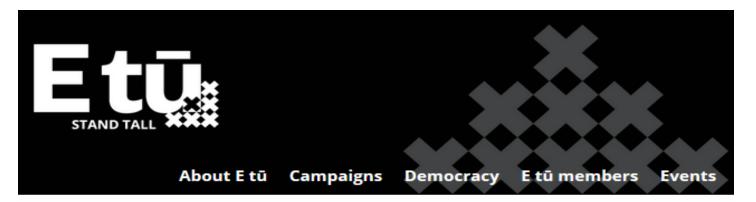
https://vimeo.com/205496570 (Australia) https://d3n8a8pro7vhmx.cloudfront.net/lockthegate /pages/3861/attachments/original/1495068484/FLIR Report FINAL 20170501 Small.pdf?1495068484



http://www.energyglobalnews.com/petrofac-secures-tamarind-well-project-management-contract/umuroa/

Read Why Natural Gas isn't a bridge fuel to a Low Emissions Economy, by Dr Terrence Loomis

https://www.researchgate.net/publication/327230654_Why_Natural_Gas_isn't_a_Bridge_Fuel_to_a_Low_Emissions_Economy



http://www.etu.nz/industry/energy-and-mining/

"The shift away from fossil fuels was real as renewable energy became cheaper and technology improved... We can't continue to put so many eggs in the oil and gas basket," Ross Henderson, E tū regional organiser

https://www.stuff.co.nz/business/102420256/taranaki-oil-sector-ready-to-move-away-from-fossil-fuel-exploration

"Unions support a Just Transition to a low-emissions, zero-carbon economy. Meeting government goals of 100% renewable energy by 2035 and a net zero-carbon economy by 2050 requires substantive action starting now, with the full involvement of working people and their unions," NZ Council of Trade Unions, Oct 2018



https://blog.p2pfoundation.net/3-steps-to-building-just-transition-now-witha-permanent-community-energy-cooperative/2017/05/09

See also <u>https://www.stuff.co.nz/taranaki-daily-</u> news/opinion/107832195/hydrogen-a-great-step-forward-but-first-we-must-dare-toditch-our-fossil-fuel-and-economic-growth-addictions

Taranaki Daily News, 20/03/18