

Equinor Great Australian Bight oil drilling

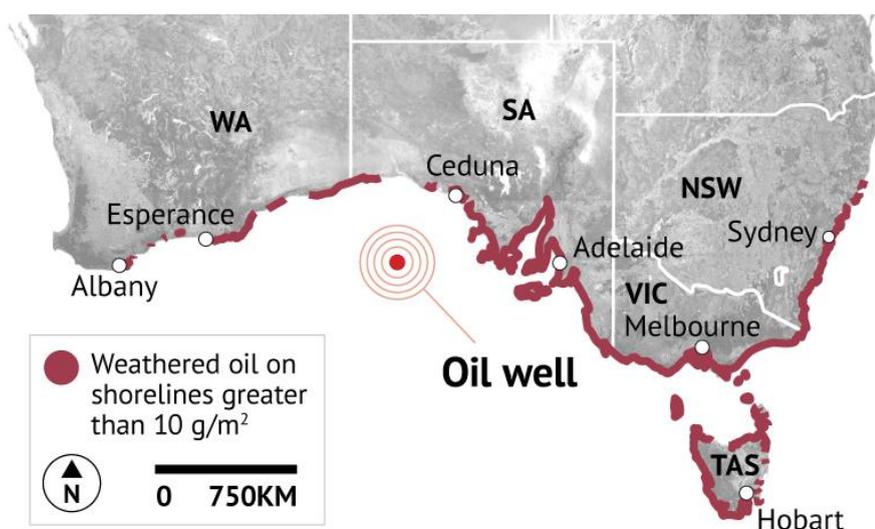
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Norwegian giant Equinor is now the sole oil major wanting to start ultra-deepwater drilling and open up **new oil fields in the pristine, deep and rough waters of the Great Australian Bight**, an open oceanic bay stretching 2000km along Australia's southern coast. BP and Chevron have both dropped their Bight plans. Equinor shareholders have tabled a motion at this month's annual general meeting in Stavanger to stop Equinor opening up new oil and gas fields in such pristine areas.

The Great Australian Bight is a unique, pristine marine environment, with 85 per cent of its marine species found only in these waters¹. The Bight is a haven for 36 species of whales and dolphins, including the world's most important nursery for the endangered southern right whale. It's the most important nursery for the endangered Australian sea lion and supports Australia's biggest fishing industry. **Equinor plans to drill in the biologically significant Great Australian Bight Commonwealth Marine Reserve.**

Opening the Bight to drilling is the **southern hemisphere's equivalent of attempts to drill for oil in the Arctic**. It has striking similarities to plans to drill off **Norway's Lofoten Islands**, which threaten tourism and fishing.

Equinor's oil spill modelling revealed that **an oil spill from an uncontained blowout was guaranteed to impact the South Australian coast**, and a spill could impact anywhere along **much of southern Australia's coast, from Western Australia right across to Australia's east coast past Sydney and around the island of Tasmania.**



Source: Sydney Morning Herald based on map in Equinor's draft Environmental Plan

Huge growing community opposition

Equinor is trying to steamroll the huge and growing community opposition, including **17 southern Australian local governments representing more than 600,000 people**. These councils cover the home of the southern hemisphere's biggest fishing fleet in Port Lincoln and some of Australia's biggest tourist attractions, including the Great Ocean Road and Twelve Apostles. **More than 10,000 people have protested against Equinor's plans at beaches all around Australia in the past two months²**, supported by 28 surfing legends, including world champions Stephanie Gilmore, Layne Beachley and Mick Fanning. Recent polling³ shows that **68 per cent of South Australians oppose drilling in the Bight**, and only 16 per cent support it.

Equinor executive Oystein Michelsen told Port Lincoln councillors that **Equinor would not "push through resistance"**⁴ yet it has officially sought approval by lodging its Environmental Plan with Australia's offshore oil and gas authority, NOPSEMA. **Equinor's draft plan attracted more than 31,000 submissions overwhelmingly in opposition**, yet just 13 comments led to any changes to the final plan.

Risky ultra-deepwater drilling in risky conditions

Ultra-deepwater (>1500m) drilling is a relatively new high-risk drilling operation carried out mostly in the Gulf of Mexico and off the coast of Brazil. **Ultra-deepwater drilling caused the world's biggest oil spill accident, the Deepwater Horizon tragedy in 2010**, when 800 million litres of oil spewed into the gulf for 87 days after BP attempted to drill an exploration well. Chevron was banned from ultra-deepwater drilling off Brazil after causing a major spill there in 2011.⁵ Just a month after the Deepwater Horizon tragedy, **only chance saved Equinor (then called Statoil) from a major disaster at its Gulfaks C platform** in the North Sea.⁶ Oystein Michelsen was in charge of Equinor's Norway oil exploration at the time.

The Great Australian Bight waters are deeper, more treacherous and more remote than the Gulf of Mexico. The Deepwater Horizon was drilling at 1500 metres depth 70km off the coast when it exploded. In the Bight, Equinor plans to drill in waters 2250m deep 400km from its closest port of Ceduna. **The waters are more than 20 times the depth of Equinor's home waters of the North Sea.**

There is **no established offshore oil and gas industry in South Australia to deal with a disaster.** More than 6800 boats were involved in the Gulf cleanup but the South Australian Oyster Growers Association says that SA and neighboring states do not have that many vessels and probably only 20 could operate safely in the waters where Equinor plans to drill.⁷

Equinor (then Statoil) took over two of joint-venture partner BP's four exploration permits in June 2017 after **BP repeatedly failed to submit an acceptable drilling plan to NOPSEMA.**

Unique marine environment

The Great Australian Bight is a unique, pristine marine environment, with 85 per cent of its marine species found only in these waters⁸ and more are being discovered. Just this decade 887 species have been found in the Bight for the first time,⁹ including 400 species new to science.¹⁰

The Great Australian Bight is a haven for 36 species of whales and dolphins, including the world's most important nursery for the endangered southern right whale. It's also the most important nursery for the endangered Australian sea lion. It supports seals, orcas, giant cuttlefish, great white sharks, Australia's biggest fishing industry and migratory seabirds Australia has international obligations to protect. Equinor plans to drill in the ecologically important Great Australian Bight Commonwealth Marine Reserve.

The Great Australian Bight is backed by the **longest line of sea cliffs in the world**, stretching 100km and reaching 60 metres high, making coastal clean-up operations even more problematic.

Economic costs

A spill would be devastating for **South Australia's \$442 million fishing industry**¹¹ **and its tourism industries in coastal regions, worth more than \$1 billion.**¹² The two industries employ more than 10,000 full-time positions.

Independent financial analyst Carbon Tracker says the **Bight is likely to be a high cost field**: "Allocating capital to high cost, high risk projects in the Australian Bight appears unwarranted in a low demand, low carbon future – shareholders should challenge whether this is the best strategy for the companies to create value."¹³

The world already has enough oil reserves (let alone coal and gas reserves) to take the world global temperature rise above 2 degrees Celsius, let alone the 1.5°C mark of the Paris climate agreement.¹⁴ Equinor CEO Eldar Saetre has been outspoken on climate change¹⁵ yet the company is pushing Bight drilling.

Oil spill modelling

South Australia's coast can still get hit by a lethal oil spill from a blowout in Equinor's proposed Stromlo-1 well even if Equinor can stop the flow with a blowout preventer in one day, its Environment Plan revealed.¹⁶

If Equinor needs its modelled 102 days to close the well, **the resulting spill could impact anywhere along much of southern Australia's coast** from Esperance in Western Australia right across to Australia's east coast past Sydney and around the major southern island of Tasmania.

South Australia's coast would be guaranteed to be hit by an uncontained spill that would kill animals and close beaches even if Equinor uses toxic oil dispersants, possibly including Australia's stockpiles of the highly toxic Corexit to the mix. Studies after the Deepwater Horizon tragedy in the Gulf of Mexico showed that Corexit combined with oil is 50 times more toxic than oil itself.¹⁷ Toxic dispersants do not clean up oil; they just break it into smaller droplets so it's harder to see. The tiny blobs may travel farther and be more easily consumed by invertebrates, fish and birds.¹⁸

Such a spill would cover more than 1000km of South Australia's coast on average and hundreds of kilometres of Victoria's coast. An unmitigated spill would cover an average of 1097km of SA's coast, 448km of Victoria's coast and 357km of Tasmania's coast. If Equinor uses toxic dispersants it would only cut the average length of affected coast to 878km in SA and 336km in Victoria.

South Australia's coastal waters would be guaranteed to be hit by an oil spill that will close fisheries, while Victoria, Tasmania and NSW would more than likely be hit with a spill that will close fisheries (82%, 67% and 51% respectively). Even using oil dispersants, South Australia would still be guaranteed to have fishery closures and Victoria would have a 75 per cent chance.

¹ www.misa.net.au/research/collaborative_research_science_program_-_the_gab

² <https://www.nytimes.com/2019/04/29/world/australia/surfers-drilling-bight.html>

³ <http://www.tai.org.au/content/national-poll-australians-opposed-drilling-great-australian-bight>

⁴ www.portlincolntimes.com.au/story/5500024/we-like-the-bight-just-as-it-is-great/

⁵ www.forbes.com/sites/afontevacqua/2011/11/23/chevron-banned-from-drilling-in-brazil-after-oil-spill/#d48ed0330451

⁶ <https://www.ft.com/content/afd96506-f408-11df-886b-00144feab49a>

⁷ <https://www.bbc.com/news/business-11801317>

⁸ www.aph.gov.au/DocumentStore.ashx?id=8c6910e1-6143-4282-a8c8-cb89681eda11&subId=412275

⁹ www.misa.net.au/research/collaborative_research_science_program_-_the_gab

¹⁰ www.misa.net.au/_data/assets/pdf_file/0012/295995/Great_Australian_Bight_Research_Program_Highlights_2013_2017.pdf

¹¹ www.abc.net.au/news/2018-11-26/hundreds-of-species-identified-in-great-australian-bight-survey/10469506

¹² http://pir.sa.gov.au/top_menu/about_us/annual_reports

¹³ www.tourism.sa.gov.au/research-and-reports/regional-tourism-profiles.aspx

¹⁴ <http://reneweconomy.com.au/2016/senate-to-probe-bp-great-australian-bight-oil-plans-a-2-6bn-carbon-bomb-79026>

¹⁵ <http://climateanalytics.org/publications/2016/implications-of-oil-extraction-from-the-great-australian-bight-for-paris-agreement-long-term-goal.html>

¹⁶ www.equinor.com/en/magazine/transitioning-to-broad-energy-company.html

¹⁷ <https://www.equinor.com/gabproject#>

¹⁸ <https://www.sbs.com.au/news/great-australian-bight-drilling-plan-sparks-fears-of-oil-spill>

¹⁹ <http://www.news.gatech.edu/2012/11/30/gulf-mexico-clean-makes-2010-spill-52-times-more-toxic>

²⁰ <http://www.birds.cornell.edu/page.aspx?pid=1909>