



12 April 2023
The Hon Bill Johnston MLA
Minister for Mines and Petroleum
9th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005

By email: Minister.Johnston@dpc.wa.gov.au

Dear Minister,

Inquiry Request: Santos Environmental Breaches

As you might know, in February 2023 Senator David Pocock tabled a statement in the Federal Senate from a whistleblower (attached) that reported on an incident at Santos' Varanus Island Gas Plant.

The whistleblower described a condensate spill on site in March 2022 which was caused by a tear in a subsea hose that leaked condensate into the water for 6 hours before it was identified. As a result of this spill, marine life including dolphins were found at dead at the scene.

Santos' public comment in response to the incident was "the event had negligible harm to the environment".

The whistleblower believes that this comment is "baseless, designed to mislead and avoid accountability". They are concerned that the Santos response is a demonstration of how the company can operate "to avoid public interest through misinformation, supported by a cosy relationship with regulators and government".

I have seen reporting that Santos told the WA Department of Biodiversity, Conservation and Attractions that three dead dolphins were seen close to the oil slick. It was also reported that these dolphins were unable to be retrieved and no further action was taken.

However, I understand that the WA Department of Mines, Industry Regulation and Safety is now investigating the event.

I would be grateful for an update on the Department's investigation and whether enforcement action will be taken against Santos if found necessary.

In the interest of transparency and accountability, I look forward to hearing a response from you or your Department.

Regards

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Cc The Hon Madeleine King MP, Federal Minister for Resources

The Hon Reece Whitby MLA, Western Australian Minister for Environment

Senator David Pocock, Senator for the ACT

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Statement by a Santos whistleblower (16 February 2023)

In March last year, while working for Santos, a large Australian oil and gas company, I witnessed an incident – and subsequent cover-up – which forced me to confront questions about organisational values and my own responsibility as an employee.

The incident took place 300 kilometres off the coast of Karratha, Western Australia, in the Lowendal Islands – known for pristine white sand beaches, gorgeous blue turquoise water and abundant marine and bird life.

Early one morning at Santos's Varanus Island Gas Plant, a scent of condensate (a light form of oil) filled the island. Over the coming hours we would learn that a subsea hose had been torn as it was loading an oil tanker parked a kilometre from the beach. The tear had been left unidentified for more than 6 hours, pouring a reported 25,000 litres of condensate into the ocean.

Regardless of efforts to cease the spill, the mood on the island became sombre when learning that dead dolphins, including a pup, were found floating in the centre of the spill; in other areas, sea snakes writhed in agony.

The tragedy of dolphin carcasses amid a kilometre-wide oil slick should be the story. But it's not. The story is Santos's subsequent cover-up and total disregard for the values they say they hold dear, values such as accountability and integrity.

'Negligible harm'

A month after the spill I was intrigued when news of the incident surfaced with no mention of impact on local wildlife. I was then shocked at the public comment from Santos: 'the event had negligible harm to the environment'.

Tens of thousands of litres of oil in the ocean, dead dolphins and sea snakes. How was this negligible? Even worse, as I knew, that in defiance of their obligations, Santos had not mobilised environmental assessors to the island until a week after the incident – they could not have known the real scale of impact, it was never checked.

I felt strongly that Santos' comment was baseless, designed to mislead and avoid accountability. I was faced with this or believing I worked at an organisation that truly saw the impact of that day as negligible. What company puts thousands of litres of oil in the ocean, kills dolphins and thinks it is no big deal? Were these 'negligible' events happening elsewhere? How was the bar set so low?

I am aware that employees spoke up about the public comments internally. Senior Santos executives know, or at least should have known, that the company's deceptive conduct was contrary to its internal code of conduct and values and, possibly, the law.

We hoped that, maybe, the situation would be rectified. Instead, the company doubled down. Instead, when news of the dolphin deaths became public late last year, Santos denied any connection. It said: 'These sightings were a couple of hours after the incident, in which time no harm would have resulted from this incident'.

I was shocked, again, to be reading what I can only see as an outright lie. What belief in their ability to deceive the public allows such a transparent lie to be put on record. I was appalled at the culture and management within Santos which demonstrated such wilful refusal to accept responsibility.

These lie spurred me to speak up. This was no longer grey, but a black and white lie from Santos – potentially with market, financial and regulatory consequences. Companies should not be able to lie to the public.

I am confident that no real, objective assessment could confirm Santos's assertion that no harm could come to the local sea life as a consequence of the oil spill.

The facts are simple: multiple dolphins were found dead, floating in dense sections of the oil spill, where fumes were extremely high. It is a lie to state that the condensate would have evaporated within hours of the spill; it was still very much present when the dolphins were found. Santos insisted that the spill of thousands of litres of toxic liquids and fumes into their habitat could have no impact on the dolphins. These images suggest otherwise

Santos – please explain.

Stewardship and a bigger picture

I am aware that in the scale of environmental impacts, a few dead dolphins likely sit low on Santos's scale. However, the lies presented by Santos, so callously to the public, indicate an organisation which is comfortable with a culture of avoiding accountability, and one which does not operate in the interest of the Australian public.

It indicates a belief within Santos that they can operate to avoid public interest through misinformation, supported by a cosy relationship with regulators and government. As an employee who saw very little real effort to be accountable or address the scale of emissions, I question now if their comfort to lie and misrepresent is present in their statements around future climate performance and emissions.

I hope that employees in the industry can read this and be encouraged to speak up against wrongdoing at all levels. I never expected to be faced with this, but I found myself in a situation that I felt was wrong. I wasn't accepting of excuses or avoidance. The lack of accountability, and the nature and frequency of incidents occurring at Santos, made me truly believe that it is in the public interest for this information to be released.

I hope that in a small way, the organisations partnered with Santos through sponsorships or as stakeholders can use this information as insight to guide their decisions. Santos in no way demonstrated care for the environment, accountability nor integrity at the highest levels. They treated the public with disdain. To ask the question bluntly, who wants to be sponsored by a company so comfortable with killing dolphins?

Santos lied to us all – it is not a coincidence to find dead dolphins in the middle of an oil spill. I call on Santos to show some respect for the public, your employees and the dead bottlenose dolphins that I believe your operation killed.

Videos

<https://www.aph.gov.au/~media/915199815BEC4FCEBBCBA167D05128D3>

<https://www.aph.gov.au/~media/C7690C30B5C9499C862DE12FFFCC0F30>











2022/03/20



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Marine Terminal Load Out Hose Inspection

N:7718111.93
KP: 0.0000

HDG:203.58
Depth:24.11
Alt:0.00

Santos

Submersible hose





