

Annual Report – Riverland Pipeline

Pipeline Licence 6

Licence Year 2020

1 January – 31 December 2020

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Australian Gas Networks Limited

ACN 078 551 685

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Table of Contents

1	INTRODUCTION	3
2	REGULATED ACTIVITIES	3
2.1	Patrolling Activities.....	3
2.1.1	Weekly Patrols	3
2.1.2	Monthly Patrols	3
2.1.3	Monthly Aerial Patrols.....	3
2.2	Operational and Maintenance Activities	4
2.2.1	Quarterly and Annual Inspections and Maintenance on Mechanical Equipment	4
2.3	Surveys.....	4
2.3.1	Annual Leakage Survey	4
2.3.2	Cathodic Protection Surveys	5
2.3.3	Special Crossings Surveys	5
2.4	Pipeline Location and Referral Services.....	5
2.5	Permit to Work System	5
2.6	Emergency Response	5
3	COMPLIANCE ISSUES	5
3.1	Licence and Regulatory Compliance	5
3.2	Compliance with Statement of Environmental Objectives	5
3.3	Rectification of Non-Compliances	6
3.4	Management System Audits.....	6
3.5	Reports and Data Submissions.....	6
3.6	Incidents	6
3.7	Threat Prevention	7
3.8	Future Work Program	7
3.9	Additional Information	7
4	EXPENDITURE STATEMENT.....	7
APPENDIX A:	ANNUAL ASSESSMENT OF COMPLIANCE AGAINST SEO OBJECTIVES	8
APPENDIX B:	EXPENDITURE STATEMENT	16

1 INTRODUCTION

Pipeline Licence (PL) 6 was granted on 27 January 1994 and was renewed again in early 2015. The licence authorises the construction and operation of the Angaston to Berri and Sedan to Murray Bridge Natural Gas Transmission Pipeline System commonly referred to as the Riverland Pipeline, located in South Australia. This report has been prepared by APT O&M Services Pty Ltd (APA Group), on behalf of Australian Gas Networks (AGN) and details the work conducted during Licence Year 2020 of the licence (1 January 2020 to 31 December 2020 inclusive) in accordance with Regulation 33 of the *Petroleum and Geothermal Energy Act 2000* (SA) (the Act).

2 REGULATED ACTIVITIES

The following regulated activities were carried out under the licence during licence year 2020.

2.1 Patrolling Activities

2.1.1 Weekly Patrols

SCOPE:

- Inspection of T1 locations for evidence of construction or impending construction activity on or near the pipeline.

2.1.2 Monthly Patrols

SCOPE:

- Site inspections* including the following:
 - Gas leakage check on connection fittings, flanges, stems and seals;
 - Identification and treatment of weed management issues;
 - Identification of soil erosion or inversion;
 - Identification of fencing damage or issues;
 - Identification of signage condition/adequacy along the pipeline route and on the compound fences;
 - Compound fence signage; and

(*Note: Where possible, items identified as requiring repair or maintenance, are completed at the time of inspection).

2.1.3 Monthly Aerial Patrols

SCOPE:

- Visual aerial inspection of the pipeline corridor and access roads to sight any evidence of:
 - Fallen pipeline marker signage;
 - Easement encroachments; and
 - Washaways and loss of cover.

2.2 Operational and Maintenance Activities

ROUTINE

2.2.1 Quarterly and Annual Inspections and Maintenance on Mechanical Equipment

SCOPE:

Station Inspections

- Gas leakage checks
- Weed management
- Soil and erosion management
- Fencing inspection/repair
- Station shed check
- Compound fence signage
- Fire extinguisher checks

Meter Inspections

- Meter checks

Equipment Inspections

- Bypass pressure checks
- Regulator lock up checks
- Valve position checks and valve operation
- Station isolation valve
- Pressure relief valve testing and servicing

NON-ROUTINE

DCVG dig ups were done in five (5) locations in Feb and May 2020.

2.3 Surveys

2.3.1 Annual Leakage Survey

The annual leak survey on T1 locations was completed in October 2020 and identified no leaks.

2.3.2 Cathodic Protection Surveys

The annual cathodic protection potential survey of the Riverland transmission pipeline was conducted in October 2020. The results of the survey indicate that the pipeline is protected. Based on the information available the pipeline meets the specifications and design standards applicable at the time of construction.

2.3.3 Special Crossings Surveys

Monthly surveys are carried out at specific points along the pipeline that are designated as 'Special Crossings'. The purpose of these surveys is to inspect nominated road, river and other crossings and identify changes and loss of cover and/or other notable changes to the pipeline. Changes to/loss of cover have the potential to impact environmental factors such as soil stability, erosion profiles and surface drainage patterns. In addition to environmental factors, loss of cover may also pose a threat to the integrity of the pipeline. Special crossings are, therefore checked as part of the monthly pipeline patrols to minimise the risk of pipeline exposure and address issues as they arise. The special crossings surveys were completed in October 2020.

2.4 Pipeline Location and Referral Services

During the licence year there were 101 Dial Before You Dig (DBYD) enquiries received from the national referral service in relation to the Riverland Pipeline.

2.5 Permit to Work System

All activities within the facility were conducted under a 'Permit to Work System'. The works were supervised to maintain the safety and integrity of the facility and personnel.

2.6 Emergency Response

Given the geographical proximity and the common operational management centre (Adelaide) of the Riverland (PL 6) and the Berri to Mildura (PL 11) pipelines, AGN has an agreement in place with the Department for Energy and Mining (DEM) that for the purpose of Emergency Response Exercise (ERE) an exercise on either of the pipelines satisfies the licence conditions of PL 6 and PL 11. In line with this, an ERE was conducted on the Berri to Mildura Pipeline (PL11) on 26 February 2020.

An ERE was carried out on the BMP (PL 11) on 26 February 2020. The exercise scenario was classified as a level 3 emergency. The exercise simulated damage to Berri Mildura Pipeline Mainline Valve 3 (MLV3) based on earth moving equipment. Two opportunities for improvements were identified, both of which have been addressed.

The exercise evaluated the effectiveness of the emergency response plan, APA Group's preparedness to respond to emergency situations and identify the potential gaps in the emergency response process and the supporting plan. A debrief session was held after each exercise to review the general responses to the exercise scenario.

3 COMPLIANCE ISSUES

3.1 Licence and Regulatory Compliance

Australian Gas Networks (AGN) complied with the terms and conditions under PL6 and the legislative requirements in the Act and *Petroleum and Geothermal Energy Regulations 2013* (SA) (the Regulation).

3.2 Compliance with Statement of Environmental Objectives

Refer to **Appendix A** for AGN's Annual Assessment of Compliance against its Statement of Environmental Objectives (SEO).

3.3 Rectification of Non-Compliances

AGN had no non-compliances and has no outstanding actions to rectify non-compliances with obligations imposed by the Act and the Regulation or PL 6.

3.4 Management System Audits

No operational audits were scheduled for the Riverland Pipeline in 2020.

In May 2020 a National Urban Encroachment audit was undertaken to evaluate the design and effectiveness of operational controls and processes that minimise the likelihood and consequence of urban encroachment and third party interference on transmission pipelines. The audit also addressed oversight and monitoring arrangements to support the management of risk (including first and second line assurance activity).

The audit identified that the controls tested were designed and operating as intended, with no findings raised. Specifically, it was identified that controls are implemented for maintaining compliance with the relevant technical standard (AS 2885:2018), and the threats associated with new development are being managed. One area for improvement was identified relating to action tracking with an opportunity to further strengthen the maturity in action management by implementing a quality assurance process to confirm the adequacy of action close-out.

3.5 Reports and Data Submissions

The following reports and data relevant to the operation of the Riverland Pipeline were generated or updated and provided to DEM during licence year 2020:

Description of Report/Data	Date Due	Date Submitted	Compliant Non-Compliant
Annual Report for PL 6 for Licence Year 2019	31 March 2020	31 March 2020	Compliant
Six Monthly Oil & Contaminants Report: July to December 2019	31 January 2020	31 January 2020	Compliant
Six Monthly Oil & Contaminants Report: January to June 2020	31 July 2020	31 July 2020	Compliant

3.6 Incidents

On 10 February 2020 APA on behalf of AGN reported the identification of a defect on the Riverland Pipeline identified during dig-up work on 9 November 2019 at Nadia Rd, Swann Reach.

In accordance with Section 85 of the *Petroleum and Geothermal Energy Act 2000* and Section 32 of the *Petroleum and Geothermal Energy Regulation 2013* and as defined in Table 2 of the BMP RLP Statement of Environmental Objectives (SEO) 2017, APA/AGN reported an incident with the potential to compromise the physical integrity of an asset or facility through the identification of a partial throughwall defect (e.g. through visual inspection, inline inspection, non-destructive testing) that requires repair or replacement action, or a reduction of the maximum allowable operating pressure to maintain safe operation (other than a serious incident).

APA/AGN advised that following identification of the defect, the pressure in the pipeline was reduced from 8,900 kPa to 7,100 kPa (no impact to supply) and that a PLIDCO split sleeve was fitted as a temporary means of repair. The permanent repair work (i.e. application of the Clock Spring) was completed on 20 December 2019 and the pressure in the pipeline has been

returned to normal operating pressure (8,900 kPa) following internal approval of the defect assessment and repair report.

3.7 Threat Prevention

At the time of submitting this report there are no reasonably foreseeable threats which AGN believes present, or may present a hazard to facilities or activities under the licence.

AGN continues to manage external interferences to the pipeline including third party, contractor and pipeline operator threats, by monitoring the controls in place and implementing new controls as necessary.

The controls currently in place include:

- Monthly aerial patrols of the pipeline together with monthly ground inspections;
- Managing pipeline markers and erecting new signage where required;
- Registering and maintaining information about the pipeline's assets with the DBYD Service;
- Monitoring land-ownership and land use changes;
- Participating in land development proposals and communicating with relevant stakeholders; and
- Undertaking landholder visits.

3.8 Future Work Program

Operational activities proposed for Riverland Pipeline during licence year 2021 include:

- Completing scheduled routine maintenance and survey activities and associated corrective maintenance.

3.9 Additional Information

The approximate volume of natural gas transported through the Riverland Pipeline during the licence year 2020 was 330 TJ.

4 EXPENDITURE STATEMENT

In accordance with Regulation 33(4) a statement of expenditure on regulated activities conducted under PL6 for Licence Year 2020 accompanies this Annual Report as **Appendix B**, however per Regulation 33(9) public disclosure of this statement is not required.

APPENDIX A: ANNUAL ASSESSMENT OF COMPLIANCE AGAINST SEO OBJECTIVES

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
1. To maintain soil stability and integrity on the easement.	1.1 To minimise the potential for soil erosion or subsidence along the pipeline easement and/or disturbance of Potential Acid Sulphate Soils (PASS) along the pipeline easement. 1.2 To manage soil rehabilitation areas in an appropriate manner.	<ul style="list-style-type: none"> Inspections undertaken as part of regular patrols. Preventative measures implemented and monitored in susceptible areas. 	Achieved	<ul style="list-style-type: none"> Monthly patrol inspections carried out in accordance with the maintenance schedule. No evidence of subsidence, potential or active soil erosion identified along the easement.
2. To minimise and manage impacts to water resources and water resource receptors	2.1 To ensure that operation and maintenance activities do not give rise to sedimentation of watercourses. 2.2 To maintain current surface drainage patterns. 2.3 To minimise disruption to third party use of waters.	<ul style="list-style-type: none"> Regular patrols to identify evidence or sources of contamination, erosion, windrow development or changes to the easement that could alter surface water drainage patterns. 	Achieved	<ul style="list-style-type: none"> No reports of pollution of solid or liquid wastes into rivers, streams, watercourses, dams or lakes due to pipeline activities during the licence year. Bank stability unchanged and no alteration to drainage patterns identified. No reasonable complaints received from landholders or third party users in relation to their current use of waters.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
3. To avoid land or water contamination.	<p>3.1 To prevent spills and if they occur minimise their impact.</p> <p>3.2 To ensure that rubbish and waste material are disposed of in an appropriate manner.</p> <p>3.3 To prevent impacts as a result of waste water disposal (i.e. hydro-test water, trench water) by disposing as per legislation requirements.</p> <p>3.4 To prevent the spread of contamination where the easement intersects known contaminated sites.</p>	<ul style="list-style-type: none"> Wastes are removed from the site and disposed of appropriately. Undertake pipeline operations in a manner that maximises resource utilisation and minimises the production of waste. Spills/contamination remediated in consultation with regulatory bodies and agencies. Ensure appropriate spill response equipment is available and personnel are trained in spill response procedures. 	Achieved	<ul style="list-style-type: none"> No evidence of waste or occurrence of spills/contamination as a result of pipeline activities during the licence year.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
4. To promote and maintain native vegetation cover on the right-of-way.	4.1 To promote and maintain regrowth on the easement to be consistent with surrounding areas. 4.2 To minimise additional clearing of native vegetation as part of operational activities. 4.3 To ensure maintenance activities are planned and carried-out in a manner that minimises impacts to native fauna.	<ul style="list-style-type: none"> Encourage regrowth of native grasses and shrubs along the right-of-way, within 3m of the pipeline centreline, where appropriate (i.e. – not in farmland used for cropping or pasture). Prompt reinstatement of easement. Maintain vegetation in accordance with pre-existing conditions and ensure that weeds and pathogens along the right-of-way are managed in a manner consistent with adjoining land. To deter regrowth of native trees along the right-of-way (minimum separation of 3m from pipeline centreline). 	Achieved	<ul style="list-style-type: none"> No evidence of weeds or pathogens or disturbance of native vegetation identified along the right-of-way as a result of pipeline activities during the licence year.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
5. To prevent the introduction and spread of weeds, pests, disease and pathogens as a result of operational activities.	<p>5.1 To prevent the introduction of new weeds, pests and pathogens.</p> <p>5.2 To ensure that weeds, pests, disease and pathogens are controlled at a level that is at least consistent with adjacent land.</p>	<ul style="list-style-type: none"> • Inspections undertaken as part of regular patrols (ground and aerial) to identify the presence of weeds and pathogens on easement and adjacent land (if weeds on easement but not adjacent land must implement control to prevent spread). • Implementation of control measures of weeds, pests and pathogens on easement in consultation with the landholders, as necessary. • Records of any outbreaks found, control activities completed and photo-monitoring of significant outbreaks maintained. 	Achieved	<ul style="list-style-type: none"> • No evidence of weeds or pathogens or disturbance of native vegetation identified along the right-of-way as a result of pipeline activities during the licence year.
6. To adequately protect heritage sites and values.	6.1 To ensure that identified heritage sites are undisturbed and appropriately managed during pipeline operations and maintenance activities.	<ul style="list-style-type: none"> • Implement an effective communication strategy with relevant heritage groups. • Manage identified Aboriginal and European heritage sites in accordance with prescribed procedures. Manage newly identified heritage sites in accordance with prescribed procedures. 	Achieved	<ul style="list-style-type: none"> • Identified heritage sites were undisturbed and appropriately managed during pipeline operations.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
7. To minimise noise due to operations.	7.1 To ensure operations comply with noise standards.	<ul style="list-style-type: none"> Operations comply with noise standards and minimise disturbance to landowners. Design facilities to meet the noise requirements in accordance with the <i>Environment Protection Act 1993</i>. 	Achieved	<ul style="list-style-type: none"> Noise standards were complied with during the licence year and there were no complaints from landowners, occupiers or third parties.
8. To minimise atmospheric emissions	8.1 To minimise controlled and uncontrolled atmospheric emissions. 8.2 To minimise the generation of dust.	<ul style="list-style-type: none"> Uncontrolled atmospheric emissions that affect an area, not designed to contain such an escape, are managed in accordance with the requirements of the <i>Petroleum and Geothermal Energy Act 2000</i>. Minimise dust generation due to vehicle movement along the easement. 	Achieved	<ul style="list-style-type: none"> No reports of uncontrolled atmospheric emissions during the licence year and generation of dust along the pipeline was minimised. No complaints from landowners, occupiers or third parties in respect of air quality.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
<p>9. To avoid unnecessary disturbance to third party infrastructure, landholders or land use.</p>	<p>9.1 To minimise disturbance or damage to infrastructure/land use and remediate where disturbance cannot be avoided.</p> <p>9.2 To maintain appropriate consultation with all relevant landowners.</p>	<ul style="list-style-type: none"> Minimise disturbance to landholder activities and damage to infrastructure. Develop site-specific land management strategies in consultation with landholders, for likely impacts arising from temporary land use disturbance. Inform landholders of likely land use disturbance as a direct result of operations. Implement measures to minimise third party use of right-of-way. 	<p>Achieved</p>	<ul style="list-style-type: none"> No reports of disturbance to third party infrastructure, landholders and/or land users for the licence year. Appropriate consultation with landowners was undertaken. No complaints from landowners in relation to land use or infrastructure damage.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
10. To minimise the risks to public and third party health and safety.	10.1 To ensure that adequate measures are in place to protect public and third party safety during operations. 10.2 To minimise the risk of fire during routine operations. 10.3 To prevent unauthorised activity on the easement that may adversely impact on the integrity of the pipeline. 10.4 To manage the easement to maximise pipeline protection.	<ul style="list-style-type: none"> Prevent unauthorised activities along the pipeline easement which have the potential to result in a risk to the safety of the public and/or third parties. Job Safety Analysis (JSAs) carried out to identify potential hazards and implement controls. Detailed inspection/patrol reports and records maintained. Clear identification of the pipeline in accordance with AS2885. Reports of unauthorised activity on the ROW prepared in accordance with the <i>Guidelines for Reportable and Serious Incidents</i>. 	Achieved	<ul style="list-style-type: none"> No reports of incidents or accidents involving the public or a third party when undertaking the pipeline activities. Adherence to AS 2885. No unauthorised activity on the easement with equipment which has the potential to impact on pipeline integrity.

Objective	Goal(s)	Guide to How Objectives Can Be Achieved	Assessment Outcome	Comments
11. To ensure that security of natural gas supplies are maintained to gas consumers.	11.1 To minimise the potential for significant disruption of gas supply to customers in line with contractual agreements.	<ul style="list-style-type: none"> Emergency response exercises carried out to maintain prompt and effective response. In the event of an emergency and/or where gas supplies are disrupted, implement appropriate control measures such that the pipeline system is returned to operation in a safe and efficient manner with minimal disturbance to customers and the environment. Documented processes for responding to breakdowns and emergencies. 	Achieved	<ul style="list-style-type: none"> An Emergency Response Exercise was carried out on the Riverland Pipeline (PL 6) in October 2019 and another on the Berri to Mildura Pipeline (PL 11) in February 2020 to test the promptness and effectiveness of emergency response. These exercises meet the requirements of the Riverland Pipeline (PL 6) Licence conditions. Security of supply maintained to gas customers with no significant interruptions.

APPENDIX B: EXPENDITURE STATEMENT

Capital, operating and administration expenses

NA
