



Speech by

Hon. D. WELLS

MEMBER FOR MURRUMBIDGE

Hansard 11 September 2003

MINISTERIAL STATEMENT

Moonie Pipeline Company Pty Ltd; Lytton Oil Spill

Hon. D. M. WELLS (Murrumbidgee—ALP) (Minister for Environment) (10.04 a.m.): In the Queensland Magistrates Court yesterday the Moonie Pipeline Company Pty Ltd, a subsidiary of Santos Ltd, was fined \$300,000 under section 437(2) of the Environmental Protection Act after pleading guilty to the charge of causing serious environmental harm in a major oil spill at Lytton in March this year. Professional legal costs of \$10,000 and investigation costs of \$45,906 were awarded. The court has ordered that a conviction not be recorded.

The court has further ordered that the Moonie Pipeline Company Pty Ltd pay compensation to the state of Queensland for an amount to be agreed by the parties for the clean-up response. The state government will be seeking approximately \$580,000 in compensation. The clean up will not cost the taxpayers of Queensland.

An estimated 1.9 million litres of light crude oil leaked into five hectares of reclaimed riverside land, drainage channels and small creeks near the port of Brisbane. Thankfully, the cooperative efforts of all government authorities involved, the Port of Brisbane Corporation and Santos Ltd prevented the oil from flowing into the Brisbane River, averting a major environmental disaster.

The fine of \$300,000 is a substantial penalty. The maximum monetary penalty imposed by the courts under that act remains at \$400,000 for the grounding of the *Bunga Teratai Satu* on Sudbury Reef in North Queensland in 2000. Officers from the Environmental Protection Agency advise me that steps have been taken by the Moonie Pipeline Company Pty Ltd to ensure that an incident like this never happens again. I thank the honourable Minister for Natural Resources, who was with me at the site at the time of the clean-up.

These changes include modifications to pipeline hardware, improved rupture detection systems, enhancement of procedures and scenario based response plans, along with competency based training for pipeline operators and support staff. The outcome of this case highlights the need for all industries to have effective environmental management systems to manage risks. I would like to place on the public record my thanks to those government agencies and staff who worked around the clock to avert a major environmental disaster.