



April 15 2022

Submission to EPA Victoria Hastings Generation Project

Development licence query APP009563

Application to EPA from ESSO AUSTRALIA PTY LTD

Save Westernport thanks the Committee for this opportunity to comment.

This submission is made on behalf of Save Westernport Inc. to state our opposition to the Hastings Generation Project and explain our reasons for opposing ESSO's application to EPA Victoria for a development licence to generate power at Long Island Point (LIP) in Westernport Bay.

We have identified substantial problems associated with ESSO's application for this proposal, and note that the application has been met with significant community concerns due to the location of the project at Long Island Point, the involvement of the proponent, ESSO/EXXON, and their fifty-year history of flaring toxic emissions over the residential areas of Hastings, and internationally recognised wetlands in Westernport Bay.

In addition to the negative impact on the local and global environment from increased greenhouse gas and other emissions, ESSO's project would release pollutants with negative health effects on local residents.

The effects on air quality and noise would have negative health impacts on local residents and in schools. Local businesses, many of which rely on eco tourism and visitors who are attracted to the region due to its wildlife and ecology, would be further disadvantaged. The

LIP facility, and proposed generators would disrupt and threaten local wildlife, including Westernport's many protected species of migratory shorebirds.

Of particular concern is the real possibility that ESSO has promoted this project as an opportunity to reduce the incidence of flaring at LIP. We're concerned that this project would be far more likely to result in greater emissions and prolong ESSO's operations at Long Island Point, in Hastings.

The futility of expanding and adding to ESSO's operations at LIP, in the context of Victoria's— and the Mornington Peninsula's— emissions reductions targets, far outweighs any benefits that ESSO has proposed.

Regulators and the public have each acknowledged that ESSO's operations in Westernport are long overdue to be phased out, while the proponents themselves has confirmed in this application that they expect their operations at LIP will be closed down within the decade.

1. Background

[Save Westernport Inc.](#) is an independent community group that exists to safeguard Westernport Bay's critical habitat, and to encourage responsible economic activity to ensure a healthy environment for all life.

We strongly support the protection of Westernport's ecological character, in accordance with the Precautionary Principle and the [Wise Use of Wetlands](#), which underpins the Ramsar Convention on Wetlands of International Significance, an international treaty for the conservation and sustainable use of wetlands.

Save Westernport was originally formed in 1971 to respond to the rapid and under-regulated industrialisation of Westernport Bay was reformed in 2018, Save Westernport has grown significantly to represent the views and concerns of thousands of local residents and Victorians intent on protecting Westernport's sensitive marine and coastal ecosystems— and the communities that surround it— from further heavy industrialisation.

Fundamental principles of intergenerational equity and environmental protection guide and inform our decisions and voluntary work. Our primary goals are community engagement, and ensuring that the ecological balance of the natural world is safeguarded for the benefit of subsequent generations and species.

Save Westernport seeks to raise awareness of Westernport's unique and fragile biodiversity and its [Blue Carbon](#) potential, challenging irresponsible industrial activity and development proposals, and conserving the Bay for future generations to enjoy and protect.

Westernport is Special.

The UNESCO-declared Mornington Peninsula and Western Port Biosphere Reserve is home to many internationally significant mangroves, seagrass, saltmarsh and mudflats habitats, migratory birds and protected species of native flora and fauna.

When Victoria's Planning Minister announced that AGL's gas import proposal had been rejected on environmental grounds, he said:

"It's very clear to me that this project would cause unacceptable impacts on the Western Port environment and the Ramsar wetlands – it's important that these areas are protected."

<https://www.premier.vic.gov.au/gas-proposal-ruled-out-due-environmental-impacts>

2. Climate, Absence of Social License, Flaring

"Gas flaring is one of the most challenging energy and environmental problems facing the world today, both regionally and globally. It is a multi-billion dollar waste, a local environmental catastrophe and a global energy and environmental problem which has persisted for decades."

https://file.scirp.org/Html/15-6201351_20231.htm

The Blackened emissions from what ESSO and the EPA have described as "routine flaring operations" can regularly be seen, issuing from the smokestacks above ESSO's Long Island Point plant where gas is processed at Hastings.

From the Mornington Peninsula News, Sept 2021



NEWS

Gas goes up in flames, smoke

BY STEPHEN TAYLOR – SEPTEMBER 21, 2021 NO COMMENTS 1 MIN READ



Picture: Celia Furt

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FLAMES and smoke billowing over the past week from ESSO's Long Island Point fractionation plant occurred because a customer had shut down and was unable to take as much ethane as usual.

Plant manager David McCord said a reduced quantity of the gas was being sent to plastics manufacturer Qenos and the excess was being emitted from the plant's chimneys in short bursts of flame and smoke.

How many times will ESSO's outdated LIP facility be 'updated' while the non-compliant practice of flaring is allowed to continue? In 2017 [ESSO replaced their pipeline](#) from Gippsland.

A NEW 187-kilometre pipeline bringing crude oil and condensate from Esso's plants at Longford in Gippsland to Long Island Point at Hastings is nearly finished.

"The pipeline is a critical piece of infrastructure that will allow the continued delivery of crude oil and condensate, and will also ensure that natural gas from our offshore Gippsland operations continues to flow to households and businesses," spokesman Travis Parnaby said.

Construction began in January last year and, so far, 176 kilometres of the 187 kilometre pipeline has been laid. The pipes are visible from Frankston-Flinders Rd on the way to Hastings from Tyabb.

Construction is expected to end mid-year with the pipeline being commissioned later.

"The replacement pipeline represents another significant investment in the continuation of our Gippsland operations, which have provided crude oil, condensate, LPG and natural gas to the Australian market since 1969," Mr Parnaby said.

Esso was in the news last week after soot-laden emissions from its smoke stacks caused black smoke trails over Hastings and Western Port.

The smoke was caused by scheduled maintenance work resulting in larger than usual flaring from its site. Flaring is a safety mechanism that burns excess hydrocarbons causing lots of smoke, which raised eyebrows on a day of total fire ban.



Information of flaring from the ESSO/EXXON website attempts to justify flaring as an acceptable “safety procedure”

ExxonMobil

Flaring

ExxonMobil Australia is focused on reducing flaring and minimising the impact from the flare for our neighbours.



Flaring is an important and necessary safety mechanism at ExxonMobil facilities. However, we understand the sight of a flame burning at the top of the flare stack might be cause for concern for our neighbours and community, especially when the flame is larger, smokier or noisier than normal.

Our operations

What does the flare do?

The flare basically functions as a safety relief valve. Flares are used in this way by petroleum refineries, chemical plants and gas processing facilities everywhere around the world.

Whenever there is an upset or interruption to the usual operation of our facilities, any excess product that is generated is able to be sent to the flare and safely ignited via a pilot light. The quantity of material flared during a major interruption, such as a power failure, can be quite considerable.

Burning the excess product in this way ensures it does not escape into the atmosphere and create a possible safety and environmental hazard.

Does the flare create a noise?

We continue to make improvements to the way our flares work in order to reduce noise and operate more effectively. Some flares, such as the one at Altona Refinery, use steam to reduce smoke. This can create some noise which may be heard by our neighbours.

Why does the flare flame vary in size?

Flares are kept alight continuously, similar to the pilot light in a gas heater or hot water system at home, thus there is usually a small flame visible at the top. Changes in the size of the flame are due to changes in the amount of excess product which is being sent to the flare as a result of either planned or unplanned interruptions to the normal process. Our objective is to keep that amount of product as small as possible at all times.

Flaring operations at LIP demonstrate ESSO's lack of regard for the environmental responsibilities incumbent on them as a major commercial operator within Westernport's internationally recognised Ramsar wetlands.

ESSO explains flaring as a safety measure to burn off excess gas produced at their Long Island Point plant.

In recent years it has become apparent to the community that ESSO's highly polluting industrial fossil fuels operations at Long Island Point are wholly incompatible with its sensitive wetland location.

It's time for ESSO's operations in Westernport to be reconsidered in the context of the climate emergency. Fossil fuels companies like ESSO need to re-assess their environmental responsibilities against decreasing commercial demand.

The abject failure of fossil fuels corporations including ESSO to respond appropriately to the climate emergency has seen them back themselves into a corner; they remain ill-prepared to deal with the inevitable changes within their industry.

Their inaction has also resulted in a regrettable loss of faith with the public, and in this case, with the Westernport community in which ESSO operates.

Strong local opposition to ESSO and to their application to the EPA to generate electricity is based on this community's frustration at the gas flaring that can regularly be seen above Hastings, and falling out over Westernport Bay.

ESSO's entrenched corporate culture is demonstrated by their indifference to community expectation. It confirms the company's long-standing and shocking reliance on excessive flaring at Long Island Point.

In this context it's important to consider whether EPA approvals for new fossil fuels infrastructure, which amount to little more than a short-term, stop-gap solution, should be considered for approval, particularly in light of the pressing, underlying issue—that the best science available can no longer be dismissed or overlooked when deciding whether to approve new fossil fuels projects that will entrench further gas use for decades to come.

Certainly the eleventh hour approval of more fossil fuels infrastructure is no remedy for the environmental and operational problems caused by the failure of the industry to adapt and invest in the upgrades that have been available to them for several year.

ESSO's application fails to comply with the Mornington Peninsula Shire [Council's Climate Emergency Response Plan](#), and its goal of zero emissions by 2040.

Despite listing MPSC as a Government Stakeholder, it's clear that ESSO has failed to consider the aims of the Council, or to consult with either the Mornington Peninsula or Bass Coast Shire Council. (See Stakeholder engagement below)

As long as ESSO's operations at Long Island Point are allowed to continue, and ESSO fails to commit to seriously upgrading their facility, the highly objectionable, socially and environmentally irresponsible practice of flaring is certain to continue.

Unless the regulations of our Environmental Protection Authorities are universally enforced, we risk furthering the grossly corrupt sense of entitlement that defines operators like ESSO/EXXON within the fossil fuels industry.

Corporations like ESSO that restrict their operations to the production of fossil fuels, are best placed to divert a fraction of the immense profits they generate towards socially and environmentally responsible, altruistic efforts towards minimising the enormous harms associated with their operations, in order to assist the inevitable transition towards the sustainable energy future that we're all faced with.

It's no secret that producers of fossil fuels enjoy countless protections and government subsidies, to an extent that is unknown in other industries.

Yet somehow they're entitled to these inexplicable exemptions that allow the flaring to continue, while governments and regulators look the other way, and tolerate repeated breaches. This failure to comply reveals a profound and unjustified sense of entitlement on the part of rogue fossil fuel operators like ESSO/EXXON, and demonstrates the ongoing problems caused by the corruption that surrounded the industrialisation of the Port of Hastings in the 1960s and 70s. (See #6. Below, Historical and Regional Context)

We believe these observations about the proponent are relevant in assessing the merits of this project, particularly in the context of community expectation and the proponent's Social License to Operate.

When 2019 Mornington Peninsula Mayor Sam Hearn declared the Climate Emergency, he said,

“We need all government to have the courage to make the tough decisions, like decoupling ourselves from the narrow interests of fossil fuels corporations.”

The Bass Coast Shire Council, on Westernport’s eastern shores, went a step further passing a 2019 Motion stating ***“that Council strongly opposes further fossil fuel developments in Victoria and is opposed to the further industrialisation of Western Port to transport them”***.

See p.19 of the [Minutes](#)

3. Closure of Qenos Altona, Project Rationale,

How can we be certain that this project will not simply result in the transfer of emissions from the current location in Altona to the Mornington Peninsula?

When ESSO announced plans for three new ethane generators at Long Island Point, they advertised it with a notice in the local paper, the Western Port News in Sept 2021.

Long Island Point plant manager David McCord claimed the generator would have *“good environmental outcomes”*...*“benefit the community”* and *“reduce the need to flare at LIP in the future”*.

ESSO strongly inferred that the purpose of their project was to make use of gases that would otherwise be flared over Westernport Bay.

But ESSO’s 2016 submission to the Major Hazard Facility Advisory Committee Discussion Paper described the way ethane is used at the Long Island Point (LIP) facility.

“Ethane from Long Island Point flows to the Qenos facility in Altona via a 250mm pipeline that runs onshore and underwater across Port Phillip Bay”. (to Altona)

https://www.planning.vic.gov.au/__data/assets/pdf_file/0020/4763/Submission-57-Esso.pdf

On the face of it, utilising ethane in electricity generation might appear to be an improvement on the current practice of flaring the byproduct ethane at times when it is “undersubscribed” by their customer Qenos at Altona.

But after looking more closely at this proposal, it's clear that this project was only devised after ESSO was confronted with news that their primary customer, Qenos was planning to permanently close down their Altona plant before the end of 2022.

In their application ESSO states:

"The ethane by-product of this process has, for many years, been sent through a pipeline to a customer in Altona for plastics manufacture."

In an attempt to rationalise the reason for their application, ESSO claimed:

"When the customer [Qenos] is unable to accept the ethane as a result of maintenance, in most cases, Esso either needs to reduce the gas liquids flowing to Long Island Point, reducing the supply of propane and butane to Victoria, or we need to flare the ethane."

"In some circumstances, this could result in the need to significantly curtail natural gas supply to reduce the production of these gas liquids, which would impact the supply of natural gas to Victoria."

"In the event the customer is unable to accept the ethane, the Applicant requires an alternative use for the ethane. Generating power from ethane, will enable Esso to safely and reliably utilise undersubscribed ethane, avoiding the need to flare this gas at Long Island Point or reduce natural gas production for the south east Australian gas market."

This just doesn't stack up!

Just a couple of years ago, we were told ESSO will run out of gas in Bass Strait.

But they are spending \$112Mil on this project, which is expected to last just 10 years.

What is going on?

"According to NOPSEMA documents, the company [ESSO] has until 2027 to complete the audit and plug and abandon old infrastructure and wellheads."

<https://www.ogv.energy/news-item/exxon-forced-to-decom-bass-strait-by-2027>

[This Development License Application](#) states "The natural gas liquids (ethane, propane and butane) are sent to Long Island Point Fractionation Plant (LIP) for further processing prior to LPG being exported via trucks or ships, while the byproduct ethane is transported via pipeline to a downstream customer in Altona."

"But business conditions are expected to change with the closure of Qenos resulting in current ethane disposition methods no longer being available from 2022."

MOST IMPORTANTLY —unless this application is rejected we will continue burning and using gas for at least 5-10 more years — and that is NOT a good thing!

200 petajoules of gas is a lot of extra greenhouse gases at the time when we have to STOP USING GAS, to avoid the catastrophic events that we are already experiencing, from unprecedented bushfires to the 2022 floods we just saw in NSW and QLD.

WHY is there such a large disconnect between the profit imperative and our survival as civilisation?

Without some new means to dispose of the byproduct ethane, produced in their gas processing, and with the EPA unlikely to provide further exemptions to legitimise the objectionable practice of flaring, which is barely tolerated by the Hastings community now, it's clear that rather than “reducing flaring” as their aim, ESSO is trying to find any way to legitimise their hopelessly outdated practices to avoid facing the imminent closure of their operations at Long Island Point a few years ahead of schedule.

“Esso has submitted a development licence application to EPA to install three small power generation units at a site adjacent to LIP. These will be capable of converting ethane into 35-40 megawatts of electricity to power Victorian homes. As the demand for natural gas declines, so will the quantity of ethane gas requiring disposal and Esso expects the facility will cease operation around 2033.”

When Qenos announced their decision in May 2021 to close their plastics manufacturing facility at Altons “within a year”, ESSO's primary customer for ethane also predicted that ESSO's source of gas in Bass Strait would be depleted before 2025.

The May 2021 media release by Qenos announcing plans to close their Altona operations “within a year” are particularly relevant to the consideration of this application.

[http://qenos.com/internet/home.nsf/0/6C29EE4529E9F9BBCA2586DA0005EF13/\\$file/Qenos%20Media%20Release_Qenos%20Reconfigures%20Altona%20Manufacturing%20Facilities.pdf](http://qenos.com/internet/home.nsf/0/6C29EE4529E9F9BBCA2586DA0005EF13/$file/Qenos%20Media%20Release_Qenos%20Reconfigures%20Altona%20Manufacturing%20Facilities.pdf)

A Feb 2021 article in The AGE described the implications on ExxonMobil's upstream oil operations, concluding “**the future for those businesses, including in Bass Strait, was not bright either..**”

“(Qenos) has made it quite clear it doesn't see a future in Australia,” stating...“**The oil component will run down to dry in Bass Strait in five years.**”

<https://www.theage.com.au/national/victoria/exxon-set-to-close-altona-refinery-350-jobs-at-risk-20210210-p5711w.html>

However, in their application, ESSO states their intention to continue operations at the Long Island Point facility for another decade, until 2033.

This contrasts markedly with predictions from the EPA and ESSO that the LIP plant would be redundant— and was therefore not worth upgrading— within “a few years”.

ESSO has finally been directed by the regulator NOPSEMA to close its rusting old and dangerous infrastructure.

<https://www.energynewsbulletin.net/maintenance-shutdowns/news/1410548/exxon-forced-to-decom-bass-strait-by-2027>

This short timeframe has been used in recent years to justify the regulator’s continued tolerance of flaring, and ESSO’s decision not to upgrade the LIP facility.

On the basis of this information, it would seem far more appropriate for ESSO to look at winding down their operations at Long Island Point now, and not wait until 2033.

But rather than searching for ways to keep their LIP facility producing, while demand continues to drop, and their only customer for ethane folds, we are now actually considering whether ESSO’s application to perpetuate fossil fuels production—and prolong their polluting venting practices— should be approved, even as they concede, it would only defer the inevitable closure of their operation for another decade or more.

When ESSO announced plans for the generator in the WP News in Sept 2021, we know that many people misinterpreted the message. Based on their wording, many thought that emissions reductions was the objective behind the new project.

ESSO plant manager David McCord claimed that the ethane generator would have “good environmental outcomes”. This made it seem reasonable to assume that emissions reductions was the purpose of ESSO’s plan to use ethane to generate electricity.

The EPA assured them ESSO’s site at Long Island Point was expected to be decommissioned soon, because it relies on flaring. The EPA confirmed that ESSO is granted exemptions from safety and pollution standards so they can continue processing gas. Without these exemptions ESSO’s LIP facility would fail to comply with EPA air quality standards, which all other companies and industries must meet.

ESSO's Notice in the local paper promised "good environmental and community outcomes" for Westernport Bay, but they provided no details about how that would be achieved, and made no attempt to explain what that meant.

When ESSO made this announcement, they took advantage of public expectations that flaring at Long Island Point must be due to be phased out.

ESSO's flaring, which involves the routine release of excessive industrial emissions, VOCs, particulates, carbon monoxide, CO₂ and other greenhouse gasses, is so invasive and extreme, that visitors to Hastings have been known to report it to 000, believing it to be an emergency incident occurring at the plant.

With this application, ESSO has knowingly or inadvertently encouraged the incorrect assumption that using ethane to generate power would remove the need to continue burning it and releasing the emissions into the air.

Like most fossil fuels companies, ESSO has a tendency to focus on the sole motivations of commercial viability and profit. There's no question that their failure to be up front with the community, or to address their questionable tendency to obscure the truth about their operations has confirmed their lack of accountability with this application, leading ESSO to further damage their Social License to Operate.

Environmental and community outcomes have never been a priority for ESSO with this application, and they are not the purpose of this project.

It will take far more than a willingness to consider tokenistic upgrades to their operations that should have been considered years ago, to repair this damage now

In addition, ESSO has never explained that once the Qenos plant at Altona closes this year, ESSO will no longer be able to pipe the byproduct ethane to Altona.

This means that unless this application to use ethane to power ESSO's new electricity turbines at Long Island Point is rejected, there will be a net increase in the amount of gas flaring at Hastings.

The local community will be left with the associated environmental and health disbenefits .

Despite what ESSO has implied, the reduction of emissions has never been the real intention behind this project.

In their application, ESSO has stated

*“When our customer is unable to accept the ethane as a result of planned or unplanned maintenance, **we either need to limit our supply of natural gas to reduce the transfer of gas liquids to Long Island Point, or flare the ethane.**”*

“To improve community and environmental outcomes, we have identified an alternative for managing excess ethane that will reduce the need to flare at Long Island Point.”

ESSO has claimed:

“When this disposition method becomes unavailable, ethane can be disposed of (depending on the gas order) by a range of operational activities including Flaring, NGL disposal and Gas curtailment.”

Rather than reducing the need for flaring at LIP, ESSO proposes flaring as a suitable solution to the problem of dealing with excess ethane, once Qenos closes their Altona plant in late 2022.

Qenos is ESSO’s major customer for ethane. Once their Altona plant closes later this year, ESSO claims that unless they’re permitted to use ethane in the generation of power, they’ll have no means of dealing with this byproduct, other than by burning it off in greater amounts than ever in flaring operations over Westernport Bay.

Rather than addressing the problem of excess ethane, to reduce the need for flaring over Hastings, the approval of this electricity generation project would prolong and entrench the outdated, When David McCord from ESSO announced plans for the generator in the WP News in Sept 2021, we assumed that emissions reductions was the objective. Although they claim the ethane generator will have “good environmental outcomes”, emissions reduction is not prioritised in their decision to bring a new generator online.

Again, ESSO should be looking at decommissioning their LIP facility rather than seeking ways to prolong its operation. If ESSO continues operations at the LIP plant , it will call for even more frequent flaring events to deal with the unwanted ethane. The amount of ethane produced would exceed even the amount needed to fuel the proposed generators.

Using ethane to power the generators would also not eliminate emissions from LIP.

However, the following statement confirms ESSO’s reluctance to consider this possibility, restating that their operations constitute “an essential service” in Victoria.

In their application, ESSO also appears to make a veiled threat, suggesting that unless their application is approved, allowing them to proceed with this project, Victoria will be left without adequate gas supplies.

“The supply of natural gas from the Longford Plant to the state of Victoria is considered to be an essential service under the Essential Services Act 1958.”

*“For this essential service to continue, **there needs to be a continued means of disposing of the products that are produced with the natural gas, in this case ethane, propane and butane. If the normal offtake of ethane ceased or was significantly reduced, the ability to continue to produce and deliver natural gas to Victoria at the normal rate would be interrupted, unless an alternative use or means of disposal of ethane was available.**”*

Here, ESSO increases the pressure on the regulator to approve their application by threatening to increase flaring, and even suggesting that Victoria would be left without LPG.

They continue:

*“**The only immediate alternative for disposing of the ethane would be to put it to flare at LIP.** As this is not permitted under the existing LIP Bubble Licence, it would require the Minister (under the emergency provisions) to provide an exemption for flaring until such a time as alternatives were made.”*

It’s worth noting that for years, ESSO has used this reasoning to explain why they should not be held to account for their non compliance to Air Quality and Greenhouse gas emissions standards that apply to every commercial and industrial operator.

In October 2019, Esso made a submission to EPA Victoria stating “ExxonMobil has two exemptions in the PEM Section 2.11 Safety Relief Flares, Table 21 Minimum Control Requirements, note b). **This excludes the Longford and Long Island Point Plants from the requirement for flares to be equipped with steam or air suppression systems to promote smokeless combustion. Due to the chemical engineering design of both of these plants, there would be an excessive impact on critical gas supply to the South East Australian market and cost to the business to modify the flare and relief system to meet this requirement.**”

<https://engage.vic.gov.au/download/document/8121>

ESSO claims in their Newspaper notice that the purpose of this project is the improvement of environmental and community outcomes. But rather than reducing the need to flare, ESSO's primary reason for finding an alternative use for ethane is their inability to deal with the byproduct of their gas processing operations at LIP, particularly once their major customer at Altona closes down later this year.

Although it is generally considered an air pollutant more than a greenhouse gas, **“ethane and propane are known to affect several air pollutants and greenhouse gases....Emissions, distribution, and atmospheric concentrations are still not well understood.”**

ESSO is looking for a way to continue operating, and to go on behaving as if it's 'business as usual', without having to be accountable for reducing their emissions. With this proposal, ESSO is attempting to obscure the truth behind their ongoing failure to comply with emissions standards.

Without Environmental Protection Authorities holding companies like ESSO to account for their emissions and their operations, there will be incentive within the fossil fuels industry for operators to strive for the improvements that are so urgently needed. The industry, and ESSO in particular, must do more to minimise the impacts of their operations and improve their environmental performance, in line with changing community expectations.

For several years, members of the public have registered their concerns with the EPA and with ESSO about the flaring operations at Long Island Point facility. It is far from reassuring to be told by the regulator that ESSO's Long Island Point facility is “a dinosaur that would never be approved these days”.

This comment referred to the toxic flaring that is required in the process of manufacturing LPG.

They also mentioned the reluctance of the operator to voluntarily upgrade and modernise the facilities in order to minimise their negative effects on public health and the environment. The very idea that a commercial operator like ESSO is given the option of deciding whether or not these are worthy priorities is alarming.

When members of the public call the EPA to report the excessive flaring from LIP, including the oppressive blackened emissions released over the Bay, do they realise that the negative effects of flaring on human health and on the environment have been known by governments and industry for decades?

When ESSO makes a decision not to upgrade their facilities, they do so knowing the shocking statistic, that ***people living near coal pits and gas processing plants have their lives shortened by an average of five to ten years each.***

We feel strongly that by prioritising their commercial advantage above the health of the communities in which they operate, ESSO has behaved unconscionably.

The members of Save Westernport believe that the character and decisions of the proponent are of relevance and should be considered in the assessment of their application to prolong their commercial operations and whether or not that should be approved.

4. ESSO's Inadequate Stakeholder Engagement

Of particular concern has been ESSO's failure to inform the community about this application. The limited community and stakeholder engagement for this project has been particularly disappointing.

Unless you belonged to one of the members-only groups that ESSO invited to their single information session, you were unlikely to hear details of the project until just 20 days ago, when the opportunity for public comment commenced.

In ESSO's stakeholder engagement report that forms part of this application, ESSO stated that invitations to their single information event would be sent only to those whose ***"legitimate interests define(d) them as stakeholders"***.

It would be interesting to discover on what grounds a person's interests were judged to be ***"legitimate"***.

In early 2018, Save Westernport regrouped to respond to the threat of new fossil fuels-based industrial projects in Westernport Bay. AGL had plans to import and process LNG, and Kawasaki Heavy Industries was preparing to produce hydrogen from brown coal in a pilot program that would ship it to Japan from the Port of Hastings.

During the 2020 EES for AGL's proposed FSRU and pipeline in Westernport Bay, we collaborated extensively with Mornington Peninsula Shire Council and met with community groups, to inform them about the EES, and encourage participation in the EES consultation process.

The EES for the AGL attracted a record number of submissions for an EES in Victoria, with over 6000 separate submissions from groups and individuals.

Save Westernport has representatives on the Port of Hastings Community Consultation Committee, and BlueScope's Westernport Community Liaison Committee. It's doubtful that ESSO would be unaware of our group, as they also have representatives that often attend those meetings.

Save Westernport has members on the Mornington Peninsula Shire Council's Hastings Coastal Advisory Group, Westernport Peninsula Protection Council, the Crib Point Action Group, and the Balnarring Community Hub.

We developed extensive networks in the local community and beyond, and have thousands of members.

Therefore it was disappointing that ESSO did not advise us about this project, nor did they include us in ESSO's Stakeholder Engagement Report for this application.

We did not receive ESSO's "Invitation to attend the LIP Community and Stakeholder Meeting on 29 September 2021"— that is listed in the their Stakeholder Engagement report.

As far as we know, ESSO held just one public information session, which was held as an "invitation only" event.

On the basis of the limited information available about this project, it's clear that ESSO has failed to fulfill the vast majority of the objectives listed in their Stakeholder Engagement Report, in particular the following aims were not met :

ESSO did NOT

- ***Disseminate information in ways and locations that make it easy for all stakeholders to access***
- ***Respect local ways of doing things***
- ***Establish two-way dialogue that gives both sides the opportunity to exchange views and information, to listen, and to have their issues heard and addressed***

- **Seek inclusiveness in representation of views, including minority and special interest groups**

ESSO's [Stakeholder Engagement](#) report states

1.3 General Engagement Objectives

"the overall objectives of the Company's stakeholder engagement activities are:

To keep stakeholders informed with respect to their specific interests, to ensure stakeholders (especially the directly affected) will be consulted on matters that affect them
To maintain stakeholder confidence and trust in the Company and its activities through open, informative, inclusive and timely communications"

"These objectives will be achieved by adhering to the following principles:

1.4

Provide meaningful information in a format and language that is readily understandable and tailored to the needs of the target stakeholder group(s)

- ***Provide information in advance of consultation activities and decision-making***
- ***Disseminate information in ways and locations that make it easy for all stakeholders to access***
- ***Respect local ways of doing things***
- ***Establish two-way dialogue that gives both sides the opportunity to exchange views and information, to listen, and to have their issues heard and addressed***
- ***Seek inclusiveness in representation of views, including minority and special interest groups***
- ***Develop clear mechanisms for receiving, documenting, and responding to people's concerns, suggestions, and grievances***
- ***Incorporate feedback into the program design, and report back to stakeholders in a reasonable time.***

In addition, we submit that ESSO also failed on some of their Project Specific Objectives, in particular:

"...to provide stakeholders and the broader public with balanced and objective information to assist them in understanding the project and any problems, alternatives and/or solutions."

With regard to members of the community who did not receive ESSO's invitation to attend their single public information session, only scant information about ESSO's project has been made available to the general public.

ESSO stated that their Community and Stakeholder Meeting was held on 29 September 2021.

We have wondered why ESSO decided not to publicise the details of the one-off information session in their one and only notice in the Western Port News. This notice was published **a week prior to the event**, on September 22, 2021, and would've been a perfect opportunity to let the public know it was happening.

ESSO decided to hold an invitation only event instead.

At Long Island Point, we're always looking for new ways to improve community and environmental outcomes. Recently we've identified an alternative for managing excess ethane when our customer is unable to accept it by potentially generating electricity in a way that benefits our community and will reduce the need to flare at Long Island Point in the future.

If you would like more information about our operations or our community initiatives, please feel free to drop me a line at

communityANZ@exxonmobil.com

David McCord, Plant Manager ESSO Hastings
Long Island Point



An ExxonMobil Brand

https://issuu.com/westernportnews/docs/wpn_22nd_september_2021/3

The Mornington Peninsula Shire Council is listed in ESSO's Stakeholder Engagement report as one of the groups that they consulted about the project.

However, at a Council meeting on April 5, the matter was raised by a resident during questiontime.

Council CEO John Baker stated that Council was not aware of ESSO's plans.

This Council meeting occurred over two weeks into the 20 day period for public submissions on more than [20 technical reports](#) that make up ESSO's application to the EPA for the project.

[Council Minutes April 5 2022](#)

Esso Ethane Project

a resident of Crib Point asked the following question:

Esso/ExxonMobil have applied to Environment Protection Authority Victoria to build three gas turbine generators to create electricity at Long Island Point, Hastings. The power generators would burn ethane gas and emit greenhouse gases, volatile organic compounds and other pollutants. Could Council please confirm that this Esso ethane project will be investigated, any risks identified and alternatives for the excess ethane explored to ensure that greenhouse gas emissions do not increase on the Mornington Peninsula due to this ExxonMobil development?

Ms Pauline Gordon, Director – Community Strengthening provided the following answer:

To date, Council officers have not been made aware of this application, as the EPA is the responsible authority. However we will make representation to the EPA to ascertain the status of the application and the process for community engagement to enable input into this project.

Air Quality Monitoring Station

a resident of Crib Point asked the following question:

Environment Protection Authority (EPA Victoria) has 29 air quality monitoring stations around Victoria to measure air quality and air pollutants. There are no EPA Victoria air quality monitoring stations on the Mornington Peninsula. The closest air quality stations are at Dandenong and Geelong. Could Council please consider writing to EPA Victoria to request the establishment of a new air quality monitoring station on the Mornington Peninsula - preferably located at Long Island Point, Hastings where large industrial facilities operate and air pollution is not monitored or recorded?

Hear this question and the responses from Council CEO John Baker here

<https://youtu.be/nEs9wlpUuF4?t=781>

This Council meeting occurred over two weeks into the 20 day period for public submissions on more than [20 technical reports](#) that make up ESSO's application to the EPA for the project.

The EPA invited public submissions on more than [20 technical reports](#) that make up [ESSO's application](#) for the project. As the project proponent, ESSO had the obligation and

responsibility of ensuring that the community was aware of the project, and of the opportunity for public comment.

They failed.

After missing the Sept 2021 information session, in March 2022 ESSO was asked the following questions about their proposal to install three ethane powered turbine generators at Long Island Point. Unfortunately no response has been received.

1. How many public meetings or forums have been held to inform local residents and community groups about this ethane project?
2. When and where were these public meetings held for the general public?
3. Will EPA Victoria be holding a Conference of Interested Persons (s236) community meeting regarding this proposed ethane project?
4. Could you please provide copies of public consultation information and material distributed to inform the general public about this ethane project before March 2022?
5. Has Esso/ExxonMobil applied to the Australian Energy Market Operator (AEMO) to register as a Generator of electricity to the National Electricity Market (NEM)?
6. Did Esso/ExxonMobil consider the Mornington Peninsula Shire "Climate Emergency Plan" and how would this ethane project comply with the Plan?
<https://www.mornpen.vic.gov.au/About-Us/Strategies-Plans-Policies/Strategy-Plan-Listing/Climate-Emergency-Plan>
7. Would this proposed ethane project at Long Island Point increase the amount of greenhouse gas emissions on the Mornington Peninsula from current levels?
8. What is the maximum amount of greenhouse gas emissions that could potentially be generated per annum by this ethane project?
9. What is the maximum amount of ethane that could be used per day by this project (e.g. 500 tonnes of ethane per day) and how would this daily throughput information be made available to the public, Mornington Peninsula Shire Council and EPA Victoria?
10. Will certified carbon offsets be required by Esso in order to reduce/remove CO2 emissions from this ethane project below 200,000 tonnes per annum?

11. Would Esso support the establishment of a new EPA Victoria air quality monitoring station based at Long Island Point to accurately measure air quality and air pollutants around Hastings?

ESSO stated in their application that they “expect there will be minimal impacts to the community from the construction of this project, which is set to take place within the existing industrial complex at Long Island Point during 2022.”

ESSO has failed to consider the ongoing impacts to the community and the environment from the continued flaring of toxic compounds, Volatile Organic Compounds, carbon monoxide, CO₂, particulate and greenhouse gas emissions.

The ongoing emissions from LIP would continue to disadvantage the hundreds of local businesses that rely on the ‘clean green’ reputation of the Mornington Peninsula and Westernport Bay to attract visitors to the region. Thousands of businesses rely on the lucrative but increasingly competitive ecotourism industry.

While ESSO reports on the possible creation of some dozens of jobs in this facility, the majority would be limited to the construction phase. The rest would be involved in operating a facility that ESSO predicts will be closed within years.

Since ESSO/EXXON began operating in Westernport over fifty years ago, the burgeoning tourism industry has emerged as a billion dollar concern.

Unlike heavy industries like ESSO that operate in Westernport, local tourism operators tend to attract visitors to the region, providing a mutual benefit that supports other businesses rather than impeding or disadvantaging them.

Reports that ESSO/EXXON is among Australia’s biggest evaders of tax, (having paid none since 2017), and knowing the extreme costs of their operations to people’s health, it is difficult to identify what, if any benefits ESSO provides to communities.

“Exxon has generated billions in revenue from increasing production and rising domestic gas prices, but has not paid a cent in corporate income tax in Australia in the last two years and possibly longer.”

EXXON/ESSO [Poster Boy for CorpTax Dodging 2017](#)

The damaging loss of ESSO's Social License to Operate within the Westernport community, and the internationally recognised high value conservation areas of Westernport Bay that surround the Long Island Point facility mean that further industrialisation of that site will be strongly opposed.

5. An EES must be considered for this project

1. In their EPA application, ESSO has stated that their project will not require State or Federal assessment of the environmental impacts during construction and operation of this project, despite high levels of CO₂, methane, and toxic particulate emissions produced during the operation of ESSO's three ethane turbine generators.

When Minister Wynne announced that AGL's gas import proposal in Westernport Bay had been rejected on Environmental grounds he said:

"It's very clear to me that this project would cause unacceptable impacts on the Western Port environment and the Ramsar wetlands – it's important that these areas are protected."

<https://www.premier.vic.gov.au/gas-proposal-ruled-out-due-environmental-impacts>

However, ESSO's Long Island Point site is located adjacent to a Ramsar listed wetland, which is a matter of national environmental significance.

The commonwealth [EPBC Act 1999](#) and the [fact sheet on Ramsar](#) areas of environmental significance both state:

"If you intend to take an action that is likely to have a significant impact on a matter protected by the EPBC Act, it is important to make a referral as early as possible in the planning and development stages. There are significant penalties, including fines and imprisonment, for taking such an action without approval. "

Perhaps it's significant that in their application to EPA, ESSO estimates that the emissions from their new ethane generators would be marginally lower than the 200,000 tonnes per

annum that would automatically trigger an EES and require the project to undergo the scrutiny of an environmental assessment.

The commonwealth [EPBC Act 1999](#) and the [fact sheet on Ramsar](#) areas of environmental significance both state:

“If you intend to take an action that is likely to have a significant impact on a matter protected by the EPBC Act, it is important to make a referral as early as possible in the planning and development stages. There are significant penalties, including fines and imprisonment, for taking such an action without approval. ”

EPA Victoria and the Mornington Peninsula Shire Council should reject ESSO’s development licence application and recommend a full Environment Effects Statement (EES) to assess the environmental and other impacts of this Project.

The project may have adverse environmental impacts on listed species of local flora and fauna including birds.

Key concerns are the Southern Brown Bandicoot, Greyfaced Flying Fox and the Swamp Skink.

“The use of Environmental offsets as required under planning scheme clause 52.17 may be applied.”

On [Native Vegetation](#)

https://www.environment.vic.gov.au/_data/assets/pdf_file/0018/91251/Exemptions-from-requiring-a-planning-permit-to-remove,-destroy-or-lop-native-vegetation-Guidance.pdf

Construction and operational issues could lead to vegetation removal, disturbance of State/Federal listed vegetation, **disturbance or relocation of native wildlife, and an increase in greenhouse gas emissions and flaring.**

[Ramsar and EPBC Considerations.](#)

We note the following in ESSO’s application to EPA:

ESSO has estimated the emissions from their new ethane generators to be marginally lower than the 200,000 tonnes per annum that would automatically trigger an EES and require the project to undergo the scrutiny of an environmental assessment.

Estimated [Greenhouse Gas assessment](#) for this project.

It seems unlikely that ESSO has consulted with MPSC and Bass Coast Shire Councils, despite the increase in greenhouse gas emissions, and other air pollutants from the operation of three new ethane turbine generators.

Likewise it appears that ESSO did not consider the Mornington Peninsula Council's **Climate Emergency Response** and how the increased emissions from their new ethane generators would affect the aims of the Shire and of residents that consulted on the Council's [Climate Emergency Response Plan](#)

Several years ago in 2017, the Mornington Peninsula News reported that "**The EPA's southern metro manager Marleen Mathias said the authority was aware of community concerns about "visible smoke and flames coming from Esso's Long Island Point"**".
<http://www.mpnews.com.au/2017/02/28/its-a-gas-all-the-way-from-gippsland/>

6. Historical and Regional Context

Community residents' group Save Westernport was initially formed in 1971 to promote the conservation and protection of Westernport's valued environment. The group's earliest activities reflected growing concerns about government collaboration with industry on ambitious new plans to industrialise Westernport.

Later renamed Westernport Peninsula Protection Council, Save Westernport was one of Australia's earliest environmental groups, achieving varying degrees of success over the decades, against repeated attempts to establish new industrial projects in Westernport, including plans for a Nuclear Power Plant on French Island, a Bitumen Plant, Urea depot, and a Container Port, all within the boundary of Westernport's Ramsar wetlands.

Westernport Bay in Victoria is listed as an internationally significant wetland under the intergovernmental Ramsar Convention. It forms a significant part of the UNESCO Mornington Peninsula and Western Port Biosphere Reserve. Large areas of French Island form one of three Marine National Parks within Westernport's boundaries, and the Mushroom Reef Marine Sanctuary lies just outside its western entrance.

The internationally renowned Little Penguin rookery, and Australia's largest fur seal colony are unique to Phillip Island. Southern Right Whales and vulnerable Humpback Whales have been sighted in record numbers in recent seasons, and pods of dolphins can regularly be seen trawling for fish along the shorelines of our local beaches. Seagrass beds (*Heterozostera tasmanica*) within the Ramsar site are known to provide important nursery habitat for a number of fish species, including commercially significant species.

The marine and intertidal waters of the Bay also support a rich marine invertebrate fauna. More than 1,350 species have been recorded, between three and four times greater than the number recorded in nearby Port Phillip Bay. Many species are endangered or otherwise listed on the federal Flora and Fauna Guarantee.

“Westernport’s combination of warm shallow waters and fast flowing tidal channels support an extraordinary diversity of habitats and an unusual combination of species.”

- Understanding the Western Port Environment

https://www.melbournewater.com.au/sites/default/files/2018-02/Understanding_the_Western_Port_Environment_0.pdf

Westernport encompasses remnant coastal ecosystems that are rare and have a particularly high conservation value, including mangroves (*Avicennia marina*) and critically endangered listed saltmarsh communities.

“Westernport is a particularly good example of a natural wetland marine embayment with extensive intertidal flats and a saltmarsh-mangrove-seagrass wetland system.”

- Western Port Ramsar site Management Plan

https://www.water.vic.gov.au/_data/assets/pdf_file/0029/66269/Western-Port-Ramsar-Site-Management-Plan-Summary.pdf

At the latitude of 38°35', Westernport's Mangrove beds are among the most southerly examples in the world. The flora and fauna of Westernport includes numerous threatened and endangered species and communities, and many species of listed migratory birds.

In 1982, Westernport Bay was listed as a Ramsar site of significance. Its extraordinary conservation value was confirmed when seven out of nine potential environmental criteria were fulfilled for its Ramsar accreditation. It is also part of the UNESCO-recognised Mornington Peninsula and Westernport Biosphere Reserve.

In addition to its Ramsar listing, Westernport is a significant site that confers a number of obligations under a suite of international conservation treaties and agreements including:

- Bonn Convention for wildlife conservation
- China-Australia Migratory Bird Agreement
- Japan-Australia Migratory Bird Agreement
- Republic of Korea-Australia Migratory Bird Agreement

Westernport Bay is also part of the Shorebird Reserve Network for the East Asian-Australasian flyway, and a global network of Birdlife International's important bird areas. Most of the important roosting sites in Westernport for shorebirds are listed as Sites of National Zoological Significance.

As a Ramsar site of international significance to the survival of migratory shorebirds, Westernport is governed by the Wise Use principles of wetland management, with respect to the maintenance of its ecological character, achieved most notably through the implementation of ecosystem approaches, within the context of sustainable development.

Unfortunately this fundamental balance between competing interests has not been maintained as a priority.

7. ESSO in Westernport

In spite of Westernport's status as an area of high conservation value, in past decades, the local ecology has been compromised, undervalued and exploited by environmental mismanagement, inappropriate development and local heavy industries. This has led to resulting in habitat loss and alteration, and significant impacts on biodiversity.

Existing environmental laws have consistently failed to protect Westernport from the inevitable loss resulting from these incursions.

Large areas of saltmarsh-mangrove-seagrass wetlands systems in Westernport's Northern arm were bulldozed and reclaimed to create the land now known as Long Island Point—the sites now used by ESSO and BlueScope.

A 1974 dissertation by Leonie Sandercock, [Property, Politics and Power](#), features a chapter on the industrialisation of Westernport titled '**Speculators Dream, or Environmental Nightmare**'.

Chapter 4 (p.280), and the related Appendix 1 (p.380) each describe the conflicts-of-interest, corruption and land-grabs that defined Westernport's rapid industrialisation in the 1960s and 70s, and the inner workings of the Westernport Regional Planning Authority.

The WRPA was the government body behind the questionable, fast-tracked industrialisation of Westernport Bay. The far-reaching repercussions of the WRPA are described in the following terms:

In March 1969 the Westernport Regional Planning Authority (WRPA) was formed to prepare and eventually implement a Planning Scheme for the area.

Members of the Authority were not restricted from voting on matters affecting their own properties, and meetings were not open to the public.

The history of land transactions in the area provides one of the best examples available of the way the powers available under statutory planning are exploited (and the objectives undermined) both by individuals using positions of influence within councils, and by big companies using their political leverage at state government level.

The decision of the Bolte government to promote industrial development in Westernport Bay was made, the agreements with British Petroleum (BP) and ESSO were signed, and the enabling Bill was rushed through Parliament before it could even be read by its members.

The Act also stripped the Hastings Council of any authority in the matter. But criticism of this Act as a 'rubber stamp job' did not prevent the passage of the Westernport Development Act 1967 (an agreement between the government and Esso-Hematite) and the Westernport Steelworks Act 1970, which gave birth to the \$1000 million Lysaght (a BHP subsidiary) project.

The terms of the agreement required very little from the company, and millions of dollars from the government, not only to supply water, roads and power to the site but also in outright subsidies of company operations.

The pamphlet '[The Shame of Westernport](#)' published in July 1971 by the Save Westernport Coalition explores these dealings.

<https://drive.google.com/file/d/1hOgmSBwyw7RRo2ulgEKpZke00qtKp8ob/view?usp=drivesdk>

In 1970, the WRPA received a draft report on the feasibility of re-zoning certain land around Westernport for industrial use, prepared by international US consultants, Plant Location International.

The report recommended the re-zoning of thousands of acres of rural land around the bay. This draft report was then referred to the Authority's Industrial Development Advisory

Committee (which included representatives from BHP, BP, Lysaghts, Esso, CIG, Nylex Corporation and Dowd Associates).

All members of the Advisory Committee had financial interests in land and industrial activities in the area.

Of the twelve councillors on the Authority in 1971 at least six were known to be involved in land dealings in the area. Other landholders at Westernport included BHP, Esso, BP and the Gas and Fuel Corporation.

It should be emphasised that it was not just the nature of the plans for Westernport that angered residents. It was also the planning procedure. Not only was the industrial plan drawn up first, with the ecological study to follow at some point in the distant future after the industrialists had virtually taken what they wanted, but also the land use planning was done in the greatest secrecy, excluding local residents, and including only the industrialists.

In 1971, the Save Westernport Coalition was formed by residents' group, **Westernport & Peninsula Protection Council**. The group responded to the irreversible environmental degradation and indiscriminate approval of excessive, ill-advised industrial proposals that continued unchecked in Westernport Bay throughout the 1960s & 70s.

It is doubtful if, in recent years, any large city anywhere has been asked to hand over such an enormous recreational area to so few people."

(Save Westernport Coalition 1971: 3-8)

Eventually, widespread community outrage and action resulted in the rejection of a slew of unsound industrial proposals, including the Boral Bitumen Plant, Infrastructure Victoria's failed bid for a Container Port, and AGL's gas import proposal in Westernport Bay.

AGL's project was rejected after a protracted 4-year community campaign of opposition, which resulted in a detailed assessment of the project's likely environmental impacts in an Environment Effects Statement, which resulted in a record number of public EES submissions against the proposed gas plant in 2020.

In 2021 the Victorian Planning Minister announced that AGL's gas import proposal had been rejected on environmental grounds.

<https://www.premier.vic.gov.au/gas-proposal-ruled-out-due-environmental-impacts>

The comments on the history of Industrialisation in Westernport are included in this submission to provide some context on ESSO's operations in Westernport. The way the corporation was established in Westernport over 50 years ago undoubtedly set the scene for the secrecy and lack of accountability that has continued ever since. (More below)

Of all the commercial operators in the Port, ESSO is considered least likely to concern themselves with community consultation and public accountability.

The appalling corruption that defined ESSO's establishment at Long Island Point still influences the way that ESSO conducts itself as a member of this community in which they operate.

Their failure to comply with acceptable standards and extreme disregard with which ESSO continues the objectionable practice of flaring, confirms their disregard for the environment, and for the safety of our community.

ESSO's failure to address the risks, to monitor air quality, or to retrofit their stacks with scrubbers and otherwise update their operations with the various technologies that have become increasingly available during the 50+ years since their operations began at LIP confirms the over-entitled and thoroughly irresponsible manner in which they choose to operate.

The inevitable outcome for ESSO has been the loss of social license to operate, and lack of trust from the local community, from residents and visitors to Westernport.

I have personally been aware of ESSO's oppressive flaring smoke stacks at LIP since the early 1970s. There's little doubt that ESSO's flaring events have become far more extreme and more frequent over the decades.

The black bellowing plumes of smoke and naked flames leaping into the sky, and the eerie red skyglow reflecting off the clouds whenever flaring continues into the night—the scene can appear so threatening, it's not uncommon for people seeing a flaring event for the first time, to believe they are actually witnessing an emergency.

Save Westernport receives regular accounts from exasperated people who have finally contacted the EPA to report ESSO for such excessive emissions and air pollution. People calling the EPA to report the flaring at Long Island Point, are told that ESSO's operations at LIP routinely fail to comply with air quality standards, but ESSO is exempt from the regular standards of the Environmental Protection Authority.

Indeed, the EPA is known to advise people that ESSO's LIP facilities are so outdated and old, because the cost to ESSO of updating their operations would be impractical and prohibitively expensive since the facility at LIP is due to be phased out in the coming years.

For close to a decade now, the EPA and ESSO have claimed it would not be economically viable to retrofit the LIP facility. It's not considered to be 'worthwhile' since the plant will soon be phased out anyway. Until the release of ESSO's application to add three ethane powered turbine generators to their Long Island Point operations, ESSO had released no timeline for this transition.

It's not unknown for members and supporters of Save Westernport to comment on our social media streams to express their frustration and dismay that such an outdated, Dickensian practice could still be permitted today, in the context of the Climate Emergency.

The relentless effects of climate chaos continue to drastically impact our lives in every way, affecting everything from regional biodiversity to the global economy. 'Once in a century' floods, bushfires and storm events are challenging us with increasing regularity, as they force us to question everything we know.

The truth of this heightened urgency means it is more critical than ever to examine the causes and scrutinise the actions of the responsible parties, and to prepare for the inevitable changes brought on by the climate crisis, by demanding and participating in meaningful action.

This must include our divestment from fossil fuels, adapting our habits and engaging with the innovations available now in the energy mix.

In March 2020, the neighbouring Bass Coast Shire Council endorsed the changing attitudes of Westernport residents, by passing a Motion stating its **"strong opposition to the development of fossil fuel assets in Western Port Bay..."**

They went a step further, announcing that **"Council strongly opposes further fossil fuel developments in Victoria and is opposed to the further industrialisation of Western Port to facilitate them"**. p.20

<https://d2n3eh1td3vwdm.cloudfront.net/agendas-minutes/minutes/Open-Minutes-18-March-2020.pdf?mtime=20200322112858>

Following the success of the community's campaign against AGL's plan to construct new LNG infrastructure in Westernport, a 2021 [Discussion Paper](#) about the future of the Port of Hastings warned the Mornington Peninsula Shire Council that future bulk fuel and gas development in Westernport "**would be strongly opposed by a significant, and politically well-organised cohort of the local and regional community**". (p.38)

<https://drive.google.com/file/d/12bAeSgEZM9PLRJSJ55OcnTCUsh-GvDhx/view?usp=drivesdk>

It's no secret that time is running out for fossil fuels, as climate chaos continues to plague our environment, our agriculture and our homes with the disastrous effects of fire and flood.

This application to the EPA for ESSO's project states: "**As the demand for natural gas declines, so will the quantity of ethane gas requiring disposal and Esso expects the facility will cease operation around 2033.**"

Rather upgrading their Hastings facility to minimise emissions, for years ESSO has avoided taking action to update operations or to bring the facility into compliance with the EPA's clean air regulations and Victoria's 2017 Emissions standards.

Despite knowing the risks to residents, and to the local environment, it appears that an executive decision has been made by ESSO at Long Island Point, and by pollution watchdogs at the EPA, to provide exemptions that allow the practice of flaring to continue.

Simply by claiming that upgrading the LIP plant would be too expensive, ESSO has been allowed to continue their operations that pollute the local environment with particulate-heavy emissions that fallout over the town of Hastings, and into the surrounding wetlands.

The implications are unthinkable: that a commercial operation continues to be exempted from operating in accordance with the Precautionary Principle that governs the world's best practice in the protection of human life and the environment, on the grounds that it is inconvenient, and not cost effective for them to do so.

The essential ecosystem services that Westernport provides are critical for underpinning the sustainable growth of its surrounding communities. For example, Westernport's

extensive intertidal zones of significant mangrove beds, mudflats and critically endangered coastal saltmarsh provide our best defenses against the effects of coastal inundation and sea level rise, as well as providing a significant natural sink for carbon capture. Such important natural assets must be fully protected now and for the future.

The area's valuable natural attributes must be protected from inappropriate industrial activity that risks polluting the water, air and land in and around the Bay, and from the accelerating impacts of climate emergency. Protection must be at the highest level in order to ensure that this Ramsar site will never be subject to further activities and threats that could compromise its nationally significant and internationally recognised ecosystems.

Very few residents in the Hastings area were informed about ESSO's plans to generate electricity, or the opportunity for the public to comment during the 20 day submissions period on [the project and its reports](#).

In contrast to the requirements listed in their [Stakeholder Engagement report](#) submitted to the EPA as part of their application, ESSO appears to have listed mainly groups that for the most part are not open to the public. Rather, they operate on an 'invitation-only' basis.

Save Westernport discovered that in October 2019, ESSO made a submission to EPA Victoria stating "ExxonMobil has two exemptions in the PEM Section 2.11 Safety Relief Flares, Table 21 Minimum Control Requirements, note b). This excludes the Longford and Long Island Point Plants from the requirement for flares to be equipped with steam or air suppression systems to promote smokeless combustion. Due to the chemical engineering design of both of these plants, there would be an excessive impact on critical gas supply to the South East Australian market and cost to the business to modify the flare and relief system to meet this requirement."

ESSO's Community Relations Manager responded, declining the request for more information. He said we'd missed their public information event and we should refer to their

In March 2022 ESSO announced that they'd applied to the EPA to construct three new ethane turbine electricity generators at their Long Island Point facility in Westernport Bay.

[ESSO's information and reports](#) for their EPA application were posted, followed by a 20 day period for public submissions.

Very few residents in the Hastings area were informed about ESSO's plans to generate electricity, or the opportunity for the public to comment on the project through EngageVic during a 20 day submissions period for [the project and its reports](#).

In contrast to the requirements listed in their [Stakeholder Engagement report](#) submitted by ESSO to the EPA as part of their application, ESSO appears to have listed mainly groups that are not generally open to the public, but that operate on an 'invitation-only' basis.

After publishing a Notice in the local Newspaper, inviting people to contact ESSO's plant manager if they wanted information about the proposal, ESSO declined a request for further information from a local community group in an Oct 2021 email signed

Jarrold Byham

Community Relations Manager – Australia, NZ and Pacific Islands

Public & Government Affairs

ExxonMobil Group of Companies

Their email informed us that ESSO's one and only public information evening had already been held. Apparently ESSO's public information session was so poorly publicised, that neither the members of Save Westernport's Steering Committee, nor our general membership knew anything about the project, the information session, or the opportunity through EngageVic to comment on ESSO's application to the EPA. despite the regular participation of our members on a range of social media and local networking and information sites.

However, on the basis of an email from ESSO that refused the information requested, ESSO listed that group, and dozens of groups they claim to have consulted, in their [Stakeholder Engagement](#) report— a requirement of their application to the EPA

The Appendix to ESSO's Stakeholder Engagement report states that on 13 Oct 2021, the Minutes of the October 2021 meeting of the "Western Port Community Liaison Committee" were sent to a Hastings community group.

ESSO has failed to attribute this Committee, and the Minutes of their meeting, to BlueScope Hastings.

This reference to the Community Liaison Committee suggests that ESSO attempt to deliberately infer that they are responsible for convening this consultation group?

ESSO neglected to mention that the “Western Port Community Liaison Committee” is hosted—not by ESSO— but by BlueScope Hastings.

ESSO’s decision to mention BlueScope’s Western Port Community Consultation Committee in their Stakeholder Engagement report is perplexing, for the following reasons

1. The group that ESSO claims to have sent the Oct 2021 Minutes to has confirmed that they never received this correspondence.
2. The scant information volunteered by ESSO representative at the BlueScope Community Liaison Committee meeting was is listed in its entirety in the Oct 2021 Minutes as

“David McCord – ESSO

- ***Exciting opportunities in changing operations, exploring potential alternate fuel source generating energy back into the grid.”***

Knowing that at least one of the Groups listed in ESSO’s [Stakeholder Engagement](#) report was not consulted in the way that ESSO describes, what assurance does the EPA—and the public have that other Stakeholders named over the three pages (6-9) of this report were engaged by ESSO ?

Committee for Mornington Peninsula	Sep-21	Post Development Licence Approval
Crib Point Engineering	Oct-21	Post Development Licence Approval
Cross Fit Hastings	Oct-21	Post Development Licence Approval
David Gibbs & Associates	Oct-21	Post Development Licence Approval
Eddy Batur Industrial Painting	Oct-21	Post Development Licence Approval
Evergreen	Oct-21	Post Development Licence Approval
Geonbae	Oct-21	Post Development Licence Approval
Hastings Bowls Club	Oct-21	Post Development Licence Approval
Hastings Coastal Advisory Group	Oct-21	Post Development Licence Approval
Hastings Panels	Oct-21	Post Development Licence Approval
Hastings Preschool	Oct-21	Post Development Licence Approval
Hastings Seafarers Centre Inc	Sep-21	Post Development Licence Approval
Hastings U3A Inc	Sep-21	Post Development Licence Approval
Hastings Yacht Club	Oct-21	Post Development Licence Approval
Kawasaki Heavy Industries Ltd.	Oct-21	Post Development Licence Approval
Kindred Clubhouse	Oct-21	Post Development Licence Approval
Living Design	Oct-21	Post Development Licence Approval
LW Marine	Oct-21	Post Development Licence Approval
LW Marine Services Pty Ltd	Oct-21	Post Development Licence Approval
Media Banc	Oct-21	Post Development Licence Approval
Mornington Peninsula Shire Youth Services	Oct-21	Post Development Licence Approval
Residents/Houses	Oct-21	Post Development

Since neither residents nor the local Shire Council/s were ever consulted about this project, how can people have confidence in ESSO, or in their commitment to fulfilling the aims that are listed in their Stakeholder Engagement report.

Save Westernport has representative members on Our experience of ESSO's stakeholder engagement includes BlueScope's Western Port Community Liaison Committee meeting in March 2022. The Minutes state:

- o Community Query regarding ESSO Ethane project
 - BH experiencing audio issues during the meeting. (He left before the community had the opportunity to ask questions). adding a message stating "ESSO would be happy to discuss the project further outside of this meeting."

It was unfortunate that no ESSO representative was present at the Port of Hastings' April 2022 Community Consultation Committee meeting, particularly as the meeting took place during the public comments period for ESSO's application to the EPA for three new ethane generators at Long Island Point in the Port of Hastings.

The [April 2021 Minutes](#) state:

Action: JC queried Esso's permissions to vent at the plant. PoHDA to forward contact details of the appropriate Esso person to reply to this query.

I don't think this ever happened.

[The Oct 2021 Minutes](#) record that two ESSO representatives, Deepinder Singh and Doug Roland attended this meeting, and yet for some reason the Minutes state:

Action: JS queried Esso's permissions to vent at the plant. **Esso to provide an update in future meetings.**

This was around the time that ESSO claims to have been involved in Stakeholder Engagement for their application to the EPA for three ethane fueled turbine generators to be constructed at Long Island Point.

General Concerns not directly involving HCAG.

Residents of Hastings and surrounds have tolerated the worrying impacts of flaring on their health, on the environment, and on local amenity since the plant opened in the 1960s.



The Boathouse Tourist Information Centre, Hastings pier, 2021

“[Map of proposed generator](#) below, from [List of supporting docs](#) ESSO’s application <https://www.epa.vic.gov.au/esso-pty-ltd>”

Figure 1: Regional Setting of Ethane Disposition Project – Mornington Peninsula, Victoria



The proposed ESSO site lies directly to the west of the Old Tyabb Reclamation Area, rezoned in 2021 for Port Related Use. The Port of Hastings successfully applied to Council for this area to be Rezoned

Estimated [Greenhouse Gas assessment](#) for this project.

Did ESSO/ExxonMobil consider consulting with MPSC or Bass Coast Shire Council, due to the Increase in greenhouse gas emissions, and other air pollutants from the operation of three new ethane turbine generators?

Has ESSO considered the Mornington Peninsula Council's **Climate Emergency Response** and how the increased emissions from their ethane new generators would affect the aims of the Shire and of residents that have been laid out in Council's [Climate Emergency Response Plan](#)?

<https://www.mornpen.vic.gov.au/About-Us/Strategies-Plans-Policies/Strategy-Plan-Listing/Climate-Emergency-Plan>

Several years ago in 2017, the Mornington Peninsula News reported that **“The EPA’s southern metro manager Marleen Mathias said the authority was aware of community concerns about “visible smoke and flames coming from Esso’s Long Island Point”.**

<http://www.mpnews.com.au/2017/02/28/its-a-gas-all-the-way-from-gippsland/>

ESSO’s [Stakeholder Engagement report](#) states:

Currently, ethane produced from LIP raw Natural Gas Liquids (NGLs) is transferred to Qenos Altona by pipeline. If this disposition method becomes unavailable, ethane can be disposed of (depending on the gas order) by a range of operational activities including Flare, NGL disposal and Gas curtailment.

The supply of natural gas from the Longford Plant to the state of Victoria is considered to be an essential service under the Essential Services Act 1958. For this essential service to continue, there needs to be a continued means of disposing the products that are produced with the natural gas, in this case ethane, propane and butane. If the normal offtake of ethane ceased or was significantly reduced, the ability to continue to produce and deliver natural gas to Victoria at the normal rate would be interrupted, unless an alternative use or means of disposal of ethane was available.

In Dec 2019, Australian IEEFA Gas Analyst Bruce Robertson stated

“The gas industry’s claims of gas shortages are a tactic to gain approval for unpopular projects,”

The only immediate alternative for disposing of the ethane would be to put it to flare at LIP. As this is not permitted under the existing LIP Bubble Licence, it would require the Minister (under the emergency provisions) to provide an exemption for flaring until such a time as alternatives were made.

The message here is clear:

With this application to the EPA, a strong threat is implied; unless their application to become an electricity supplier is approved, they have the power to threaten to disrupt Victoria’s gas supply.

ESSO appears to have an inordinate amount of power over regulators and governments—enough to evade their tax obligations, and to breach environmental standards.

While eliminating waste and emissions is a positive step, rather than phasing out gas use, the purpose of ESSO's application seems to be to allow operations at their Long Island Point site to continue exceeding EPA emissions standards with impunity.

Is this generator project a means of avoiding the necessary upgrades that would otherwise be inevitable to compel ESSO to address the flaring at Long Island Point?

For years the EPA has been reassuring people who complain about the flaring they regularly see above Westernport Bay, that it's for our own safety, adding that ESSO has never been required to retrofit their facility with scrubbers that are now available to eliminate or lessen the toxic emissions, simply because their Long Island Plant is outdated and due to be phased out.

For the community to discover in 2022 that by generating electricity—and more emissions—that ESSO could continue its operations, while exceeding the EPA's clean air standards, is extremely disappointing.

ESSO/EXXON has been unconcerned about the impacts of flaring on residents, and has never responded to the need to reduce emissions, or to address the worrying effects on public health and local amenity.

After so many years, it's unlikely that ESSO would be taking these steps if it were not profitable, or unless they were being strongly compelled to do so.

2018:

Rather upgrading their Hastings facility to minimise emissions, ESSO has avoided taking action to update its operations in order to comply with EPA clean air regulations and Victoria's 2017 Emissions standards.

For many years both the EPA and the facility's operators from ESSO have claimed it would not be economically viable for EXXON to retrofit the facility, explaining it would not be worthwhile since the plant will soon be phased out anyway. No timeline has ever been given for this transition.

Despite knowing the risks to residents, and to the local environment, it's likely that an executive decision has been made by EXXON Hastings, and by pollution watchdogs at the EPA, to allow the practice of flaring to continue.

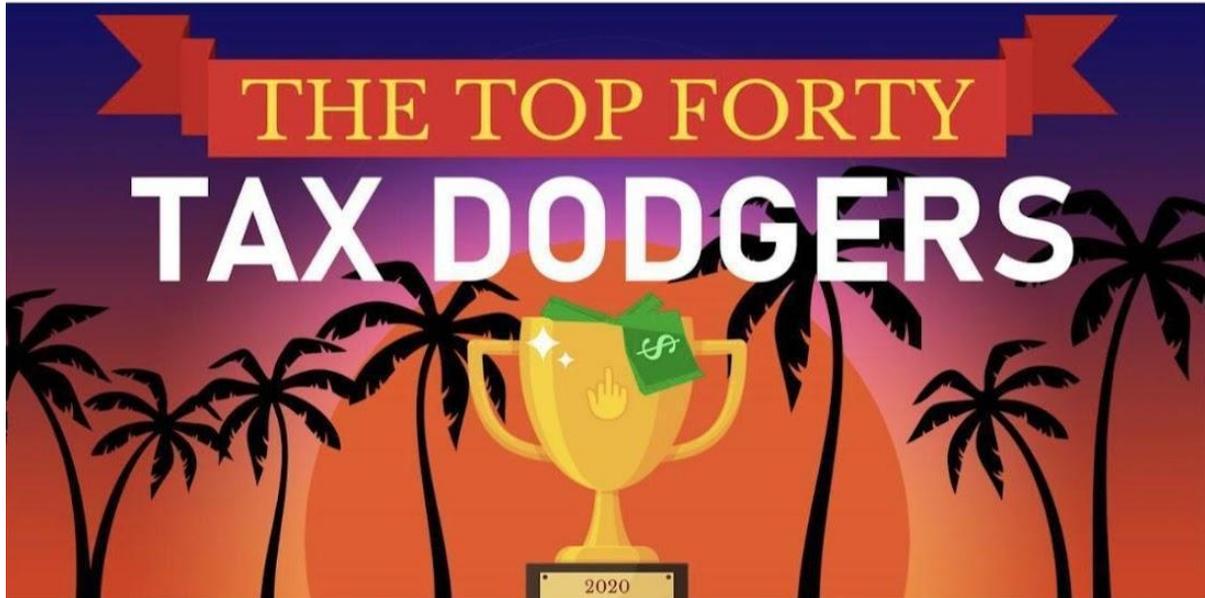
Simply by claiming that upgrading the plant would be too expensive, ESSO/EXXON has been allowed to continue polluting the local environment with particulate-heavy emissions that fallout over the town of Hastings, and into the surrounding wetlands.

Despite being one of the world's largest companies by revenue, EXXON/ESSO has achieved international infamy for [failing to pay its taxes](#).

EXXON/ESSO <https://www.michaelwest.com.au/exxonmobil-australia-pty-ltd-2019/>

Australia's Top 40 Tax Dodgers 2020: fossil fuels dominate once more

by Michael West | Jan 31, 2020 | Finance & Tax



The Top 40 for 2020. Image by Alex Anstey

It's Top 40 Tax Dodgers time and Exxon has topped the charts again. This year, we are announcing all 40 in one go. ExxonMobil Australia has racked up total income of \$42.3 billion over the past five years of available Tax Office data. Yet it paid not one cent in income tax in this country.

This means that every worker on the minimum wage in Australia, and plenty who earn less, pays more income tax than this US oil juggernaut. In the “lifters and leaners” parlance of Joe Hockey – he of the \$45,000 taxpayer funded barbecue – these humble PAYG Australians are the lifters, while many of the biggest companies in the world the leaners.

Exxon's peer Chevron too paid zero tax over five years, notwithstanding its \$15.8 billion in total income. **Michael West** reports on the big “leaners”.

EXXON [Tax Dodgers-Not Paying Its Fair Share](#)

Sen. Rex Patrick slams EXXON [Corporate Scumbag](#) SMH 2020

EXXON spent \$10mil [fighting the Australian Tax Office](#)

Make EXXON Pay! [Tax Justice Network](#)

EXXON [Poster Boy for CorpTax Dodging 2017](#)

“Exxon has generated billions in revenue from increasing production and rising domestic gas prices, but has not paid a cent in corporate income tax in Australia in the last two years and possibly longer.”

We will add you to this distribution list so that you and your colleagues can attend any future sessions.

*In the interim, you can keep using this mailbox for any further queries and we'll look for ways to update stakeholders like yourselves when as the project progresses in 2022.
Thanks.*

Jarrold Byham
Community Relations Manager – Australia, NZ and Pacific Islands
Public & Government Affairs

ExxonMobil Group of Companies

664 Collins St
Docklands Victoria 3008 Australia

This is evident in the final paragraphs of the Stakeholder Engagement report, (*in italics above*) in which ESSO appears to threaten Victoria's energy supply if anyone dares to

interfere with what they, and the EPA have long described as their '***routine flaring operations***'.

It sounds like a threat...

"If the normal offtake of ethane ceased or was significantly reduced, the ability to continue to produce and deliver natural gas to Victoria at the normal rate would be interrupted..."

VOCs: further Environmental Concerns

Incomplete combustion of fuel within the gas turbines leads to the emission of unburnt hydrocarbons, including volatile organic compounds (VOCs) (Witherspoon, 2021). For an ethane-fired gas turbine these unburnt hydrocarbons are comprised of ethane (approximately 73%) and other VOCs (i.e. formaldehyde, toluene, benzene, and acetaldehyde). The load at which a given gas turbine is operated has a strong effect on the emissions of VOCs, which decrease with increasing load.

VOCs are classified under the Guideline for assessing and minimising air pollutants (EPA Publication 1961) as an air toxic. VOCs are chemical compounds based on carbon with a vapour pressure of at least 0.01 kilopascals at 25°C or having a corresponding volatility under the particular conditions of use. Emissions of VOCs may impact the beneficial uses of the local air environment due to their toxicity, bio-accumulation or odour characteristics. Based on present toxicological knowledge, the possible combined effects of VOC (and very volatile organic compounds, or VVOCs, like formaldehyde) on human health can be very difficult to predict.

On a regional level, VOCs can be a major contributor to the formation of photochemical smog (AECOM, 2021).

<https://www.cetec.com.au/services/voc.html>

[March 2022 BS Minutes](#) state

- Legislative Changes
 - EPA continues to release guideline documentation supporting the new EP Act – recently released for comment "[Guideline for managing greenhouse gas emissions](#) – draft for consultation".
 - EngageVic states that the draft Guidelines released in January 2022, will not be finalised until August 2022

ESSO's photo Gallery of Shame, photos received by Save Westernport that show excessive flaring at Hastings Long Island Point

ESSO Plant's Industrial Disgrace:

The following pictures were taken at Hastings and sent to Save Westernport between 2018 and 2021



















ESSO under regulatory scrutiny

"In March 2021, Esso/EXXON Mobile was singled out by NOPSEMA "the usually hands-off regulator" in a report detailing concerns about the company's Bass Strait operations considered "more immediate than decommissioning", and described as "rusty, dangerous (and) not acceptable".

In May this year, the offshore safety regulator NOPSEMA published three improvement notices requiring Exxon to fix dangerous corrosion on two platforms."

The report estimates that offshore oil and gas producers EXXON Mobile are facing a \$52 billion clean-up bill over the next three decades.

<https://www.boilingcold.com.au/regulator-blasts-exxonmobils-bass-strait-maintenance-orders-massive-decommissioning-effort/>

Esso (Exxon) will also have to publicly publish a report on its progress to clean up its operations every 12 months.

"Esso must explore opportunities to reduce the timeframe for completing the decommissioning activities [currently 2027] and report regularly on progress to NOPSEMA," the spokesperson said.

<https://www.energynewsbulletin.net/maintenance-shutdowns/news/1410548/exxon-forced-to-decom-bass-strait-by-2027>

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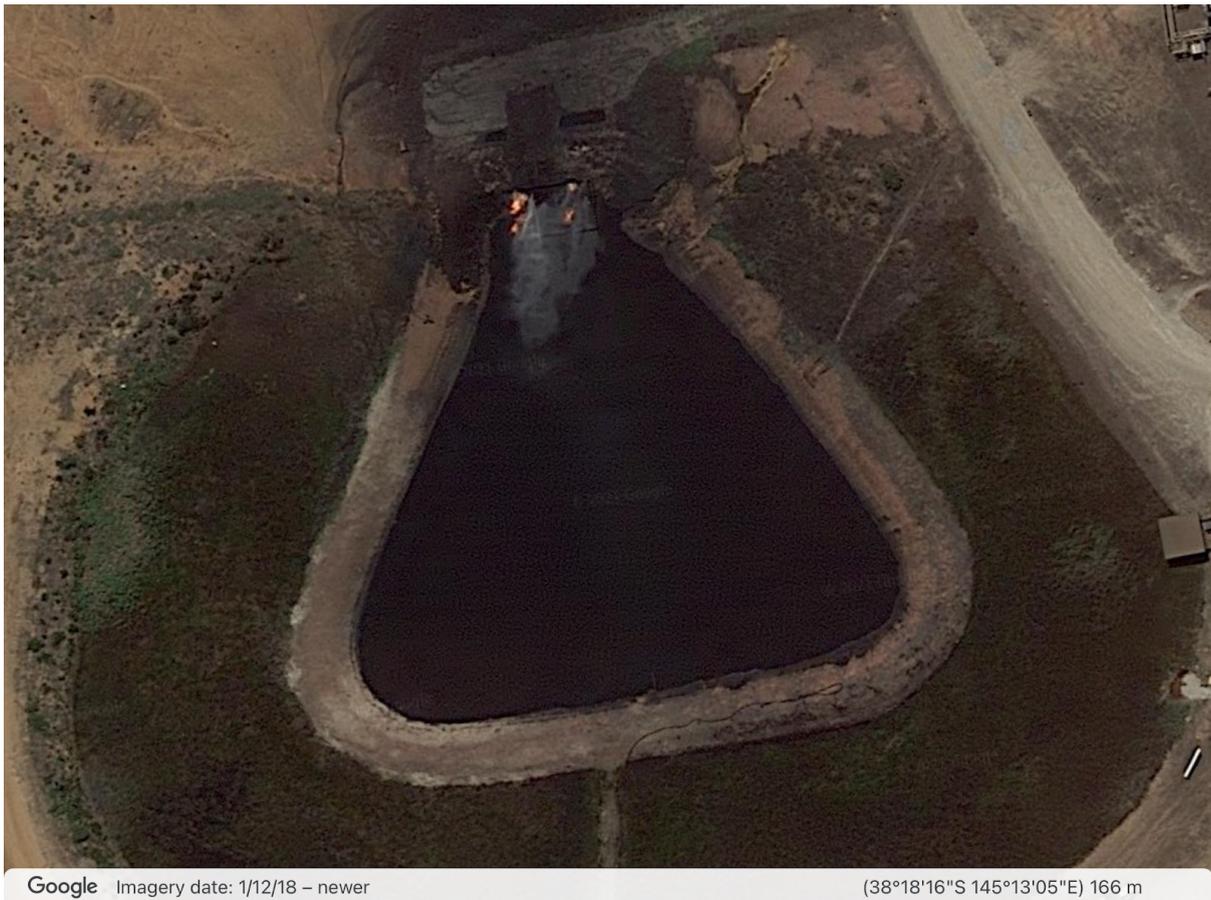
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The following pictures of Long Island Point, from Google Earth, 2021 illustrate the reason for concerns about potential Land and Water contamination at ESSO's [Long Island Point](#) operations



The proximity of ESSO's toxic settling ponds to Westernport's Ramsar listed mangroves raises questions about the potential for leaching into the marine environment.



Google Imagery date: 1/12/18 - newer

(38°18'16"S 145°13'14"E) 208 m



Google Imagery date: 1/12/18 - newer

(38°18'16"S 145°13'10"E) 377 m



Google Imagery date: 1/12/18 - newer

(38°18'16"S 145°13'12"E) 927 m



Google

(38°17'49"S 145°13'10"E) 4 km



Google Imagery date: 1/12/18 - newer

(38°19'16"S 145°12'12"E) 10 km



We oppose this application that would see the continuation of ESSOs polluting industry in Westernport Bay and ask in the strongest possible term that it be rejected.

On behalf of Save Westernport, we thank you for considering our Comments.

We wish you well in your deliberations.