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13 November 2015

Mr Nick Wimbush
Advisory Committee Chair
Major Hazard Facilities Advisory Committee
C/- Planning Panels Victoria
Level 5, 1 Spring Street
MELBOURNE VIC 3000

By email: planning.panels@delwp.vic.gov.au

Dear Mr Wimbush,

I refer to your letters of 28 October to the Long Island Point and Longford facilities inviting initial comments around improvements to land use planning for areas surrounding Major Hazard Facilities. At the outset I would like to welcome the formation of the Major Hazard Facilities Advisory Committee. Currently there is a lack of clarity around the existing processes for protective buffer zones around these facilities.

By way of background Esso Australia Resources Pty Ltd (Esso) is Operator of the Gippsland Basin Joint Venture (a 50:50 joint venture with BHP Billiton (Petroleum)). This includes 23 offshore facilities which are linked to the Longford Plants oil and gas processing facility onshore near Sale, and the Long Island Point fractionation and crude oil storage facility near Hastings. Together these facilities supply nearly 40 per cent of east coast oil and gas demand and supply crude oil to Australian and international refineries.

While these two Major Hazard Facilities are located in what was once rural farming land, there has been increasing pressure from competing forms of land use which has brought the community in closer proximity to these facilities.

In the case of the Long Island Point facility, this has the potential to be exacerbated by the proposed Port of Hastings container terminal development, or other additional bulk or liquids handling facilities. New facilities such as these are likely to be located in proximity to Esso's facility and will significantly increase the density of land use around it. However, equally of concern, these facilities could also bring associated businesses that will seek to locate themselves in proximity of these new operations, and in turn Esso's facility.

Esso supports further development around the Port of Hastings, however, it must be appropriate and include an appropriate buffer around its facility to ensure there is no risk to public safety.

While regulators such as WorkSafe Victoria and the Environment Protection Authority have guidelines in place which are designed to ensure appropriate development around Major Hazard Facilities, the buffer zones vary significantly, and in some cases need further clarification. Further, even if these are applied in planning decisions by local councils,

ultimately they can be challenged and overturned by the Victorian Civil Administration Tribunal.

Esso believes that clear, consistent and enforceable regulations that define what development is appropriate around Major Hazard Facilities are needed. These will not only help protect residents and businesses, but will also give certainty to operators of these facilities, such as Esso.

Esso looks forward to continuing to participate in Committee's review. Please contact Mr Andrew Murphy on (03) 9270 3537 if you require clarification or any more information about this response.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Andre Kostelnik', written over a circular scribble.

Andre Kostelnik
Production Operations Manager