



Information Sheet | March 2023

Project Overview

The Enterprise Project is part of Beach Energy’s strategy to maintain the production of gas at the Otway Gas Plant, boosting gas supply for Victorian customers. Following the successful drilling of the Enterprise exploration well in 2020, Beach is now progressing final activities to connect the well to the plant.

The Enterprise reservoir is located in the offshore Otway Basin, up to 3 nautical miles (5.55 km) from the coastline. The wellsite is located onshore, approximately 4 km west of Port Campbell and approximately 7 km east of Peterborough.

Construction activities for the Enterprise Project include the addition of well control facilities at the existing wellsite and the construction of a pipeline to the Otway Gas Plant (OGP). Where possible, the pipeline follows existing easements, minimising

impacts to landholders. Minor modifications are underway at the OGP to tie-in the new product stream.

The success of Enterprise will help ensure the continued supply of raw gas to the Otway Gas Plant for processing and supply to the Australian East Coast domestic natural gas market.

Wellsite installation activities are planned to be completed by late 2023/early 2024, subject to the progress of all required approvals and the procurement of equipment. Commissioning works, including the introduction of gas, is expected to commence late 2023/early 2024. The commencement of regular production operations is expected to commence by early 2024.

Activities and methodologies

Pipeline construction: route and location

The construction of the pipeline commenced in January 2023. The pipeline route runs from the onshore Enterprise well site near Port Campbell, joining into existing easements housing Beach’s PL250 Otway pipeline, and connects to the existing gas processing facility, Otway Gas Plant. Where new easements were required, Beach has consulted with the relevant landowners, in addition to existing easement landowners. The route of the pipeline is shown below:

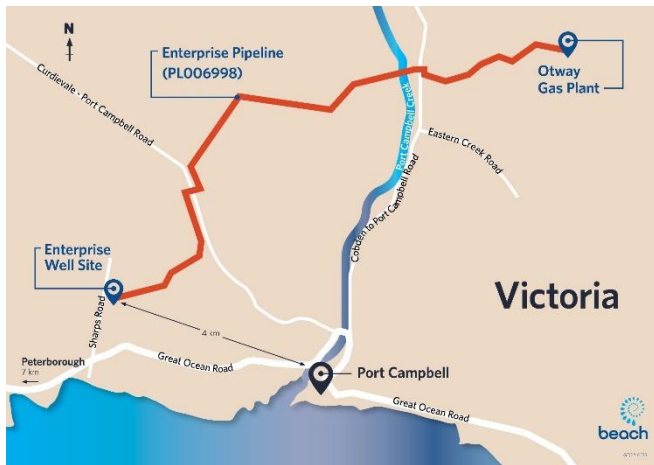


Diagram showing vicinity of onshore project area and proposed pipeline in existing PL250 easement.

Working clearances are required during pipeline installation. To enable access for excavation machinery, specialist pipeline laying and other vehicles, along with room for materials and equipment, approximately 20 metres width will be required on the working side of the proposed gas pipeline. 5-10 metres will be required on the soil stockpile side.

The trench will hold both the gas pipeline, and the Mono Ethylene Glycol (MEG) pipeline, and are expected to be approximately 1 meter wide.

Wellsite facilities installation

Activities at the wellsite commenced under existing approvals in early 2023, with the

installation of the associated facilities currently underway. Subject to, regulatory approvals and the procurement of equipment, the balance of construction works to connect the well to the pipeline are expected to commence in mid to late-2023. All wellsite installation works are expected to be completed to allow for gas flow by early 2024.

Production operations

Following the completion of the installation of both the wellsite and pipeline, commissioning works that involve the introduction of the gas to the facilities will commence. Upon completion of commissioning, regular operations of the wellsite are expected to commence in early 2024.

The Enterprise wellsite will operate on a 24 hour a day / 7 day a week basis. The facility will be monitored and maintained from the Otway Gas Plant Central Control Room, located approximately 8km north-east of the wellsite. Routine fortnightly inspections of the wellsite will be undertaken during daylight hours.

Ongoing monitoring and maintenance of all wellsite facilities including:

- general site surveillance and inspections
- regular weed and vegetation controls
- instrument calibration and testing
- valve and vessel inspection and functional testing
- wellhead servicing and testing
- well integrity monitoring
- pipeline maintenance and integrity management (in accordance with Pipeline Licence PL006998)

Non-routine activities such as well maintenance (if required) may occur during the operational life of the well and will be undertaken by specialist crews.

Consultation

Beach is committed to developing and maintaining positive relationships with traditional owners, landowners and occupiers, and the broader community.

This information sheet has been prepared to inform *Relevant Persons* whose functions, interests or activities may be affected by the activities to be carried out during the Enterprise Project.

Please contact us if you would like further information or to consult with us about how this project may impact your functions, interests or activities.

Environmental regulations and approvals

Beach must satisfy several regulatory approvals that sit under various pieces of legislation prior to the construction and operation of the Enterprise wellsite and pipeline. Some of these approvals are now in place, allowing for the commencement of construction of some components of the project, including the pipeline and ancillary facilities at the wellsite.

Key legislation applicable to the Enterprise Project includes the following:

- *Victorian Pipelines Act 2005* and associated regulations
- *Victorian Petroleum Act 1998* and associated regulations
- *Victorian Offshore Petroleum and Greenhouse Gas Storage Act 2010*
- *Victorian Planning and Environment Act 1987*
- *Victorian National Parks Act 1940*
- *Commonwealth Native Title Act 1993*

The preparation of environmental management plans (EMPs) is a requirement of a number of the required approvals. Whilst there are slight differences under each piece of legislation, the consistent principle is that an EMP must describe

the proposed activity, the environment in which it is to occur, identify the potential impacts and risks associated with the activity and measures to ensure that these impacts and risks are managed to as low as reasonably practicable (ALARP). The EMP is also required to demonstrate that there has been effective consultation with relevant persons or organisations during its development.

Beach is continuing to work towards obtaining all approvals required to complete construction and commence operations.

A requirement under the recently updated *Petroleum Regulations 2021* is that Beach must provide a Notice of Operations for each petroleum activity it proposes to undertake. Beach has recently issued a [Notice of Operations – Production \(February 2023\)](#). Please follow this link to the Notice for more specific details on the proposed operation and for information on how you can make a submission.

Questions and answers

Will the size of the Otway Gas Plant need to be increased?

Although there will be minor construction activities at the Otway gas Plant, the size of the plant will not be increased to process the gas from the project. The increase of gas from the Enterprise Project will help to replenish diminishing gas reserves from existing fields to allow the continued operation of the Otway Gas Plant within its current capacity. This project is one of several other projects included in the development cycle of Beach Energy's Victorian Otway Basin assets.

How does Beach Energy protect the environment in which it operates?

At Beach, our purpose is to sustainably deliver energy for communities, meaning we operate while maintaining the highest health, safety, and environmental standards. The Enterprise wellsite will be operated in accordance with detailed environmental management plans that are submitted for regulatory approval prior to works commencing.

These plans identify potential environmental risks and outline appropriate management measures to reduce and minimise impacts as much as reasonably possible.

Our goal is to operate in a safe, compliant and reliable manner and build enduring relationships and trust with local communities, partners, suppliers and governments.

Why do we still need natural gas?

Natural gas has a wide variety of uses in our daily lives. This includes generating electricity, residential heating, hot water and cooking. In the industrial sector, gas is a primary heat source for manufacturing glass, steel, cement, bricks, wood, ceramics, tiles, paper and in producing food. Gas is a common ingredient in the manufacturing of fertilisers, plastics, pharmaceuticals and fabrics.

The Australian Energy Market Operator's (AEMO) latest [Victorian Gas Planning Report](#) in March 2022 forecasts demand shortfall risks as soon as 2023.

What role is natural gas playing as Australia transitions to renewable energy?

Carbon emissions of natural gas are 50% to 70% lower than coal. As old coal fired power stations are removed from Australia's energy mix, electricity powered from natural gas ensures a stable energy supply as our economy transitions to more renewable energy. AEMO's [2022 Integrated System Plan \(ISP\)](#) forecasts more gas will be required in all modelled scenarios. In the most ambitious "Step Change" scenario, a 90% reduction in carbon emissions from power generation is achieved by 2041-42 as a result of 33% more gas fired electricity generation, enabling generation from renewables to increase by 285%.

Is Beach Energy increasing retail gas prices?

No. Beach Energy is a gas wholesaler and supplies the majority of its gas under contract to energy retailers in Australia. Beach does not set retail prices.

Is Beach exporting gas from the Otway Basin?

No. Beach does not export gas from the Otway Basin. The gas processed at the Otway Gas Plant in Victoria is supplied via an existing pipeline to the Victorian gas market to meet residential, business and industry demands.

How will you ensure that you operate safely?

Safety takes precedence in everything we do. Beach has over 60 years' experience in the oil and gas industry and our marine exploration, development and operations teams have extensive local and international experience. Beach personnel undertake regular competency assessments and training to ensure their knowledge and skills meet strict operational requirements.

All Beach activities, including the Enterprise Project, are undertaken in accordance with the Beach Energy Operations Excellence Management System (OEMS). The OEMS documents the Health, Safety and Environment (HSE) policy, HSE Standards, HSE Directives and the key HSE processes and requirements for all activities undertaken by Beach Energy.

We welcome your questions and feedback.

P: 1800 959 562

E: community@beachenergy.com.au

beachenergy.com.au

