

Longford Explosion

The 1998 Esso Longford gas explosion was a catastrophic industrial accident which occurred at the Esso natural gas plant at Longford in the Australian state of Victoria. On 25 September 1998, an explosion took place at the plant, killing two workers and injuring eight. Gas supplies to the state of Victoria were severely affected for two weeks.

Aftermath

The fire at the plant was not extinguished until two days later. The Longford plant was shut down immediately, and the state of Victoria was left without its primary gas supplier. Within days, the Victorian Energy Network Corporation shut down the state's entire gas supply. The resulting gas supply shortage was devastating to Victoria's economy, (in particular, the hospitality industry which relied on natural gas for cooking). Loss to industry during the crisis was estimated at around AUD\$1.3 billion.

As natural gas was also widely used in houses in Victoria for cooking, water heating and home heating, many Victorians endured 20 days of cold showers and cold nights.

A Royal Commission was called into the explosion at Longford, headed by former High Court judge Daryl Dawson.

The Commission found Esso fully responsible for the accident:

The causes of the accident on 25 September 1998 amounted to a failure to provide and maintain so far as practicable a working environment that was safe and without risks to health. This constituted a breach or breaches of Section 21 of the Occupational Health and Safety Act 1985.

Other findings of the Royal Commission included:

- the Longford plant was poorly designed, and made isolation of dangerous vapours and materials very difficult;
- inadequate training of personnel in normal operating procedures of a hazardous process;
- excessive alarm and warning systems had caused workers to become desensitised to possible hazardous occurrences;
- the relocation of plant engineers to Melbourne had reduced the quality of supervision at the plant;
- poor communication between shifts meant that the pump shutdown was not communicated to the following shift.

Legal ramifications

Esso was taken to the Supreme Court of Victoria by the Victorian WorkCover Authority. The jury found the company guilty of eleven breaches of the Occupational Health and Safety Act 1985, and Justice Philip Cummins imposed a record fine of \$2 million in July 2001.

In addition, a class action was taken on behalf of businesses, industries and domestic users who were financially affected by the gas crisis. The class action went to trial in the Supreme Court on 4 September 2002, and was eventually settled in December 2004 when Esso was ordered to pay \$32.5million to businesses which suffered property damage as a result of the incident.

