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Media Release

New regulator for offshore safety and environment ready to start in 2012

From 1 January 2012, Australia will have its first national regulator for safety, well integrity and environmental management for offshore oil and gas operations. NOPSEMA, the National Offshore Petroleum Safety and Environmental Management Authority will supersede NOPSA, the National Offshore Petroleum Safety Authority, which was established in Australia in 2005.

Following strong recommendations arising from the *Final Government Response to the Report of the Montara Commission of Inquiry* (2011) and the *Productivity Commission Report* (2009), Minister for Resources, Energy and Tourism, Martin Ferguson, endorsed the establishment of NOPSEMA as a single, unified national regulator to enforce compliance with offshore safety, well integrity and environmental management across the industry.

CEO Jane Cutler will steer the new agency through its transition and beyond, and is confident that NOPSEMA will represent a more streamlined approach to the effective management of safety and environment regulation relating to offshore petroleum activities in Commonwealth waters.

The Montara Commission of Inquiry report recommended that a single, national and independent regulatory body take over the responsibility to monitor the structural integrity of all well operations in Australian waters, as well as regulation of petroleum activities and associated environment plans.

Ms Cutler said that following several industry reviews and local and international incidents, including the Macondo tragedy in the USA, there was wide support for a coordinated approach to the regulation of the petroleum industry.

“NOPSEMA will be the national regulator for all offshore petroleum activities involving safety, well integrity and environmental management in Commonwealth waters, and in coastal waters where state powers have been conferred,” she said.

“We have implemented new processes and recruited a team of specialist staff qualified in the fields of environmental management, oil spill assessment and well integrity in preparation for our 1 January transition and we are ready to regulate these new areas of responsibility.”

The responsibility to investigate and report on offshore environmental management practices and make recommendations had previously rested with the state and territory Designated Authorities, however the passing of the *Offshore Petroleum and Greenhouse Gas Storage Amendment (National Regulator) Bill 2011* transferred this duty to NOPSEMA from 1 January, 2012.

Ms Cutler said NOPSEMA’s expansion into the area of environmental management regulation was an indication of the growing importance of the environmental health and safety of the petroleum industry in Australia.

“Australians have high expectations that a viable and growing national offshore petroleum industry will also be a safe industry in every way,” she said.

“The serious consequences of inadequate risk management and a lack of contingency planning from industry have been demonstrated and unfortunately repeated by history.

“The reality is that offshore oil and gas production is a high hazard industry and it is up to the facility operators to minimise the risk of accidents and dangerous occurrences by being vigilant in their commitment to the health and safety of people and the marine environment.

“A strong and independent regulator is necessary to oversee compliance with the regulations,” said Ms Cutler.

Further details on NOPSEMA’s role and functions can be found at nopsa.gov.au and from 1 January 2012, on the new Authority website nopsema.gov.au.

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