Environmental regulation of offshore petroleum activities

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Fishermen want ban on underwater seismic tests

By Emma Masters

The Northern Territory Seafood Council says seismic testing for oil and gas in northern waters of Australia is having an impact on the livelihoods of fishermen.

The council is calling for a ban on the practice until it is subjected to scientific investigation.

The seismic tests use multiple airgun blasts every eight seconds and surveys can take up to 10 months at a time.

Council chief executive Rob Fish says fishermen are being forced to avoid areas where testing is conducted.

“We have proven drops in fish catches from previous surveys, where fisheries have now actually been through the data and can demonstrate that our catch rates have dropped,” he said.
• 2005: NOPSA established for regulation of safety
• 2009: Productivity commission recommended a single, national regulator for offshore petroleum in 2009
• 2011: Montara Commission of Enquiry Government Final Response to 99 out of 105 recommendations accepted:
  – Establish a single, independent national regulator for Petroleum activities in Commonwealth waters and in waters where State responsibilities have been conferred
  – National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)
  – NOPTA for administering titles
• 1 January 2012: NOPSEMA commenced
Vision

A safe and environmentally responsible Australian offshore petroleum industry

Mission

To independently and professionally regulate offshore safety, integrity and environmental management
NOPSEMA’s Functions

- Develop and implement effective environmental monitoring and enforcement strategies
- Investigate environmental incidents
- Report to Commonwealth, State and Territory Ministers as appropriate
- Advise on matters relating to environmental management
- Cooperate with NOPTA and other Commonwealth and relevant State/NT agencies
NOPSEMA’s regulatory activities

**Assessment**
- Independent, sampled evaluation of an operator’s proposal against the regulations
- Challenge operators: “Have you done enough?”

**Inspection**
- Independent, sampled inspection of the petroleum activity against the accepted EP and regulations
- Challenge operators: “Are you still doing enough? Do you need to do more?”

**Investigation**
- Independent inspection to determine what went wrong and determine whether enforcement/prosecution is required
- Challenge operators: “What wasn’t done? What can we learn?”

**Enforcement**
- Take action within powers under the OPGGSA to secure compliance
Jurisdiction with single regulator

Commonwealth waters
• Australian Government policy decision
  – better transparency through levies for specific regulatory functions vs. registration fees
  – registration fees abolished once establishment costs recovered
• Imposed on titleholders and payable on submission of environment plan (new and revised)
• Graduated to reflect regulatory effort for different types of petroleum activity
• Covers assessment and ongoing compliance effort required to regulate
Legal framework for Environmental Management

- **Offshore Petroleum and Greenhouse Gas Storage Act 2006**
- **Environment Regulations 2009**
  - Primarily objectives-based regime
  - Responsibility for managing risk lies with the entity best placed to efficiently manage the risk
  - Commensurate with nature and scale of activity
  - Petroleum activity operator is responsible and responsible to instrument/titleholder (if present)
  - Environment Plan (EP), including oil spill contingency plan that demonstrates the ‘case’ that environmental risk is managed to ALARP and acceptable
  - Relies on creation of an offence if activities aren’t undertaken in accordance with an accepted EP
Key feedback and advice

- Environment plan is the documentation of the outcome of a process
  - Assess and decide/plan on how risks will be managed
  - Represents the ‘case’ that risks are going to be managed to ALARP and acceptable level (i.e. not just a list of management actions/commitments)

- Submission should comply with regulations
  - All information to demonstrate EP meets contents requirements and acceptability criteria must be included in the submission
  - NOPSEMA is not a consultant and will not provide specific lists of deficiencies
  - Operator responsible for determining need for revision

- Duration of assessment is dependent on quality of submission
  - 30 days represents the first notice ‘deadline’
More information and advice

- Operator liaison meetings
- **nopsema.gov.au**: legislation, policies, guidance, forms, newsletter, reports
Any Questions?

www.nopsema.gov.au