

Streamlining Offshore Petroleum Environment Regulation

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- Objectives of regulatory amendments and streamlining
- Key regulatory amendments
- Offshore Project Proposal
- EPBC Act streamlining
- Responsibilities of titleholders
- Considerations for ‘relevant persons’
- Transitional arrangements
- Industry and environmental outcomes
- NOPSEMA implementation status

Objectives of regulatory amendments and streamlining

- Improved environment regulations
- Reduced duplication and overlap in regulatory approvals processes
- Increased clarity and certainty in decision-making processes
- Increased benefits for the Australian economy
- Maintenance of environmental safeguards



Regulatory amendments and streamlining process

2 separate processes resulted in the amendments to the Environment Regulations that came into effect on 28 February 2014

2012 Environment Regulations review led by
Department of Industry

Streamlining to reduce overlap of regulatory
processes between OPGGS(E) Regulations and
EPBC Act (Strategic Assessment under EPBC Act)

- **When is an Environment Plan (EP) required?**
 - Petroleum activity undertaken under title
 - Title includes applications for SPA's and AA's
- **Clarification of titleholder obligations**
 - Titleholder responsible for all aspects of EP compliance - not activity operator
- **What must an EP contain?**
 - Content requirements clarified including:
 - Environmental Performance Outcomes
 - Oil Pollution Emergency Plan contents + testing
 - Monitoring over life of activity and during pollution incident

- **Simplification of NOPSEMA's administration**
 - No operator notification process
 - Notification of commencement and end of activity
- **Transparency of assessment**
 - Titleholder and activity information published on submission of EP
 - EP summary must contain response to consultation
- **NOPSEMA can request further written information**
 - Information provided assessed as part of the EP
 - Similar to safety cases

- **Clarification of requirements for environmental performance and incident reporting**
 - Provision of reportable incident reports to Titles Administrator and State/Territory
- **Clarification of requirements for oil pollution emergency planning**
 - Name change to align with OPRC convention
 - Reinforcement and clarification of response, testing and monitoring arrangements
- **Strengthening environmental requirements**
 - No planned activities within a World Heritage property

- **Commenced 28 February**
- NOPSEMA sole environment regulator in Commonwealth waters
- Impacts on matters protected under Part 3 of the EPBC Act, assessed through NOPSEMA's endorsed Program
 - Non-production or existing activity
 - EP assessed by NOPSEMA – no EPBC referral
 - New production activity
 - early stage OPP assessed by NOPSEMA
 - EP assessed by NOPSEMA

- New Part of Regulations introduced for streamlining
- Satisfy EPBC Act requirements of transparency and natural justice by providing for public notification and comment
- Replaces the EIA process under EPBC Act, including mandatory public comment
- For new development (hydrocarbon production) activities

- Goal is “early certainty” and early indication of environmental “acceptability”
- Whole of ‘life-cycle’ of development activity
- Mandatory minimum four weeks public comment
 - Responsibility of titleholder to address matters raised
- Content requirements similar to EP but reduced to match early stage of project planning
- **OPP - NOT REQUIRED**
 - for existing developments – EP is already in force
 - for new stages of existing activities (e.g. in-fill drilling) – current EP revision process (if triggered) will be sufficient
- No ‘call-in’ power

Reporting

- A written report of reportable incidents to be submitted to NOPSEMA
 - as soon as practicable; and
 - no later than 3 days after the first occurrence of the incident
- Written report to be provided to NOPTA and Department of the responsible State Minister or responsible NT Minister
- Written report must include information specified in the Environment Regulations

Notification

- Titleholder must:
 - notify NOPSEMA at least 10 days before activity commencement
 - notify NOPSEMA within 10 days after activity completion
 - notify NOPSEMA of the end of an environment plan
 - notify the Department of the responsible State Minister or responsible NT Minister of the proposed date of commencement of drilling or seismic survey operations

Consultation

- Consultation is required with ‘relevant persons’ in the course of preparing an EP
- Provide ‘relevant persons’ with sufficient information to make an informed assessment of affect on the functions, interest or activities of that relevant person
- Allow a relevant person a reasonable period for consultation
- Provide ongoing consultation with relevant persons during the life of the activity

- A relevant person is defined as *“a person or organisation whose functions, interests or activities may be affected by the activities to be carried out in the environment plan, or revised environment plan”*
- Relevant persons should be clear about how the ‘activity’ affects their functions, interests or activities and communicate this to the titleholder.
- Clarity on how an interested person or organisation views that they are a ‘relevant person’, will enable the titleholder to provide sufficient information during consultation.

- Accepted EPs remain in-force
- EPs submitted prior to 28 February assessed under previous regulations
- Compliance of in-force EPs in accordance with amended regulations (except for environmental performance reports)
- Any submission on or after 28 February to be in accordance with the amended regulations
- Existing EPBC Act referrals – proponent to be given option to withdraw
 - Titleholder can only have protection under EPBC Act if referral process complete or submit new EP under amended regulations
- Existing EPBC approvals and conditions remain in-force

- Questions relating to in-force EPs and EP submissions
 - Contact NOPSEMA
 - information@nopsema.gov.au
- Questions relating to EPBC referrals and approvals
 - Contact Department of the Environment
 - mike.smith@environment.gov.au

- Environment Regulations regulatory requirements - clarified, simplified and consolidated
- Duties and responsibilities of titleholders - clarified and strengthened
- For petroleum activities in Commonwealth waters, impacts on matters protected under Part 3 of the EPBC Act will be assessed through NOPSEMA's endorsed Program
- Referral of activities under the EPBC Act NOT required
- Titleholders have clarity, certainty and consistency in their engagement with the Commonwealth

- Removed duplication in environmental regulation, strong environmental safeguards remain
- No petroleum or greenhouse gas activities undertaken in any part of a World Heritage Area
- New development projects subject to OPP requirements
 - public comment
 - ‘whole of life cycle’ environmental assessment
- EPs for all activities to demonstrate impacts and risks reduced to ALARP and acceptable levels

- New and updated guidance on website
- Internal systems and regulatory tools updated
- Administrative arrangements with Department of the Environment to ensure Program commitments are met
- Information sessions (Canberra, Melbourne, Adelaide and Perth) – March 2014
- One-on-one titleholder meetings on their specific activities – as requested
- Quarterly reporting to Minister for the Environment
- Review of Program after 12 months

Questions?

- EPBC Act Streamlining
- Offshore Project Proposal
- Regulatory Amendments
- Titleholder responsibilities
- Transitional Arrangements