Recent Amendments to Offshore Petroleum Environment Regulation

Presentation to National Environmental Law Association

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Overview

• Background to OPGGS (Environment) Regulation amendments
  – Montara Commission of Inquiry
  – Environment Regulation Review
  – Streamlining regulatory processes

• Key regulatory amendments
• Other legislative amendments
• What it means - improved environmental outcomes
• Montara well-head blow-out – 21 August 2009, well-kill 3 November.

• Government established Commission of Inquiry – reported 17 June 2010
NOPSEMA

Background - Montara

• Government accepted or noted 102 of 105 recommendations
  – Strong support of an ‘objective-based’ regime
  – Improvements in monitoring of impacts
  – Stronger accountability for titleholder
• OPGGS (Environment) Regulations – first enacted 1999 (as PS(LA) Env Regulations)
• Department of Industry review in 2012
• Issues Paper released for industry and public comment – end 2012
• Key themes:
  – Titleholder responsible for submission and compliance with EP
  – Clarified content requirements of EP
  – Greater transparency in assessment process
Regulatory Streamlining

- Part of broader Government agenda to reduce regulatory burden
- Task force established October 2013
- Strategic assessment under EPBC Act with goal to endorse NOPSEMA’s environmental authorisation regulatory process
- Key objectives:
  - Reduced duplication and overlap in regulatory approvals processes
  - Increased clarity and certainty in decision-making processes
  - Retaining strong environmental safeguards
Key regulatory amendments

• **Clarification of titleholder obligations**
  • Titleholder responsible for all aspects of EP compliance - not activity operator

• **EP content requirements clarified**
  • Oil Pollution Emergency Plan contents + testing
  • Monitoring over life of activity and during pollution incident

• **Transparency of assessment**
  • Titleholder and activity information published on submission of EP
  • EP summary must contain response to consultation
Key regulatory amendments

• Clarification of requirements for environmental performance and incident reporting
  • Including provision of reportable incident reports to Titles Administrator and State/Territory

• Strengthening 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
  • Submission of Offshore Project Proposal
Other legislative amendments

• Strengthening of requirements relating to:
  – Polluter pays principle via financial assurance amendments to OPGGS Act
    • Potential for subsequent regulatory amendments to further clarify requirements
  – Compliance measures amendments to OPGGS Act
    • single class of NOPSEMA inspector, increased and enhanced range of tools available to secure compliance
Environmental Outcomes

- Improved preparedness to respond to incidents
- Clarification of requirements to monitor effects of oil pollution
- Environmental regulatory requirements – clarified, simplified and consolidated
- Duties and responsibilities of titleholders - clarified and strengthened
Environmental Outcomes

- Removed duplication in environmental regulation, strong environmental safeguards remain
  - Referral of offshore petroleum activities under the EPBC Act NOT required
- Improved transparency in decision making
- Strengthened requirements for engagement with effected parties (relevant persons)
- Titleholders have clarity, certainty and consistency in their engagement with the Commonwealth
Questions?

- Background
- Key legislative amendments
- Outcomes for environment and industry