

Streamlining Offshore Petroleum Environment Regulation

Presentation to Environmental Institute of
Australia and New Zealand – WA Division

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- Objectives of regulatory amendments and streamlining
- Key regulatory amendments
- Offshore Project Proposal
- EPBC Act streamlining
- Responsibilities of titleholders
- Transitional arrangements
- Industry and environmental outcomes
- NOPSEMA implementation status

Regulatory amendments and streamlining process

- **Two 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).

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

- **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

Regulatory Requirement	OPP	EP
Description of activity	✓	✓
Description of the environment	✓	✓
Details of particular sensitivities (inc MNES)	✓	✓
Legislative requirements	✓	✓
Details and evaluation of impacts and risks	✓	✓
Environmental performance outcomes	✓	✓
Environmental performance standards	x	✓
Implementation strategy (inc OPEP)	x	✓
Consultation report	x*	✓

* Report on consultations required post-public comment period

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 after 28 February to be in accordance with the amended regulations
- Existing EPBC Act referrals – proponent 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

- 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

Industry and environmental outcomes

- 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
- All activities must demonstrate that impacts and risks will be 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
- Consultation requirements