

# **Offshore environmental approvals**

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) is Australia's independent regulator for health and safety, structural (well) integrity and environmental management for all offshore oil and gas operations and greenhouse gas storage activities in Commonwealth waters, and in coastal waters where regulatory powers and functions have been conferred

# The legislative framework

Before any offshore petroleum or greenhouse gas activity may begin in Commonwealth waters, a company must be granted a title by the Australian Government. Following this, approval from NOPSEMA may be sought through the assessment and acceptance of the relevant permissioning documents.

## **Offshore exploration release**

Each year offshore areas (acreage) with petroleum potential are released by the Australian Government for bidding to companies interested in exploring for petroleum to bid. A release for greenhouse gas storage activities is conducted in response to expressions of interest only.

Prior to a release, the Department of Industry, Science, Energy and Resources (DISER) consults with state and Northern Territory (NT) government agencies with direct responsibilities for managing the marine environment. DISER also provides a public comment period.

Following consultation and public comment, the release areas are provided to the Joint Authority (JA) for consideration and approval. Relevant Commonwealth, state or NT resources ministers (or their delegates) comprise the JA.

When the release areas are approved the JA, companies are then invited to bid on them by proposing a program of exploration activities such as seismic surveys and the drilling of exploration wells.

> To stay up to date with the offshore exploration acreage release subscribe to <u>Australian Petroleum News</u>

## **Granting of titles**

The National Offshore Petroleum Titles Administrator (NOPTA) assesses all bids in the offshore exploration acreage release. NOPTA's assessment findings are provided to the JA to inform its decision-making on the winning bids.

On behalf of the JA, NOPTA grants the companies of a winning bid an exploration permit. The permit is a type of title providing its holder (now known as a titleholder) with the exclusive right to undertake exploration activities within the specific offshore area of their title. Where a titleholder's exploration activities discover petroleum, they may apply to the JA for another title such as a production license or a retention lease.

For more information about titles visit **nopta.gov.au** 

## **Approvals required from NOPSEMA**

While a titleholder has the exclusive right to undertake activities within the offshore area of their title, these activities cannot begin until NOPSEMA has assessed and accepted the relevant OHS, structural (well) integrity and environmental management permissioning documents.

For environmental management, new development projects require an offshore project proposal, and all offshore activities require an environment plan. An offshore project proposal must demonstrate how environmental impacts and risks will be reduced to a level that is acceptable and an environment plan must demonstrate how impacts and risks will be reduced to a level that is as low as reasonably practicable (ALARP) and acceptable.

For OHS, a safety case is required for the facility and a diving safety management system for any diving projects. Both permissioning documents must demonstrate how risks to the health and safety of the workforce will be reduced to ALARP.

For any well activities, a well operations management plan is required and it must demonstrate how risks to the integrity of drilled wells will be reduced to ALARP.

For a broad overview of when approvals are required from NOPSEMA see the <u>An overview</u> <u>of the offshore petroleum lifecycle</u> brochure

# **Offshore environmental approvals**

In accordance with the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (the Environment Regulations), approval from NOPSEMA is granted following the assessment and acceptance of an offshore project proposal, for new petroleum projects, and/or an environment plan for all offshore activities.

## Offshore project proposal (OPP)

#### What is an OPP?

An OPP is required for all offshore development projects where one or more offshore activities are planned for the recovery of petroleum or the storage of greenhouse gases.

Typically the offshore activities of a development project would include production drilling; the construction, installation, commissioning, and operations of facilities; and decommissioning. Exploration activities, such seismic surveys and exploration drilling, do not require an OPP, but do require an EP.

An OPP is a whole-of-project permissioning document. It must provide a detailed environmental impact and risk assessment for the project's planned offshore activities and demonstrate how those impacts and risks will be reduced to a level that is acceptable for the life of the project.

It is important to note that NOPSEMA's acceptance of an OPP does not provide approval for any offshore activity to begin. NOPSEMA's acceptance of an OPP provides an in-principle approval on the environmental acceptability of the proposed project which is required to enable submission of an EP for the project's planned offshore activities.

#### Public comment on OPPs

Before NOPSEMA commences a formal assessment, OPPs are published for public comment on NOPSEMA's website for a minimum of four weeks.

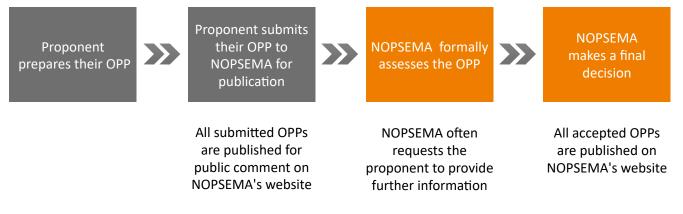
All comments received by NOPSEMA during the public comment period are provided to the proponent for consideration. Following the public comment period, the proponent must re-submit their OPP to NOPSEMA and include in the document a summary of the comments they received and an explanation about how those comments have been addressed or why they have not.

NOPSEMA's formal assessment and decision-making explicitly takes into account whether a proponent has adequately addressed public comments.

Subscribe to Environmental management news at <u>nopsema.gov.au/subscribe</u> to be notified when OPPs are published for public comment

### Approval process

The diagram below provides a broad overview of the OPP assessment process. OPPs vary in their complexity and scope and as such overall assessment timeframes will vary, however, each assessment decision must be made within 30 days.



## Environment plan (EP)

#### What is an EP?

An environment plan (EP) is required for all offshore activities. It is an activity-specific permissioning document. It must provide a detailed environmental impact and risk assessment of the proposed offshore activity and demonstrate how those impacts and risks will be reduced to a level that is as low as reasonably practicable and acceptable for the life of the activity.

NOPSEMA's acceptance of an EP provides the authorisation necessary for the activity to begin and forms legally binding requirements by which the titleholder must undertake the activity.

#### **Consultation with relevant persons**

During the preparation of an EP, a titleholder is required to consult with all relevant persons whose functions, interests or activities may be affected by the proposed offshore activity.

When submitted to NOPSEMA, the EP must include a summary of all correspondence between the titleholder and relevant persons and an explanation about how the objections or claims raised have been addressed or why they have not, and the strategies to be adopted to ensure ongoing consultation with throughout the life of the offshore activity.

NOPSEMA's formal assessment and decision-making explicitly takes into account whether a proponent has adequately addressed the objections or claims raised through consultation. For more information about relevant persons see the <u>Clarifying statutory requirements and</u> <u>good practice consultation</u> bulletin

#### Public comment on EPs

Before NOPSEMA commences its formal assessment, all seismic and exploration drilling EPs are published for public comment on NOPSEMA's website for a minimum of four weeks.

All comments received by NOPSEMA during the public comment period are provided to the titleholder for consideration. Following the public comment period, the titleholder must re-submit their EP to NOPSEMA and include in the document a summary of the comments they received and an explanation about how those comments have been addressed or why they have not.

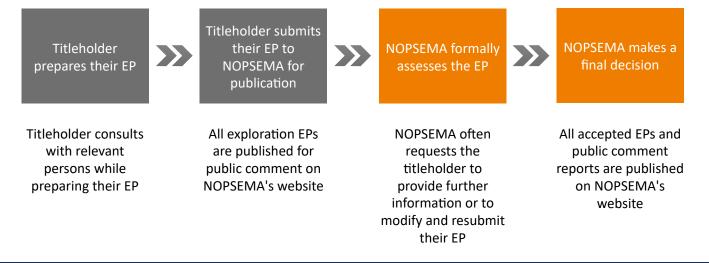
NOPSEMA's formal assessment and decision-making explicitly takes into account whether a titleholder has adequately addressed public comments.

When NOPSEMA makes a final assessment decision, a report on how the titleholder has taken the issues raised through public comment into account is published on NOPSEMA's website.

Subscribe at **info.nopsema.gov.au** to be notified when EPs are published for comment

#### **Approval process**

The diagram below provides a broad overview of the EP assessment. EPs vary in their complexity and scope and such overall assessment timeframes will vary, however, each assessment decision must be made within 30 days.



# **Engaging effectively**

The information provided through consultation with relevant persons and public comment helps improve NOPSEMA's decision-making. Information is only effective, however, where it is directly relevant.

## **Relevant information**

Information should address the specific offshore project or offshore activity proposed as it relates to the requirements of the Environment Regulations. For example, information about the:

- · description of the existing environment
- identified environmental impacts and risks
- measures proposed to manage and reduce the environmental impacts and risks
- methods proposed for monitoring environmental performance.

NOPSEMA encourages stakeholders who wish to provide information to also provide any available supporting documentation, such as data, scientific reports, or clearly labelled photographs or maps. NOPSEMA will consider this information where it may be relevant.

## **Irrelevant information**

NOPSEMA adheres to the principles of good administrative decision-making and does not take into account information provided through consultation with relevant persons and/or public comment that is irrelevant to the specific offshore project or activity and the requirements of the Environment Regulations. Some examples may include:

- statements of fundamental objection
- information that contains personal threats or profanities
- SPAM mail and petitions
- comments made through online social media channels.

## **Our regulatory role**

As an independent statutory authority, NOPSEMA fulfils its legislated functions by undertaking assessment, inspection, investigation, enforcement, promotion and advisory activities.

### Assessment and decision-making

Following consultation with relevant persons and/or public comment, all offshore project proposals and environment plans are formally assessed by NOPSEMA.

Environmental assessments are undertaken by a dedicated team of specialists, and other experts, whom are all highly qualified and skilled technical professionals with many years of experience.

NOPSEMA's assessment and decision-making strictly adheres to the requirements of the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009, other relevant Australian Government legislation, such as the *Environment Protection and Biodiversity Conservation 1999* (the EPBC Act), and where appropriate, its associated policies.

For more information about environmental assessments and decision-making visit nopsema.gov.au/environmental-management

### **Compliance and enforcement**

Following the acceptance of a permissioning document, NOPSEMA conducts offshore and office-based monitoring and inspection activities to ensure ongoing dutyholder compliance. This includes any commitment made by a dutyholder in an offshore project proposal or environment plan to address the objections or claims raised through consultation with relevant persons or the information provided through public comment.

Where NOPSEMA verifies non-compliance, it has a range of tools available to compel the dutyholder to act, such as issuing notices and directions.

For more information about NOPSEMA's approach to compliance see the <u>Compliance strategy</u>



### **Further information**

Regulatory alerts and bulletins, a quarterly magazine, brochures and factsheets, and regulatory guidance including the Environment plan decision-making guideline are published at nopsema.gov.au

#### **Key legislation**

Offshore Petroleum and Greenhouse Gas Storage Act 2006

Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009

**Environment Protection and Biodiversity** Conservation Act 1999

Environment Protection (Sea Dumping) Act 1981

#### **Contact details**

p: +61 (08) 6188 8700

e: communications@nopsema.gov.au

Head office: Level 8, Alluvion Building 58 Mounts Bay Road, Perth WA 6000

#### **About NOPSEMA**

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) is Australia's independent regulator for health and safety, structural (well) integrity and environmental management for all offshore oil and gas operations and greenhouse gas storage activities in Commonwealth waters, and in coastal waters where regulatory powers and functions have been conferred.

#### nopsema.gov.au

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ABN 22 385 178 289