



National Offshore Petroleum Safety and Environmental Management Authority

COST RECOVERY IMPLEMENTATION STATEMENT

Regulation of occupational health and safety, structural integrity and environmental management of Australian offshore petroleum and greenhouse gas storage facilities and activities 2018-19

Cost recovery involves government entities charging individuals or non-government organisations some or all of the efficient costs of a specific government activity. This may include goods, services or regulation, or a combination of them. The Australian Government Charging Framework, which incorporates the Cost Recovery Guidelines (the CRGs)¹, sets out the overarching framework under which government entities design, implement and review regulatory charging activities.

¹ The CRGs are available on the Department of Finance website (www.finance.gov.au).

1 INTRODUCTION

1.1 Purpose of the CRIS

This Cost Recovery Implementation Statement (CRIS) provides information on how the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) implements cost recovery for the regulation of offshore facilities and activities. It also reports financial and non-financial performance information for these activities and contains financial forecasts for the remainder of 2018 and for the period 2019 to 2022.

1.2 Certification

NOPSEMA is a corporate Commonwealth entity and by definition the Chief Executive Officer of NOPSEMA is the accountable authority under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

As the accountable authority, I certify that this CRIS complies with the Australian Government Cost Recovery Guidelines.



Stuart Smith
Chief Executive Officer
NOPSEMA

18/10/18

Date

1.3 Description of the activity

NOPSEMA has functions and powers conferred on it under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGs Act) and its regulations. The OPGGS Act provides that NOPSEMA is the regulator of occupational health and safety, structural integrity and environmental management for petroleum and greenhouse gas storage exploration and development activities in Australia's offshore areas beyond the first three nautical miles of the territorial sea (as well as designated coastal waters where regulatory functions have been conferred²).

NOPSEMA fulfils its statutory functions by undertaking assessment, inspection, investigation, enforcement, promotion and advisory activities. NOPSEMA's statutory functions associated with the regulation of occupational health and safety, structural integrity and environmental management are funded through respective cost recovery charges.

² Currently Victoria has conferred occupational health and safety and structural integrity powers to NOPSEMA.

1.3.1 Occupational health and safety

NOPSEMA's functions in relation to occupational health and safety are outlined in section 646 of the OPGGS Act, as follows:

- (a) *the functions conferred on it by or under this Act in relation to occupational health and safety matters in connection with offshore petroleum operations or offshore greenhouse gas storage operations in Commonwealth waters;*
- (b) *the functions conferred on it by or under a State PSLA or the Territory PSLA in relation to occupational health and safety matters in connection with offshore petroleum operations or offshore greenhouse gas storage operations in the designated coastal waters of that State or Territory;*
- (c) *to promote the occupational health and safety of persons engaged in offshore petroleum operations or offshore greenhouse gas storage operations;*
- (d) *to develop and implement effective monitoring and enforcement strategies to secure compliance by persons with their occupational health and safety obligations under this Act and the regulations;*
- (e) *to:*
 - (i) *investigate accidents, occurrences and circumstances that affect, or have the potential to affect, the occupational health and safety of persons engaged in offshore petroleum operations or offshore greenhouse gas storage operations in Commonwealth waters; and*
 - (ii) *report, as appropriate, to the responsible Commonwealth Minister, and to State and Northern Territory Petroleum Ministers, on those investigations;*
- (f) *to advise persons, either on its own initiative or on request, on occupational health and safety matters relating to offshore petroleum operations or offshore greenhouse gas storage operations;*
- (g) *to make reports, including recommendations, to:*
 - (i) *the responsible Commonwealth Minister; and*
 - (ii) *each State and Northern Territory Petroleum Minister;*
on issues relating to the occupational health and safety of persons engaged in offshore petroleum operations or offshore greenhouse gas storage operations.

1.3.2 Structural integrity

NOPSEMA's functions in relation to the structural integrity of facilities, wells and well-related equipment are outlined in section 646 of the OPGGS Act, as follows:

- (ga) *the functions conferred on it by or under this Act in relation to the structural integrity of:*

 - (i) facilities (within the meaning of Schedule 3); or*
 - (ii) wells; or*
 - (iii) well-related equipment;*

located in Commonwealth waters;
- (gb) *the functions conferred on it by or under a State PSLA or the Territory PSLA in relation to the structural integrity of:*

 - (i) facilities; or*
 - (ii) wells; or*
 - (iii) well-related equipment;*

located in the designated coastal waters of that State or Territory;
- (gc) *to develop and implement effective monitoring and enforcement strategies to ensure compliance by persons with their obligations under a structural integrity law;*
- (gd) *to investigate accidents, occurrences and circumstances that involve, or may involve, deficiencies in the structural integrity of:*

 - (i) facilities (within the meaning of Schedule 3); or*
 - (ii) wells; or*
 - (iii) well-related equipment;*

located in Commonwealth waters;
- (ge) *to report, as appropriate, to the responsible Commonwealth Minister, and to State and Northern Territory Petroleum Ministers, on investigations covered by paragraph (gd);*
- (gf) *to advise persons, either on its own initiative or on request, on matters relating to the structural integrity of:*

 - (i) facilities (within the meaning of Schedule 3); or*
 - (ii) wells; or*
 - (iii) well-related equipment;*

located in Commonwealth waters.

1.3.3 Environmental management

NOPSEMA's functions in relation to environmental management are outlined in section 646 of the OPGGS Act, as follows:

- (gg) the functions conferred on it by or under this Act in relation to offshore petroleum environmental management in connection with operations in Commonwealth waters;*
- (gh) the functions conferred on it by or under this Act in relation to offshore greenhouse gas storage environmental management in connection with operations in Commonwealth waters;*
- (gi) the functions conferred on it by or under a State PSLA or the Territory PSLA in relation to offshore petroleum environmental management in connection with operations in the designated coastal waters of that State or Territory;*
- (gj) the functions conferred on it by or under a State PSLA or the Territory PSLA in relation to offshore greenhouse gas storage environmental management in connection with operations in the designated coastal waters of that State or Territory;*
- (gk) to develop and implement effective monitoring and enforcement strategies to ensure compliance by persons with their obligations under an environmental management law;*
- (gl) to investigate accidents, occurrences and circumstances that involve, or may involve, deficiencies in:
 - (i) offshore petroleum environmental management in connection with operations in Commonwealth waters; or*
 - (ii) offshore greenhouse gas storage environmental management in connection with operations in Commonwealth waters;**
- (gm) to report, as appropriate, to the responsible Commonwealth Minister, and to State and Northern Territory Petroleum Ministers, on investigations covered by paragraph (gl);*
- (gn) to advise persons, either on its own initiative or on request, on matters relating to offshore petroleum environmental management;*
- (go) to advise persons, either on its own initiative or on request, on matters relating to offshore greenhouse gas storage environmental management.*

1.3.4 Additional functions

In addition to the aforementioned three categories of functions, NOPSEMA has the following additional statutory functions outlined in section 646 of the OPGGS Act (these functions do not have separate cost recovery charges):

- (gp) when requested by the responsible Commonwealth Minister, to provide information, assessments, analysis, reports, advice and recommendations to the responsible Commonwealth Minister in relation to the performance of the responsible Commonwealth Minister's functions, or the exercise of the responsible Commonwealth Minister's powers, in relation to offshore greenhouse gas storage operations;*
- (gq) to develop and implement effective monitoring and enforcement strategies to ensure compliance by persons with their obligations under this Act and the regulations (other than the obligations referred to in paragraphs (d), (gc) and (gk));*
- (gr) to cooperate with the Titles Administrator in matters relating to the administration and enforcement of this Act and the regulations;*
- (h) to cooperate with:*
 - (i) other Commonwealth agencies or authorities having functions relating to regulated operations; and*
 - (ii) State and Northern Territory agencies or authorities having functions relating to regulated operations;*
- (i) such other functions as are conferred on it by or under this Act;*
- (j) to do anything incidental to or conducive to the performance of any of the above functions.*

Note 1: For a limitation on the conferral of the functions referred to in paragraphs (b), (gi) and (gj), see subsection 646A(1A).

Note 2: For a limitation on the conferral of the functions referred to in paragraph (gb), see subsection 646A(1B).

1.3.5 Policy outcomes achieved

The Government policy outcome for NOPSEMA is to promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight.

1.3.6 The appropriateness of cost recovery for the activity

- The activities being provided by NOPSEMA are: assessment, compliance monitoring, investigation, enforcement, and advice and promotion. These activities are separately identifiable tasks that can be allocated to an appropriate levy or charged as a fee.
- The activities are undertaken by NOPSEMA as a Corporate Commonwealth Entity (CCE) on a not-for-profit basis.

2 POLICY AND STATUTORY AUTHORITY TO COST RECOVER

2.1 Government policy approval to cost recover the activity

The National Offshore Petroleum Safety Authority (NOPSA) was established on 1 January 2005 with regulatory responsibility for occupational health and safety matters in connection with offshore petroleum operations in Commonwealth waters under the OPGGS Act and under similar legislation of the States and Northern Territory which have conferred powers for designated coastal waters to NOPSA. NOPSA was made accountable to Commonwealth and relevant State/Northern Territory resource ministers through the then Standing Council on Energy and Resources (now Council of Australian Governments Energy Council). The associated safety case levies came into effect on 1 January 2005.

Following various reviews and reports including the Productivity Commission's *Review of Regulatory Burden on the Upstream Petroleum (Oil and Gas) Sector* (30 April 2009), the Government announced on 5 August 2009 its intention to move to a single national offshore regulator. The Government subsequently announced it would augment NOPSA's regulatory functions with regards to wells and well-related equipment (structural integrity), and environmental management.

Legislative amendments to provide NOPSA an augmented regulatory function with regard to structural integrity (to be delivered on a cost recovery basis) received royal assent on 16 November 2010. The associated Well levies came into effect from 17 June 2011 through amendments to *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Act 2003* (OPGGS (Regulatory Levies) Act) and the *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Regulations* (OPGGS (Regulatory Levies) Regulations).

In November 2010, the Australian Government further extended NOPSA's regulatory functions to include environmental management to be delivered on a cost recovery basis. Legislative amendments with regard to environmental management received Royal Assent on 14 October 2011. The associated environment plan levy came into effect from 1 January 2012.

NOPSA was renamed NOPSEMA from 1 January 2012 by section 645 of the OPGGS Act in recognition of its augmented regulatory role. In February 2014, NOPSEMA became the sole Commonwealth environmental management regulator for offshore petroleum activities when the Commonwealth Minister for the Environment endorsed NOPSEMA's environmental management authorisation process under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). NOPSEMA continues to be fully funded through cost recovery charges imposed under the OPGGS Act, the OPGGS (Regulatory Levies) Act and the OPGGS (Regulatory Levies) Regulations.

2.2 Statutory authority to charge

Statutory authority for NOPSEMA to charge is provided by the following:

- OPGGS Act
- OPGGS (Regulatory Levies) Act
- OPGGS (Regulatory Levies) Regulations
- Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (OPGGS (Environment) Regulations).

3 COST RECOVERY MODEL

3.1 Outputs and business processes of the activity

3.1.1 Outcome

The Government policy outcome for NOPSEMA is to promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight.

3.1.2 Outcome strategy

NOPSEMA provides assurance to the government and the community about whether the Australian offshore petroleum industry is doing enough to ensure high standards of safety and environmental management. NOPSEMA also supports improvement and conducts inspections and investigations to determine compliance with legislative requirements and recommendations made following inspections and, in the event of accidents or incidents, NOPSEMA investigates and takes appropriate enforcement action.

3.1.3 Outputs

The effective management of risks in the policy outcome is achieved through a series of outputs related to the different statutory functions of NOPSEMA. NOPSEMA's statutory functions are set out in section 646 of the OPGGS Act and are funded through respective cost recovery charges, as follows:

Occupational health and safety	Structural integrity	Environment management
Safety case levies relate to the number of accepted safety cases in force and billable during the financial year	Well activity levies relate to the number of eligible wells as at 1 January each year, plus the number of new applications for well activities submitted during the financial year	Environment plan levies relate to the number of on-going multi-year environment plans currently in force, plus new applications of environment plans submitted during the financial year
Safety investigation levies relate to the recharge of costs incurred in the investigation of contraventions of an operator's duties relating to health and safety during the financial year	Well investigation levies relate to the recharge of costs incurred in the investigation of contraventions of a titleholder's duties relating to health and safety during the financial year	
Fees payable relate to the recharge of costs incurred by NOPSEMA relating to an assessment of a safety case for a proposed facility		Fees payable relate to the recharge of costs relating to the submission of offshore project proposals and the assessment of financial assurance arrangements

3.2 Costs of the activity

NOPSEMA's estimated costs of outputs for the 2018-19 budget year are as follows:

Table 1 – budgeted cost of outputs in 2018-19

Output	Direct costs (\$000's)	Indirect costs (\$000's)	Total costs (\$000's)
Occupational health and safety	\$9,532	\$1,861	\$11,393
Structural integrity	\$3,080	\$450	\$3,530
Environmental management	\$8,111	\$1,386	\$9,497
Regulatory support	\$5,383	\$2,029	\$7,413
Corporate support	\$3,112	\$1,368	\$4,479
Total	\$29,218	\$7,095	\$36,312
	80%	20%	100%

3.2.1 Cost drivers

In the current budget year, employee expenses are expected to account for 77% of the total cost of NOPSEMA. These are fixed costs based upon the projected key business processes to be performed to deliver the outputs.

Property relating to NOPSEMA offices in Perth and Melbourne represent 7% of total expenses; the two offices are leased on long-term fixed cost leases.

Depreciation and amortisation costs account for 3% of total expense and relate to NOPSEMA's Regulatory Management System software together with office fit-out and equipment.

The remaining minor cost categories are: information technology and communications costs (5%), professional services (2%), recruitment and training costs (2%), travel costs (2%) and administration and office costs (2%).

3.2.2 Assumption about cost drivers

Employees

There is a wide and diverse range of processes required to be undertaken in order to achieve NOPSEMA's outputs. The regulatory work involved with assessing new submissions from titleholders, operators and proponents can be variable in quantity. There is also on-going regulatory work, such as compliance monitoring and enforcement, which must be undertaken continuously in parallel with the assessment work. Workloads can vary with industry activity and performance but overall workload is relatively constant so historical employee expenses tend to be reasonable predictors of future expenses.

Building costs

NOPSEMA expects to continue with the long-term building leases in Perth and Melbourne as they support the estimated employee requirements in the current market conditions. Additional building leases may be required if some States or the Northern Territory confer additional powers on NOPSEMA, but this is unlikely to impact on the 2018-19 forecasts.

Direct costs

- Employee expenses, to include superannuation, allowances, memberships and leave entitlements of the NOPSEMA occupational health and safety, structural integrity and environment management specialists

- Recruitment, training, equipment and travel costs of regulatory employees
- External consultants and experts engaged for regulatory purposes
- Workshop expenses incurred for regulatory purposes.

Indirect costs

- Employee expenses of the human resources; information technology and communications; finance and administration functions
- Recruitment, training and travel costs of these functions
- All expenses relating to the Perth and Melbourne offices.

Direct costs

All direct costs are charged in the NOPSEMA financial management and information system against the outputs of occupational health and safety, structural integrity and environment management.

Allocation of indirect costs

NOPSEMA allocate all indirect expenses on a full-time equivalent (FTE) basis across the three outputs. NOPSEMA commissioned a review by external audit consultants to confirm this as the most appropriate allocation method. Allocations for the current year are as follows:

Table 2 – FTE allocation of indirect costs in 2018-19

Output	FTE	Indirect costs %
Occupational health and safety	38.9	31%
Structural integrity	9.5	8%
Environmental management	28.8	23%
Regulatory support	27.4	22%
Corporate support	21.6	17%
Total	126.2	100%

Table 2A – FTE allocation of NOPSEMA outputs 2018-19

Outputs	Occupational health and safety	Structural integrity	Environmental management	Total
Direct FTE of regulatory specialists	38.9	9.5	28.8	77.2
Allocation of regulatory support by FTE	13.8	3.4	10.2	27.4
Allocation of corporate support by FTE	10.9	2.7	8.1	21.6
Total	63.6	15.5	47.1	126.2
Total allocation %	50%	12%	37%	100%

Capital Costs

- Depreciation and amortisation of assets consists primarily office fit-out costs plus the standardised employee workstations
- Development of the NOPSEMA regulatory management system
- Upgrade and replacement of end user audio-visual equipment.

3.3 Design of cost recovery charges

3.3.1 NOPSEMA cost recovery

To enable NOPSEMA to operate on a full cost recovery basis, levies have been designed for each of the three distinct functions of occupational health and safety, structural integrity and environmental management to match the estimated costs that NOPSEMA needs to incur in order to perform these legislated functions, over time. NOPSEMA surveys industry as part of its business planning cycle, in order to refine expense and revenue forecasts that are based on the number of facilities that may enter/leave NOPSEMA's regime, number of eligible wells, applications for well activities and environment plans that may be submitted.

Table 3 – revenue estimate for the financial year 2018-19

Levy type	Levy item	Total revenue (\$000's)	Output
Safety case levy	Safety management system	\$1,097	Occupational health and safety
		\$3,213	
		\$588	
Safety case levy	Facility	\$2,702	Occupational health and safety
		\$9,224	
		\$235	
Annual well levy	-	\$4,161	Structural integrity
Well activity levy	Well operations management plans	\$221	Structural integrity
Environment plan levy	Activity	\$5,262	Environment management
Environment plan levy - new	Compliance	\$1,871	Environment management
Environment plan levy - multi-year	Compliance	\$5,214	Environment management
Offshore project proposals	-	\$810	Environment management
Other revenue	Interest	\$242	Other
Total revenue		\$34,840	

Each of the above levy categories are addressed in the following subsections.

3.3.2 Changes to levy rates

In order to maintain full cost recovery under a 'steady state' scenario, NOPSEMA has identified the need to increase its levies from 1 January 2019. While NOPSEMA effectively broke even with respect to expenses and levy receipts in financial year 2017-18, forecasting indicates that this will not be the case in future financial years unless the levies are increased as proposed below in Table 4.

NOPSEMA has not increased its safety case or environment plan levies since 2014; and the 1 January 2016 changes to the well levies were designed to be cost neutral as they included removal of the activity levy for individual well activity approvals. NOPSEMA responded to the collapse of the oil price in 2014 by taking actions to enhance its efficiency and reduce costs as necessary. This included not renewing contracts for non-ongoing staff, which brought NOPSEMA staffing levels well below the establishment FTE. However, it is no longer sustainable to keep staffing at these levels. The forecast increase in expenses in financial year 2018-19 reflects the additional staff NOPSEMA has engaged to return to 'steady state' FTE levels.

In recent years NOPSEMA has also seen an increase in activities under its 'additional functions'. These activities include stakeholder and community engagement to build community confidence in the regulatory regime. This engagement is particularly important for activities proposed in frontier areas like the Great Australian Bight. NOPSEMA has also established the Transparency Initiative to align cross jurisdictional efforts to improve the transparency of offshore petroleum environmental management. These additional activities consume NOPSEMA resources, fall under NOPSEMA's regulatory functions and are of benefit to both industry and the community.

Changes to levies

As a result of NOPSEMA's internal review and industry stakeholder consultation, the following changes will be made to the levies with effect from 1 January 2019:

Table 4 – changes to levy rates from 01 January 2019

Levy type	Levy item	Levy rates to 31 Dec 2018 value (\$000's)	Levy rates from 01 Jan 2019 value (\$000's)
Safety case	Safety management system	Mobile \$113K p/y Non-mobile \$170K p/y Pipeline \$56K one-off	Mobile \$124.3K p/y Non-mobile \$187K p/y Pipeline \$61.6K one-off
Safety case	Facility	Mobile \$35K p/y Non-mobile \$35K p/y Pipeline \$14K one-off	Mobile \$38.5K p/y Non-mobile \$38.5K p/y Pipeline \$15.4K one-off
Annual levy	-	Unit value \$4,125 p/y	Unit value \$4,540 p/y
Well activity	Well operations management plans	Unit value of \$35k	Unit value of \$38.5K
Environment plan	Activity	Unit value of \$3,600	Unit value of \$3,960
Environment plan	Compliance	Unit value of \$3,600	Unit value of \$3,960

3.3.3 Transfer of regulatory responsibility for greenhouse gas storage

Currently, under the Environment Regulations and Part 5 of the Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011, the responsible Commonwealth Minister is the regulator for offshore greenhouse gas storage environmental management and well operations respectively. The 'responsible Commonwealth Minister' is defined in section 7 of the OPGGS Act as the Minister who is responsible for the administration of the OPGGS Act (currently the Minister for Resources and Northern Australia). NOPSEMA is the regulator for offshore petroleum environmental management and well operations. NOPSEMA is also the regulator of occupational health and safety for both offshore petroleum and greenhouse gas storage operations.

Regulatory oversight for offshore greenhouse gas wells and environmental management is to be transferred from the responsible Commonwealth Minister to NOPSEMA. The Offshore Petroleum and Greenhouse Gas Storage Amendment (Miscellaneous Amendments) Bill 2018 and the Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Amendment Bill 2018 were introduced to Parliament on 28 March 2018 to implement this transfer of regulatory oversight to NOPSEMA. These Bills also provide NOPSEMA with inspection and enforcement powers in relation to greenhouse gas storage operations, and impose levies in relation to greenhouse gas wells. Amendments to the regulations under the OPGGS Act will complete the implementation of the transfer of regulatory oversight.

Levies for greenhouse gas storage environmental management activities and well operations will be incorporated under the existing environmental management and structural integrity levy arrangements.

3.3.4 Safety case levies

Safety case levies are imposed on the operators of facilities as defined under the OPGGS Act. Clause 4 of Schedule 3 of the OPGGS Act defines vessels or structures that are facilities, including any pipe or system of pipes used for offshore petroleum operations or offshore petroleum greenhouse gas storage operations.

A safety case levy is payable when a safety case for a facility is accepted by NOPSEMA and the facility is located or proposed to be located in NOPSEMA waters. The safety case levy is an annual levy, imposed for a calendar year or part of a calendar year depending on when the safety case comes into force and in any subsequent years for a facility other than a pipeline. Safety case levies for a facility other than a pipeline are payable quarterly in arrears. A safety case levy is made up of the sum of:

- the safety management system amount
- the facility amount.

In recognition that mobile facilities (e.g. mobile offshore drilling units, pipelay vessels) may operate on an intermittent basis, section 687 of the OPGGS Act provides for the remittal of part of the safety case levy, subject to a minimum payment of one quarterly instalment in any four consecutive quarters.

For a facility that is a pipeline, the safety case levy is payable only in the year in which a safety case is accepted or a major revision of a safety case is accepted, and is made up of the sum of:

- the safety management system amount
- the pipeline amount.

Safety management system amount

Only one safety management system amount is payable by an operator of a facility regardless of the number of facilities operated.

Facility amount

The facility amount is derived from the facility rating (a rating of 1 to 25 reflecting the increasing complexity of facilities) and the unit value (for mobile and other than mobile facilities). The following are the current values and apply for the period covered by this CRIS:

- unit value for mobile and other than mobile facilities \$38,500
- safety management system for a mobile facility \$124,300
- safety management system for other than a mobile facility \$187,000
- unit value for a pipeline facility \$15,400
- safety management system for a pipeline facility \$61,600

NOPSEMA also has the authority to:

- recover actual costs above a \$30,000 threshold for safety investigations via an Investigation Levy from an individual operator
- costs for investigations below the \$30,000 threshold are met from safety case levies.

Based on the financial year 2017-18, and current levels of offshore activities within NOPSEMA waters, the estimated cost recovery revenue from safety case levies from 2018-19 is set out in table 5.

Table 5 – estimated cost recovery revenue from safety case levies based on forecast number of facilities operating in NOPSEMA waters during the period covered by the CRIS

	Safety case levies 2018-19 (\$000's)
Safety management system amount – mobile	\$1,097
Facility amount – mobile	\$2,702
Safety management system amount – other than mobile	\$3,213
Facility amount – other than mobile	\$9,224
Safety management system amount – pipeline	\$588
Facility amount – pipeline	\$235
Investigation levy	\$0
Total safety case levies	\$17,059

Investigation levies have been budgeted as zero above as NOPSEMA is only allowed to recover costs incurred. If a major investigation were to be undertaken, with a cost in excess of the \$30,000 limit, any levies received would simply offset the additional costs incurred by NOPSEMA. These additional costs incurred by NOPSEMA would normally include independent expert witnesses, travel and accommodation and legal fees.

Conclusion – safety case levies

For the previous financial year 2017-18, NOPSEMA returned an under recovery (\$0.7M) in respect of the occupational health and safety regulatory function. The main reason for this outcome was that safety case levy unit values had not increased since 2014, even though expenses generally had increased in line with consumer price index (CPI) each year, plus the allocation of building lease costs had a contracted annual increase.

To counter these two effects, NOPSEMA has held vacancies for several budgeted specialist staff within the occupational health and safety regulatory division, with work re-allocated accordingly. This situation is being reviewed during the current financial year, and recruitment has commenced to fill a small number of vacancies to reflect the increased industry activity.

In light of the forecast deficit for NOPSEMA in the 2018-19 financial year and increase in activity in the offshore oil and gas industry, NOPSEMA will be increasing the safety case levy unit values by 10%. This will increase levy revenue, however NOPSEMA are still forecasting an overall deficit for the year.

3.3.5 Structural integrity levies (well levies)

Well levies are imposed on titleholders who hold the relevant permit or license to conduct well activities and are the responsible persons for the integrity of wells under the OPGGS Act.

The well levies consist of an annual levy, an activity levy in relation to a well operations management plan and an investigation levy.

Annual levy

This levy applies to all eligible wells, that is, any wells having been drilled within title areas but not abandoned, and that require ongoing regulation. An abandoned well is a well that has been made permanently safe and requires no further regulatory scrutiny.

The annual levy funds:

- a) the general compliance monitoring including inspections and routine investigations
- b) maintenance of the ongoing regulatory infrastructure and overheads of NOPSEMA allocated to structural integrity activities.

The annual levy provides the majority of the well levies revenue and so removes short term revenue fluctuations that might arise from either a reduction or increase in well activities.

The annual levy is payable on 1 January each year and is due within 30 days. The levy is based on the number of eligible and non-abandoned wells that existed in a title area in the preceding calendar year.

The amount per well that will apply during the period covered by this CRIS is \$4,540.

Activity levy

NOPSEMA is required to give specific regulatory approval on the submission of a well operations management plan.

The activity levy is payable at the time that a registered holder of an eligible title submits an application for acceptance of a well operations management plan. The activity levy is only intended to be imposed in relation to the initial submission and for each five year revision. Interim revisions will not be subject to a well activity levy.

The activity levy provides a variable component that partly reflects the cost of individual approvals. The amount per submission of a well operations management plan that will apply during the period covered by this CRIS is \$38,500.

Investigation levy

This covers additional regulatory costs incurred by NOPSEMA in investigating major well related incidents, but only in respect of occurrences where there is a suspected breach of the titleholder's duty of care in relation to wells and well-related equipment. Routine investigations generally require low inputs from NOPSEMA and form part of NOPSEMA's activities that are cost recovered through the annual levy. A major investigation would be one where actual costs incurred by NOPSEMA are in excess of \$30,000. Costs exceeding \$30,000 would be recovered by the investigation levy from the individual operator.

Table 6 – estimated cost recovery revenue from well levies during the CRIS period 2018-19

	Well levies 2018-19 (\$000's)
Annual levy	\$4,161
Well activity levy - approvals	\$0
Well activity levy – well operations management plans	\$221
Total well levies revenue	\$4,382

Conclusion – well levies

For the previous financial year 2017-18, NOPSEMA returned an over recovery (\$0.7M) in respect of the structural integrity regulatory function. The main reason for this outcome was the larger than normal submission of well operation management plans (WOMPs), which generated higher levy revenue, before the submission deadline of 31st December 2017. This was as a result of the well regulation changes in 2016 and these specific submissions are now complete.

In previous financial years, NOPSEMA has held vacancies for several budgeted specialist staff within the structural integrity regulatory division, with work re-allocated accordingly. This situation is being reviewed during the current financial year, and recruitment has commenced to fill a small number of vacancies to reflect the increased industry activity.

In light of the forecast deficit for NOPSEMA in the 2018-19 financial year and increase in activity in the offshore oil and gas industry, NOPSEMA will be increasing the structural integrity levy unit values by 10%. This will increase levy revenue, however NOPSEMA are still forecasting an overall deficit for the year.

3.3.6 Environment plan levies

An environment plan levy is imposed on titleholders who hold the relevant permit or license to conduct activities as defined in the OPGGS Act. The main influencing factors in determining regulatory effort in relation to environmental management include:

- (a) amount of activity covered by the environment plan including:
 - i. Type of activity (and associated environmental risks to be regulated); and
 - ii. Number of activities covered by the environment plan (i.e. a facility or a number of facilities); and/or
 - iii. Number of different areas (e.g. bioregion or sedimentary basin) in which the activities are to take place
- (b) duration of activity (affects the environmental complexity in assessment to some degree, but more importantly heavily influences the amount of compliance regulatory effort required)
- (c) potential for requiring significant oil spill contingency planning within the environment plan
- (d) range and complexity of environmental risks presented (and associated real and/or perceived stakeholder issues).

The range and complexity of environmental risks is highly variable. This variation has been allowed for in the typical regulatory effort required for a specific type of activity (e.g. conducting a seismic survey in deep water compared with operating an oil production platform) rather than a specific environmental factor in the calculation method as it cannot be reasonably predicted for a particular activity in a transparent and fair manner. The environment plan levy for an environment plan submitted is based on:

- the type of activities that are provided in the description of the activity within the environment plan
- the number of discrete and different activities that are provided in the description of the activity within the environment plan (based on the number of petroleum titles across which activities covered by the environment plan will occur)
- consideration of the duration over which the activities extends as provided in the description of the activity within the environment plan.

The levy is made up of two components, which are calculated separately and subsequently multiplied by the number of activities within the environment plan:

- (a) Activity amount: Imposed on submission of an environment plan for acceptance by NOPSEMA.

This amount is calculated by assigning an activity rating to each type of activity covered by the environment plan that reflects the average regulatory effort required by NOPSEMA in assessing those activities, and multiplying the activity rating by the unit value.
- (b) Compliance amount: Divided into equal instalments payable annually 1 January with the first instalment payable to NOPSEMA on submission together with the activity amount.

This amount is calculated by assigning a compliance rating to each discrete and different activity covered by the environment plan

that reflects the average ongoing compliance regulatory effort required by NOPSEMA, and multiplying the compliance rating by the unit value, and then multiplying by the number of calendar years across which the activity will take place.

The environment plan levy is calculated as:

$$\text{Number of activities} \times [(\text{unit value} \times \text{activity rating}) + (\text{unit value} \times \text{compliance rating} \times N)]$$

*where N is the number of whole calendar years that the environment plan is valid

The unit value that applies during the period covered by this CRIS is \$3,960. This value was derived from estimates of NOPSEMA's expenditure to regulate the environmental management function and the number and type of activities likely to be submitted to NOPSEMA.

Where an environment plan contains more than one activity of the same kind, each activity is considered separate and is calculated using the formula above. For drilling and surveys only, multiple activities would be considered one activity where they were carried out in a similar manner, in a similar environmental setting and represented similar environmental risks.

Table 7 – estimated cost recovery revenue from environment levies 2018-19

	Environment levies 2018-19 (\$000's)
Environment plan - activity levy	\$5,262
Environment plan - compliance levy - new submissions	\$1,871
Environment plan - compliance levy – multi-year annual levy	\$5,214
Offshore Petroleum Projects - Fee	\$810
Total environment plan levies revenue	\$13,157

Conclusion – environment plan levies

For the previous financial year 2017-18, NOPSEMA returned an under recovery (\$0.2M) in respect of the environmental management regulatory function. The main reason for this outcome was that environment plan levy unit values and ratings had not increased since 2014, even though expenses generally had increased in line with CPI each year, plus the allocation of building lease costs had a contracted annual increase.

In previous financial years, NOPSEMA has held vacancies for several budgeted specialist staff within the environmental management regulatory division, with work re-allocated accordingly. This situation is being reviewed during the current financial year, and recruitment has commenced to fill a small number of vacancies to reflect the increased industry activity.

In light of the forecast deficit for NOPSEMA in the 2018-19 financial year and increase in activity in the offshore oil and gas industry, NOPSEMA will be increasing the environment plan levy unit values by 10%. This will increase levy revenue, however NOPSEMA are still forecasting an overall deficit for the year.

3.3.7 Fees for expenses incurred

For specific activities, NOPSEMA may charge fees reflecting the expenses occurred in carrying out the activity. The activities for which these fees are charged are only undertaken occasionally.

In accordance with section 685 of the OPGGS Act, regulations may provide for the payment of fees to NOPSEMA, in respect of matters in relation to which expenses are incurred by NOPSEMA under the Act or the regulations.

Assessment of safety cases for proposed facilities

NOPSEMA has the authority under regulation 60 of the OPGGS (Regulatory Levies) Regulations to charge such a fee to recover all expenses incurred for the purposes of assessing a safety case in relation to a proposed facility. In accordance with Regulation 60 (2) the amount or rate of the fee is an amount or rate determined by the NOPSEMA CEO and must not exceed the total of the expenses incurred by NOPSEMA for the purposes of assessing the safety case.

The NOPSEMA CEO determines the amount or rate of the fee, normally based on average NOPSEMA rates. However, if an activity can be allocated to a specific function or area, then a different rate may apply to reflect the cost of that activity incurred by the relevant area.

As an example NOPSEMA has previously calculated a rate of \$305 per hour based on cost recovery. This rate was applied to actual time recorded against a specific activity and charged to the relevant recipient of the service provided by NOPSEMA.

Fees for assessing offshore project proposals

NOPSEMA has the authority under regulation 32 of the OPGGS (Environment) Regulations to:

- (1) charge a fee for the consideration of an offshore project proposal in accordance with Part1A of the Regulations.*
- (2) The fee is the total amount of the expenses incurred by NOPSEMA in considering the proposal.*
- (3) However, NOPSEMA may remit the whole or a part of an amount of the fee if NOPSEMA considers that there are good reasons for doing so.*
- (4) The fee is:*
 - (a) due when NOPSEMA issues an invoice for the fee to the person who submitted the proposal; and*
 - (b) payable in accordance with the requirements of the invoice.*

The NOPSEMA CEO determines the amount or rate of the fee, normally based on average NOPSEMA rates. However, if an activity can be allocated to a specific function or area, then a different rate may apply to reflect the cost of that activity incurred by the relevant area.

Fees for assessing financial assurance arrangements

NOPSEMA has the authority under regulation 33 of the OPGGS (Environment) Regulations:

- (1) For section 685 of the Act, a fee is payable to NOPSEMA by the titleholder for a petroleum activity if NOPSEMA assesses financial assurance arrangements, proposed by the titleholder in relation to the activity, for the purposes of regulation 5G.*

(2) The amount or rate of the fee is an amount or rate determined by the Chief Executive Officer of NOPSEMA and must not exceed the total of the expenses incurred by NOPSEMA for the purpose of assessing the proposed financial assurance arrangements.

(3) The fee is payable at the time or times agreed in writing between the Chief Executive Officer of NOPSEMA and the titleholder.

Expenses incurred by NOPSEMA for the assessment of financial assurance arrangements may be recovered under Regulation 33 of the Environment Regulations.

Examination of the cost calculation method may be required if the Australian Petroleum Production and Exploration Association (APPEA) method, as provided for in NOPSEMA guidance, is not used or if financial assurance arrangements are complex. In such circumstances, a fee may be payable under regulation 33 to allow NOPSEMA to engage relevant experts to thoroughly assess financial assurance arrangements proposed by the titleholder. In such instances, the fee recovered will not exceed the total of expenses incurred by NOPSEMA for the purposes of assessing the proposed financial assurance arrangements.

3.3.8 Review of NOPSEMA levies

It has been agreed with stakeholders that NOPSEMA requires an appropriate cash balance to meet monthly operational expenses, asset replacements, current provisions and a reserve of approximately ten per cent of the next year's budget, whilst not resulting in an ongoing increasing surplus.

It is acknowledged that variations in activity levels and regulatory effort could result in either under or over recovery. Should the levy values result in cash reserves which are likely to be significantly higher than required (and continuing to increase), NOPSEMA will work with industry to agree on appropriate action in order to limit future levy increases, thus reducing the surplus, consistent with the approach taken for safety case levies between 2010 and 2013; and with levies in general between 2014 and 2018. In such event strategies to ensure the reduction of the surplus will be discussed with stakeholders at the annual cost effectiveness review currently planned for the first quarter of each calendar year.

4 RISK ASSESSMENT

In accordance with the Better Practice Template for a Charging Risk Assessment (the template) for regulatory activities, as published by the Department of Finance, the following risks are identified and risk ratings assessed:

Changes in cost recovery revenue

The proposed changes in annual cost recovery revenue is 10%. According to the template, a fluctuation of up to 10% or less is rated as a medium risk.

Total proposed annual cost recovery revenue

For the financial year 2018-19 cost recovery revenue is estimated to be \$33M. According to the template, total proposed annual revenue of more than \$20M is rated as a high risk.

Policy or activity change requirements

Changes in the level of existing cost recovery charges. The levy unit values are quoted in the OPGGS (Regulatory Levies) Regulations. According to the template this risk is rated as low.

Type of cost recovery charges used

Fees and Levies. This risk is rated as low.

Legislation requirements for cost recovery

The legislative framework is already in place, so according to the template this risk is rated as low.

Involvement with other Commonwealth / State / Territory government entities

NOPSEMA, as part of the Industry, Innovation and Science Portfolio, liaise directly with the Department of Finance. According to the template this risk is rated as low.

Expected impact of cost recovery

NOPSEMA has had cost recovery in place for many years. Industry is familiar with the procedures involved and the mechanism is generally very well accepted. According to the template this risk is rated as low.

Consultation with stakeholders on cost recovery

NOPSEMA undertakes an annual cost effectiveness report, with the audited report being published on the NOPSEMA website. All operators and titleholders are also invited to an annual stakeholder meeting to discuss this report and any issues in general. In addition NOPSEMA conducted further consultation with industry stakeholders on the cost recovery changes contained in this CRIS. According to the template this risk is rated as low.

Overall cost recovery risk assessment

According to the template this risk is rated as medium.

5 STAKEHOLDER ENGAGEMENT

NOPSEMA undertook a review of its cost recovery in 2018, followed by consultation with operators and titleholders (levy payers). This review process has resulted in the changes contained in this CRIS: increasing the unit values of safety case levies; unit increases to environment plan levies; and increases to the amount of the annual well levy and well activity levy. These changes are proposed to be effective from 1 January 2019.

NOPSEMA contacted all past and present levy payers advising of the proposed changes and inviting them to attend a stakeholder briefing session. Fourteen stakeholders attended this briefing session, including representatives from APPEA, Woodside Energy Ltd, Diamond Offshore General Company, Polarcus Seismic Limited, Shell Australia Pty Ltd, INPEX Operations Australia Pty Ltd, Noble Contracting II GmbH, ION Geophysical Corporation, Asset Energy Pty Ltd, TGS-NOPEC Geophysical Company Pty Ltd, McDermott Australia Pty Ltd, SapuraAcergy (Australia) Pty Ltd, and Vermillion Oil & Gas Australia Ltd Pty. NOPSEMA also provided stakeholders with a period of time after the briefing session to provide further feedback on the proposed changes.

No formal written feedback was provided by stakeholders on the proposed changes. Several issues were raised and discussed at the briefing session:

- Confirmation that levy money was to be used exclusively for regulatory purposes and that the proposed increases to the levies would be used for regulatory purposes. In recent years NOPSEMA has seen an increase in activities that fall under its 'additional functions'. These activities include stakeholder and community engagement to build community confidence in the regulatory regime. This engagement is particularly important for activities proposed in frontier areas like the Great Australian Bight. NOPSEMA has also established the Transparency Initiative to align cross jurisdictional efforts to improve the transparency of offshore petroleum environmental management. The initiative is led by a steering committee comprising NOPSEMA, various federal and state government representatives, APPEA, the Law Council of Australia and Seafood Australia. Industry stakeholders expressed their understanding of the importance of these activities and the benefit they provide the industry as a whole. Industry stakeholder's also acknowledged that it was reasonable to expect the proposed levy increases, given that the safety case and environment plan levies had not been changed since 2014.
- Cost effectiveness. NOPSEMA continues to find ways to reduce costs and improve efficiency in the delivery of its regulatory functions. This is part of the annual cost effectiveness review, conducted in the first quarter of each calendar year, where operators and titleholders are invited to participate in a review and where the audited annual financial statements are also presented. This invitation is part of NOPSEMA's open and transparent reporting responsibility, and from the reporting year to 30 June 2018, allows comparison and analysis of NOPSEMA's performance against its budget presented to Parliament.
- Changes to levies. NOPSEMA confirmed that the proposed levy increases would need to be vetted and cleared by the Responsible Commonwealth Minister and the Department of Finance prior to any changes being implemented.
- Industry acknowledgements. There was support throughout the stakeholder engagement process for NOPSEMA's continued focus on hiring relevant and experienced personnel with significant technical expertise. This support included an acknowledgement of the associated cost.

NOPSEMA is also scheduled to conduct consultation with levy payers and stakeholders on regulatory levies, including the well levies, at the annual cost effectiveness review currently planned for the first quarter of 2019.

6 FINANCIAL ESTIMATES

Table 8 – financial estimates per the Portfolio Budget Statements (PBS) 2018-19

	A	B	C	D	E
	2017-18 Actual (\$000's)	2018-19 Budget (\$000's)	2019-20 Budget (\$000's)	2020-21 Budget (\$000's)	2021-22 Budget (\$000's)
Expenses = X	\$31,738	\$34,843	\$37,825	\$37,825	\$37,825
Revenue = Y	\$31,960	\$34,843	\$37,825	\$37,825	\$37,825
Balance = Y – X	\$222	\$0	\$0	\$0	\$0
Cumulative balance	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Explain material ^a variance	The 2017-18 actual is consistent with the PBS budget forecast for the financial year. The future increases in revenue detailed above relate to projected increases in industry activity, not to increases in levy unit values. These industry activity changes are consistent with the 5-Year cycle and re-submission of Environment Plans.				
Explain balance management strategy	With regards to the \$15M retained surplus, NOPSEMA's strategy has been to maintain Safety Case, Well Activity and Environment Plan Levy unit values since January 2014 despite increases in cost. Due to the industry downturn, NOPSEMA implemented a recruitment freeze plus other cost saving measures, these proved successful to the point of breaking even as opposed to an anticipated loss. Recruitment is underway at NOPSEMA and costs are expected to increase in future years. The earliest date for any future levy unit value changes to come into effect is 1 st January 2019.				

^a As defined by AASB1031 and Division 12 – Materiality and Disclosure of the Finance Minister's Orders.

7A. FINANCIAL PERFORMANCE

Table 9 – historical financial performance per the Annual report

	2012-13 (\$000's)	2013-14 (\$000's)	2014-15 (\$000's)	2015-16 (\$000's)	2016-17 (\$000's)	2017-18 (\$000's)
Expenses = X	\$28,664	\$31,822	\$32,212	\$33,434	\$31,169	\$31,738
Revenue = Y	\$28,257	\$29,357	\$39,713	\$30,607	\$36,232	\$31,960
Balance = Y – X	-\$407	-\$2,465	\$7,501	-\$2,827	\$5,063	\$222
Cumulative balance	\$7,506	\$5,041	\$12,542	\$9,715	\$14,778	\$15,000
Explain material ^a variance	<p>In FY10-11 the levy unit values were intentionally not increased to reduce the cumulative balance. A new levy structure was introduced in FY11-12 which created a surplus, levy unit values were again not increased in FY12-13, with the safety case and environment levies unit values only being revised from 1st January 2014. In FY14-15 there were significant submissions of 5-year environment plans producing the surplus and in FY16-17 NOPSEMA received additional non-recurring safety case and well integrity levy revenue.</p>					
Explain impact on balance management strategy	<p>NOPSEMA does not have access to debt arrangements, therefore must maintain liquidity whilst following the concepts of cost recovery. Once maturity has been reached with levy structures in the past, NOPSEMA has successfully managed any surplus by maintaining constant levy unit amounts in the face of rising costs. Levies commenced with safety case in 2005, well integrity levies from 2011 and environment plan levies from 2012. Safety case and well integrity levies can now be forecast with relative accuracy, however environment plan revenue is still subject to significant annual fluctuations.</p>					

^a As defined by AASB1031 and Division 12 – Materiality and Disclosure of the Finance Minister's Orders.

7B. NON-FINANCIAL PERFORMANCE

NOPSEMA's regulation of the offshore petroleum and greenhouse gas storage sector is subject to a range of governance controls including, parliamentary oversight, ministerial policy direction and independent statutory reviews. The most recent independent Triennial Review of NOPSEMA's performance, tabled in Parliament on 16 September 2015, found that NOPSEMA is an effective regulator that has made positive contributions to improving safety, well integrity and managing Australia's offshore environment. This most recent view confirms the findings of multiple previous independent reviews.

In accordance PGPA Act requirements, NOPSEMA have developed, communicated and implemented Accountable Authority Instructions (AAIs) which form part of the finance law which officials are required to comply with and provides a mechanism to apply the key principles and requirements of the financial framework.

In accordance with NOPSEMA's internal audit plan, PricewaterhouseCoopers (PwC) performed a review of NOPSEMA's financial framework to assess its implementation of, and compliance with, the PGPA Act requirements. The review found that NOPSEMA's AAIs and associated policies, procedures and operational guidance aligned with the requirements of the PGPA Act. The review also found that all areas of NOPSEMA's financial framework were in compliance with the requirements of the PGPA Act and did not find any areas that needed to be addressed. The reviewers noted that NOPSEMA is further advanced than most other Federal Government entities in implementing and complying with the PGPA Act requirements.

The Regulator Performance Framework (RPF) came into effect 1 July 2015 and is administered by the Department of the Prime Minister and Cabinet (PM&C). The RPF establishes a common set of performance measures that allows for the comprehensive assessment of regulator performance and their engagement with stakeholders. It comprises six key performance indicators (KPIs), which regulators are required to derive metrics to assess their performance against, namely:

1. Regulators do not unnecessarily impede the efficient operation of regulated entities
2. Communication with regulated entities is clear, targeted and effective
3. Actions undertaken by regulators are proportionate to the risk being managed
4. Compliance and monitoring approaches are streamlined and coordinated
5. Regulators are open and transparent in their dealings with regulated entities
6. Regulators actively contribute to the continuous improvement of regulatory frameworks.

The NOPSEMA Corporate Plan 2017-22 was completed and published within legislative requirements and is on the NOPSEMA website. NOPSEMA has, following an in-depth review and analysis process, been innovative and been able to directly link the development of its Corporate Plan 2017-22 with the compliance requirements of the RPF. The responsible Minister has approved NOPSEMA's metrics to meet the KPIs requirements of the RPF and the alignment between the RPF metrics and the Corporate Plan KPIs has been achieved with the following benefits:

- Integrated performance reporting arrangements can be utilised
- A single consistent report on regulator performance can be delivered i.e. Annual Report
- Clearer message on the expected performance of NOPSEMA to the regulated industry and other stakeholders
- An integrated detailed Annual Operating Plan 2017-18 process to assist NOPSEMA's performance measurement and management as the automated monitoring mechanism for all of the above.

8 KEY FORWARD DATES AND EVENTS

Development of this CRIS involved a full review of the activities covered by the CRIS. This process included review by NOPSEMA senior management and the NOPSEMA CEO together with consultation with the Department of Finance, Department of Industry, Innovation and Science and industry stakeholders.

In March 2018, the Offshore Petroleum and Greenhouse Gas Storage Amendment (Miscellaneous Amendments) Bill 2018 and the Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Amendment Bill 2018 were introduced to Parliament. These bills contain significant amendments relevant to NOPSEMA's functions including the transfer of regulatory responsibility for greenhouse gas activities from the responsible Commonwealth Minister to NOPSEMA. This transfer of responsibility to NOPSEMA will necessitate changes to levy mechanisms.

The audit report for the year ended 30 June 2018 is now available, and the tables contained within the CRIS have been updated with actuals where possible.

The annual financial statements have been approved and are available on the NOPSEMA website. In the first quarter of 2019 the annual cost effectiveness report will be produced and distributed, following which stakeholder engagement meetings will be held.

9 CRIS APPROVAL AND CHANGE REGISTER

Table 10 – register of changes to the CRIS

Date of CRIS change	CRIS change	Approver	Basis for change
01-Jul-2015	Update existing CRIS in new Department of Finance format	The Accountable Authority of NOPSEMA and the Minister for Resources, Energy and Northern Australia	New Department of Finance CRIS format
01-Jan-2016	The revised NOPSEMA CRIS document comes into effect	The Accountable Authority of NOPSEMA and the Minister for Resources, Energy and Northern Australia	To reflect changes to well regulations and the subsequent changes to well levies
31-Dec-2018	Updated CRIS approved by the Minister for Resources and Northern Australia; and endorsed by the Department of Finance	The Accountable Authority of NOPSEMA and the Minister for Resources, and Northern Australia	To reflect the new 2018-19 budget year estimates and changes to levy values

