

Community & Environmental Reference Group – Meeting 5

Meeting objectives:

To seek the group's feedback on amendments to the Environment Regulations and NOPSEMA's administration of the Act and regulations.

Meeting details:

The meeting was held at NOPSEMA's Perth office at 09:30am – 11:30am AWST on 13 November 2019.

Attendees included representatives of NOPSEMA and members of the Community and Environmental Reference Group (CERG), as listed in Attachment 1.

Meeting record:

Agenda Item 1 – Safety and introduction

The Chair opened the meeting and welcomed all participants. The agenda and objectives for the meeting were confirmed with no changes.

Agenda Item 2 – Register of interests and recent community interactions

All members provided an outline of their recent work or community interactions relevant to offshore petroleum environmental management.

The Chair provided an update of his recent activities including his recent Churchill Fellowship into offshore wind regulation and highlighted topics he would be raising at the APPEA Board meeting, including reminding those present that even with the introduction of the transparency regulations, there was still considerable work required in engaging with stakeholders. The Chair also advised that NOPSEMA has been, and would continue to be the focus of a range of independent inquiries and reviews, including:

- The Chief Scientist's Audit (completed)
- Senate inquiry into the impact of seismic testing on fisheries and the marine environment (due 2019)
- Five year Operational review (due 2020)
- Review under the EPBC Act (due 2020)
- Productivity Commission review of resources sector regulation (due 2020)
- Safety regulation review (due 2019)
- Environment regulation review (due 2020)

Amongst a variety of activities reported, several CERG members had been involved in some of the reviews and inquiries listed above and several were making submissions to the seismic testing inquiry.



Agenda Item 3 – Public comment on environment plans – NOPSEMA’s tools and guidance

Agenda Item 3.1 – Transparency Environmental Regulations amendments now in force

The introduction of the amendments to the Environment Regulations to increase transparency of offshore oil and gas environment plans came into force in April 2019. NOPSEMA sought feedback from the CERG on the first six months of operation. The following summarises the discussion:

- The subscription service is a welcome feature, although some members identified challenges with their experience to date.
- Community expectations are changing faster than regulations and industry needs to keep up with community expectations. Activist groups are typically well informed and are responding to not being heard.
- Industry needs to consider what it takes to attain and retain a social license to operate, outside of the formal regulatory regime.
- Industry’s approach to engaging with stakeholders can often feel like a tick the box exercise, or not done with a genuine interest in understanding or addressing concerns. There is recognition that this approach is down to industry and not the regulator to address, given that the bulk of consultation with stakeholders happens prior to and is often outside of the formal regulatory approval process.
- NOPSEMA can encourage behaviours, but industry need to work on and tailor their communication to their stakeholders. While a 30 day public comment period is welcome, it is unreasonable for smaller groups and representative bodies to review a document of more than 1,500 pages in that timeframe.
- Statutory relevant person consultation often continues to be ineffective, feedback is regularly not provided or responded to and it is difficult to determine where in an environment plan issues have been addressed. Industry appear to have moved responsibility for consultation back to NOPSEMA rather than doing the work themselves prior to submission.

Agenda Item 3.2 – NOPSEMA’s approach to ageing infrastructure and assets

NOPSEMA advised that the Minister for Resources and Northern Australia had recently issued an updated Statement of Expectations to NOPSEMA that specifically requested NOPSEMA to take active regulatory oversight of property and equipment that should be decommissioned. NOPSEMA are drafting a response on how this requirement will be administered and how compliance will be enforced. NOPSEMA added that the response will endeavour to explain the process, what can be done with property and equipment no longer in use, and to clarify what NOPSEMA’s role will be.

The CERG made the following observations:

- Local companies often wish assets to be left to be used as artificial reefs for recreation purposes and some fishing groups see benefits in the habitats created.
- Often no consultation is made with organisations outside of recreational fishing groups.
- Only a proponent determines when decommissioning will occur.



- While it may be beneficial to leave equipment in place in some instances, there needed to be a clear line of responsibility in the event of an adverse event.
- The community has trust in the regulator (NOPSEMA) however the Federal Government needs to adopt a holistic approach to decommissioning so that there is a similar level of trust for those aspects of decommissioning not regulated by NOPSEMA.
- Whether a bond should be applied to smaller operators who purchase assets to ensure funds are available for decommissioning.

NOPSEMA advised that many of these matters were being considered by the Department of Industry, Innovation and Science through the current [decommissioning review](#). In parallel, NOPSEMA is preparing a new regulatory policy to clarify how it would approach regulatory oversight for the requirements under the Act to maintain and remove property and equipment.

In terms of research related to environmental implications of decommissioning insitu versus full removal, National Energy Resources Australia (NERA) was currently working on the topic (refer the [National Decommissioning Research Initiative](#)). NOPSEMA added arrangements in international jurisdictions were also being considered.

The CERG were advised that NOPSEMA was currently involved in policy development in regard to offshore renewables and the intent was to include decommissioning aspects from the outset. NOPSEMA will keep the CERG apprised of developments on the matter.

Agenda Item 3.3 – Chief Scientist’s Audit Report regarding NOPSEMA’s consideration of exploration in the Great Australian Bight

NOPSEMA provided an overview of the outcomes of the Chief Scientist’s Report and stated while there were no recommendations recorded, there were opportunities noted for NOPSEMA, titleholders and government, particularly in relation to communication. NOPSEMA acknowledged the opportunities identified and would be publishing a response on its website.

The CERG recognised that NOPSEMA were proactively encouraging industry to engage with the community however observed that companies appear to be increasingly reluctant to engage effectively. Irrespective of the motives, the observation was made that this is resulting in an erosion of trust that companies may have previously had with the community and this will deteriorate without a change in culture and attitude by industry. The question raised was how can the attitudes of industry be changed to ensure they are addressing community concerns?

The observation was made that organisations often only viewed complaints or feedback during consultation activities as a negative, rather than as a potential opportunity for improvement. It was agreed that it is preferable that the correct information is in the public domain so that issues can be discussed properly and to avoid over-reaction due to misinformation.

The CERG recognised this transparency can be challenging for companies and there are opportunities for a holistic and whole-of-government approach (both Federal and State) considering social impacts and potential benefits as well as other implications of progressing offshore oil and gas exploration and developments. NOPSEMA recognised this challenge but noted the current regulatory regime clearly focuses and limits NOPSEMA’s capacity to consider these issues.



Agenda Item 3.4 – Senate Inquiry – Impact of seismic testing on fisheries and the marine environment

NOPSEMA provided an overview of its submission to the inquiry. The CERG discussed topics such as the need for more research and challenges with cumulative impacts, stating a preference that seismic surveys should not occur in consecutive years. It was raised that risk of the impact of seismic surveys and consultation burden was being transferred to the commercial fishing sector. This transfer will be a focus of the commercial fishing industry's submission to the inquiry.

NOPSEMA was asked what it could do to explore possible approaches to better address the topic of cumulative impact assessments. NOPSEMA responded that it was a challenge commonly faced by regulators making decisions on individual actions/activities. NOPSEMA advised that it would also address this issue in its submission to the inquiry and identify how the potential for cumulative impacts is being considered in the current approach to assessing seismic survey environment plans.

Substantial feedback from members with fisheries perspectives was provided regarding the performance of oil and gas companies in consulting and engaging with the fishing sector. It was reported that challenges are growing, along with the workload and that in many cases the work to respond is becoming a substantial burden.

NOPSEMA acknowledged the frustrations and reflected it was useful to hear stakeholder's perspectives in light of ongoing engagement with industry to encourage greater effort to address the conflict that appears to be increasing. Initiatives such as the regional seismic and fisheries forum led by APPEA and Seafood Industry Australia in November 2018 was an example of how strategic issues and solutions can be discussed and pursued in a constructive manner.

One member queried whether consideration had been given to a scoping document stage to identify issues of community interest in assessing impacts prior to companies undertaking their impact assessment and subsequently submitting environment plans for approval. It was suggested that this may be a way to address frustrations in the consultation process. NOPSEMA advised that this aspect was not explored in the transparency and consultation review, however it remains an option for proponents to assist obtaining stakeholder input and alignment into scoping of key issues in the impact assessment and in likely areas of contention.

Agenda Item 3.5 – Review of Terms of Reference

The Chair asked if amendments were required to the Terms of Reference. There were no comments received. The Chair added NOPSEMA was pleased with the input from the CERG and would like the current membership to continue, adding that if members did not want to continue, to advise the Executive Officer. The ToR will be tabled at the next meeting with a view to agreeing for the next 12 months.

Agenda Item 4 – Topics for discussion by the CERG

The Chair referred to the list of topics tabled in Meeting 2, together with the suggestion of "Facilitating open consultation attitude within industry" for consideration.

The CERG agreed the following topics of discussion for the next meeting:

- Facilitating open consultation attitude within industry;



- The assessment of cumulative and longer-term impacts and risks of petroleum activities (to incorporate strategic assessment of the level of impact that can be sustained by valuable or sensitive environments).

Agenda Item 5 – Review and close out

NOPSEMA suggested that while the action item listed at 1 was in progress, the item remain as a watching brief in the event the outcome does not meet expectations and can be revisited.

The Chair sought feedback from members as to whether there were other items of feedback.

- It was noted the agenda for this meeting was quite full and the next meeting to have fewer items to allow for longer discussion.
- It was suggested NOPSEMA could consider how it provides information about climate change on its website in light of increasing community expectations on this issue. It was recognised that NOPSEMA is not able to make policy statements, however NOPSEMA could explain how information related to climate change features under its role as the offshore oil and gas regulator.

The proposed date for the next meeting is Wednesday, 29 April 2020 in the afternoon. The agenda will be confirmed closer to the time.

The Chair thanked everyone for their participation during 2019 and wished everyone a merry Christmas.

The meeting closed at 11:37am.



Attachment 1

Attendees list

NOPSEMA representatives	
Stuart Smith, Chief Executive Officer (chair)	In person
Cameron Grebe, Head of Environment Division	In person
Christine Lamont, Chief Environmental Scientist (agenda items 3.3 and 3.4)	In person
Owen Wilson, Environment Specialist (agenda items 3.3 and 3.4)	In person
Georgia Derham, Environment Specialist (agenda item 3.2)	In person
Community representatives	
Mr Brett McCallum	Teleconference
Mr Daniel Marsh	In person
Ms Jacqueline Hine	Teleconference
Ms Kirsten Rough	Teleconference
Ms Marilyn Shea	Teleconference
Ms Pauline Noelle	Teleconference
Ms Ruby Hamilton	In person
Mr Stuart Field	Teleconference
Ms Robyn Glindemann	In person
Apologies	