
From: [REDACTED]
Sent: Wednesday, 26 August 2015 11:19 AM
To: [REDACTED]
Cc: [REDACTED]
Subject: Follow up on decommissioning conversation of 12 August [DLM=For-Official-Use-Only]

For Official Use Only

Good afternoon [REDACTED]

As discussed with [REDACTED] and myself please find below a synopsis of decommissioning requirements as they relate to NOPSEMA's environmental management function. Please be advised that the below does not constitute legal advice and should not be taken as a substitute for such.

NOPSEMA's Environment Division is responsible for the regulation of petroleum activities, including decommissioning activities in Commonwealth waters under relevant sections of the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (OPGGs Act) and the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (Environment Regulations). The below provides details on some of the legislative aspects of the regime with respect to decommissioning activities for consideration by titleholders proposing to undertake these activities.

Decommissioning Environment Plans (EP) - An EP that includes a decommissioning activity must describe how the titleholder proposes to undertake decommissioning, address all the impacts and risks from undertaking the activity and any ongoing impacts and risks associated with any remaining petroleum infrastructure and describe all the environmental management requirements applying to the activity. The EP should provide clear boundaries for the completion of the activity and all of its associated commitments (e.g. monitoring).

Notifications – Regulation 29 of the Environment Regulations requires that a titleholder must notify NOPSEMA that an activity is to commence at least 10 days before the activity commences; and that a titleholder must notify NOPSEMA that an activity is completed within 10 days after the completion. It is important to note that completion of the works associated with an activity may not represent the completion of a titleholder's obligations under an accepted EP. Regulation 25A of the Environment Regulations requires that the operation of an EP ends when NOPSEMA accepts the titleholder's notification that the activity or activities to which the plan relates have ended; **and** all of the obligations under the EP have been completed. Obligations under the EP may include relevant requirements under the Environment Regulations (e.g. reporting), as well as any other commitments made by the titleholder (e.g. ongoing monitoring).

Removal of equipment - Section 572 (3) of the OPGGS Act places an obligation on the titleholder in respect of the removal of property within the title area. A titleholder must remove from the title area all structures, equipment and property that is not, or will not be, used in connection with the operations in which the titleholder is engaged and which is not authorised by the permit, lease, license or authority. Section 572(7) states that the obligation is subject to other provisions of the Act (e.g. section 270), the regulations, certain directions and any other law. Where there are alternative arrangements made for equipment in permissioning documents and/or under other legislative provisions, NOPSEMA will consider that these prevail over the standing obligation.

Surrender of title areas - section 270 of the OPGGS Act provides for the Joint Authority (responsible State and Commonwealth Minister) (JA) to give consent to surrender a title on application from a titleholder. Conditions apply to this surrender process as detailed in that section.

NOPSEMA has arrangements with the National Offshore Petroleum Titles Administrator (NOPTA) to provide advice on applications for the surrender of titles. It is important to note that this advice may be taken into account by the JA in coming to a decision on surrender of a particular area but that the final decision to grant consent to surrender rests wholly with the JA.

If you have any further questions regarding this or other matters please don't hesitate to contact [REDACTED] or myself.

Regards,

[REDACTED]

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