Decommissioning Compliance Strategy

2021 to 2025

**Purpose:** To set the direction for how NOPSEMA will work with its stakeholders to ensure that decommissioning of wells, structures, equipment and property is undertaken in a timely, safe and environmentally responsible manner and is considered across the full life cycle of a project. The strategy intends to reinforce and clarify decommissioning related requirements of titleholders under the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (the Act) and ensure appropriate planning for, and execution of, decommissioning activities in Australia’s Commonwealth waters.

### Background:
The decommissioning challenge is significant given Australia’s remote location, as many offshore structures are now approaching the end of their operational lives and because of the relative infancy of Australia’s offshore petroleum industry in undertaking large scale decommissioning projects. Decommissioning will be complex, expensive, span many years and introduce many new and significant safety, environmental and well integrity risks. This strategy has been prepared to assist in setting the direction for how NOPSEMA will discharge its regulatory functions to ensure the proactive, safe, and environmentally responsible decommissioning of wells, structures, equipment and property. It has been developed in accordance with the wider expectations of government set out in the current Ministerial Statement of Expectations for NOPSEMA. The strategies will be developed, in most cases, collaboratively with stakeholders with more detail and direction provided in a tailored compliance plan.

The scope of this strategy covers the requirement to maintain and remove wells, structures, equipment and property as required under section 572 of the Act. The strategy does not cover financial assurance, capacity or capability of titleholders to extend to entry or exit requirements for titleholders into the offshore petroleum regime or other specific environmental management, well integrity or health and safety improvement initiatives already underway.

### Decommissioning of offshore petroleum wells, structures, equipment and property completed in a timely, safe and environmentally responsible manner

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Actions</th>
<th>Targets</th>
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<tr>
<td>Ensuring titleholders have appropriate plans for decommissioning all wells, structures, equipment and property, and are executing activities to complete decommissioning in a timely manner</td>
<td>Coordinate assessment and decision-making of permissioning documents to ensure decommissioning related requirements have been met and considered throughout the life cycle of a petroleum project</td>
<td>All new and revised permissioning documents demonstrate how decommissioning requirements have been considered</td>
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<td>Providing certainty to the oil and gas industry regarding the obligations to decommission all wells, structures, equipment and property</td>
<td>Develop and communicate NOPSEMA’s regulatory policies in relation to decommissioning related legislative provisions including Section 270 and 572 of the Act and supporting regulations</td>
<td>Titleholders are aware of decommissioning requirements in place and how to prepare permissioning documents</td>
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<td>Improving understanding and capacity building of safety, well integrity, and environmental outcomes for the decommissioning of wells, structures, equipment and property</td>
<td>Collaborate with oil and gas industry, government and other stakeholders so that there is a common understanding of challenges, solutions and expectations of government</td>
<td>Property register established</td>
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<td>Pursue revisions to in-force permissioning documents when titleholders have failed to adequately provide for the planning, maintenance and/or decommissioning of all wells, structures, equipment and property</td>
<td>Collaborate with oil and gas industry and other stakeholders to develop guidance to assist titleholders in preparing decommissioning permissioning documents and explain how NOPSEMA makes its decisions</td>
<td>Environmental performance report published for all decommissioning activities</td>
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<td>Promote greater research by oil and gas industry and government to address gaps in knowledge associated with short- and longer-term consequences of offshore petroleum decommissioning activities</td>
<td>Work with stakeholders to identify opportunities for the development of an oil and gas industry property register to provide greater situational awareness of number, type, condition and status of wells, structures, equipment and property</td>
<td>Key information gaps addressed through research projects and collaboration and outputs applied in permitting documents</td>
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<td>Undertake compliance monitoring of titleholders to understand their organisational approach to decommissioning and complete risk-based inspections to verify specific planning for, and execution of decommissioning activities</td>
<td>Streamlining of the environmental approval (e.g., Sea Dumping Act) process for petroleum decommissioning activities in Commonwealth waters to minimise burden and duplication of effort</td>
<td>Decommissioning plans are in place for all structures, equipment and property that have ceased production</td>
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<td>Collaborate with oil and gas industry and other stakeholders to understand the risks and benefits of alternatives to full removal and provide a pathway for obtaining deviations where appropriate</td>
<td>Collaborate with oil and gas industry to promote and share good practice approaches to decommissioning of offshore wells, structures, equipment and property</td>
<td>All wells have been risk assessed and have accepted abandonment plans in place</td>
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<td>Apply appropriate compliance action (e.g., serving remedial and general directions) to ensure compliance of titleholders with their decommissioning obligations</td>
<td>Provision of advice to NOPTA and the Joint Authority to assist with informing their decision-making regarding title related decommissioning compliance matters</td>
<td>Moored or tethered buoyant infrastructure removed within 12 months of permanently ceasing operation</td>
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<td>Investigate and undertake appropriate compliance action including enforcement and prosecution in cases where a titleholder has not maintained property and equipment and this compromises the ability to remove it, or the titleholder has failed to decommission it following cessation of production</td>
<td>Prepare guidance and promote the publication of environmental performance reports describing a titleholders’ performance and reports describing NOPSEMA decision making related to permissioning documents for decommissioning activities</td>
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<td>Arrangements are in place for a single environmental approval for decommissioning activities in Commonwealth waters</td>
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<td>Suite of NOPSEMA guidance published</td>
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<td>Reduction in average assessment timeframes for decommissioning plans</td>
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<td>Increased coordination and collaboration in the execution of decommissioning activities</td>
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<td>Increased adoption of innovative and best practice decommissioning solutions</td>
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