



# Australia's Evolving Decommissioning Regulatory Landscape

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[nopsema.gov.au](http://nopsema.gov.au)





# Australia's decommissioning framework



- *Offshore Petroleum and Greenhouse Gas Storage Act 2006*
  - Section 572 – property to be maintained and removed when no longer in use
  - Section 270 – advice to the Joint Authority on meeting NOPSEMA's satisfaction for decommissioning related matters
- Requirement for permissioning documents (Environment Plans, Safety Case, WOMP) to undertake petroleum activities
- NOPSEMA can agree to an alternative to full removal via acceptance of an Environment Plan



## Environment Protection and Biodiversity Conservation Act 1999

No. 91, 1999

### Compilation No. 57

Compilation date: 30 December 2021  
Includes amendments up to: Act No. 121, 2021  
Registered: 31 January 2022

This compilation is in 2 volumes

Volume 1: sections 1–266  
Volume 2: sections 266B–528  
Schedule  
Endnotes

Each volume has its own contents

This compilation includes a commenced amendment made by Act No. 73, 2021. The amendment made by Act No. 121, 2021 has not commenced but is noted in the endnotes.

### About this compilation



## Environment Protection (Sea Dumping) Act 1981

No. 101, 1981

### Compilation No. 21

Compilation date: 18 December 2020  
Includes amendments up to: Act No. 154, 2020  
Registered: 2 February 2021

### About this compilation

#### This compilation

This is a compilation of the *Environment Protection (Sea Dumping) Act 1981* that shows the text of the law as amended and in force on 18 December 2020 (the *compilation date*).

The notes at the end of this compilation (the *endnotes*) include information about amending laws and the amendment history of provisions of the compiled law.

#### Uncommenced amendments



## Offshore Petroleum and Greenhouse Gas Storage Act 2006

No. 14, 2006

### Compilation No. 48

Compilation date: 16 December 2020  
Includes amendments up to: Act No. 129, 2020  
Registered: 1 February 2021

This compilation is in 3 volumes

Volume 1: sections 1–465  
Volume 2: sections 466–791  
Volume 3: Schedules  
Endnotes

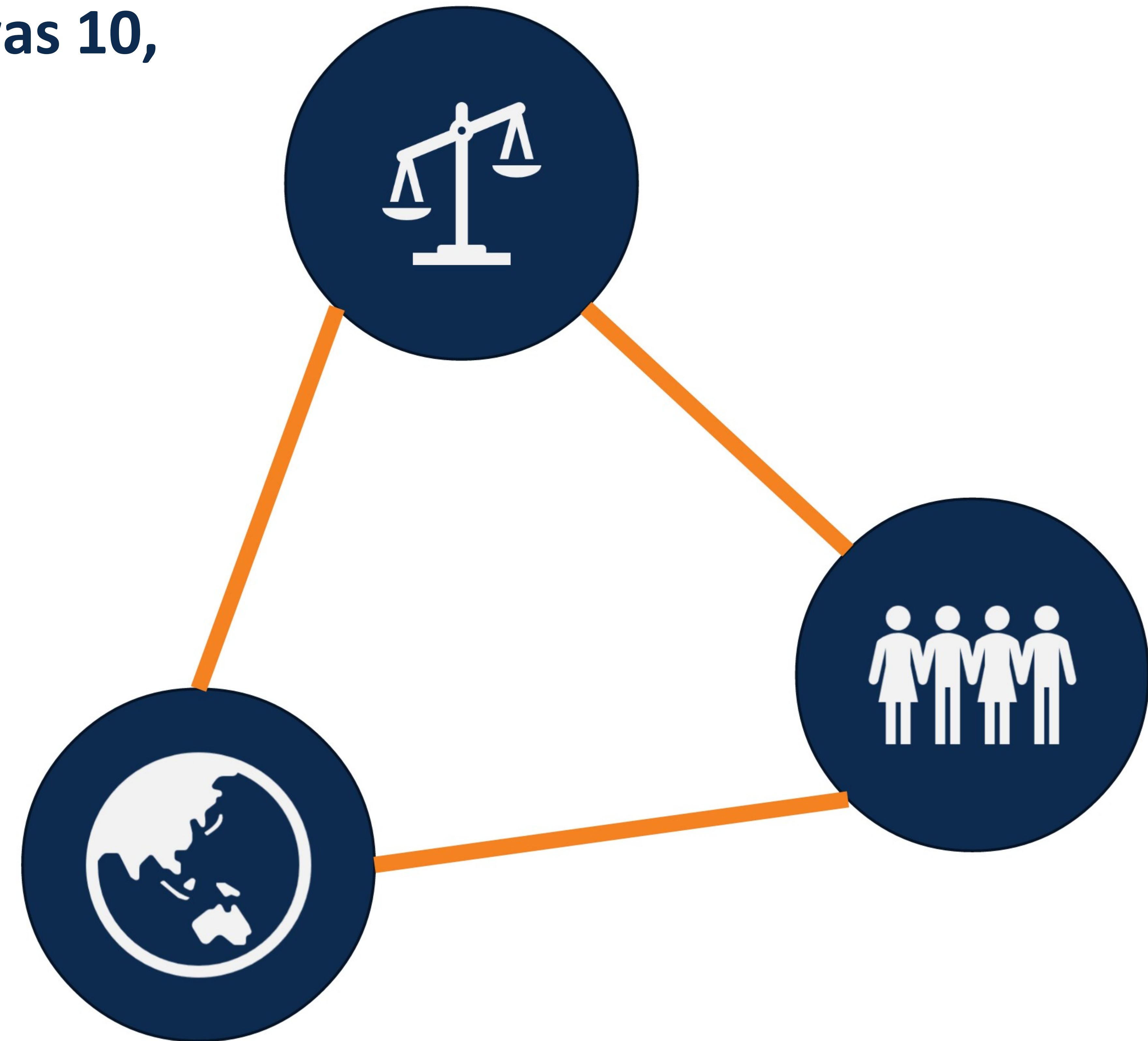
Each volume has its own contents



# The changing decommissioning landscape

## The world has changed.

Decommissioning in Australia is not where it was 10,  
5 or even 2 years ago





# Scale of the decommissioning challenge

- Estimated cost of USD \$40.5 billion
- 11 floating facilities
- 1,000 wells
- 57 fixed facilities
- 82 pipelines
- Subsea infrastructure
  - 205 infield flowlines
  - 130 static umbilicals
  - 535 subsea structures
  - 126 flexible risers/dynamic umbilicals











# Changes to Australia's regulatory landscape



**NOPSEMA**  
Australia's offshore energy regulator

-  **Regulatory Posture**  
NOPSEMA's increased use of compliance and enforcement tools including Directions
-  **Changes to Company control**  
Greater checks of financial capacity performed by NOPTA
-  **Field Development Plans?**  
Under consideration by policy-maker

-  **Consideration of decommissioning in permissioning docs.**  
Planning for decommissioning considered throughout lifecycle and assessed by NOPSEMA
-  **Trailing liabilities**  
Ability to issue Directions to former titleholders and/or 'related persons'
-  **Financial Assurance?**  
Under consideration by the policy-maker





# What are the common challenges and opportunities?

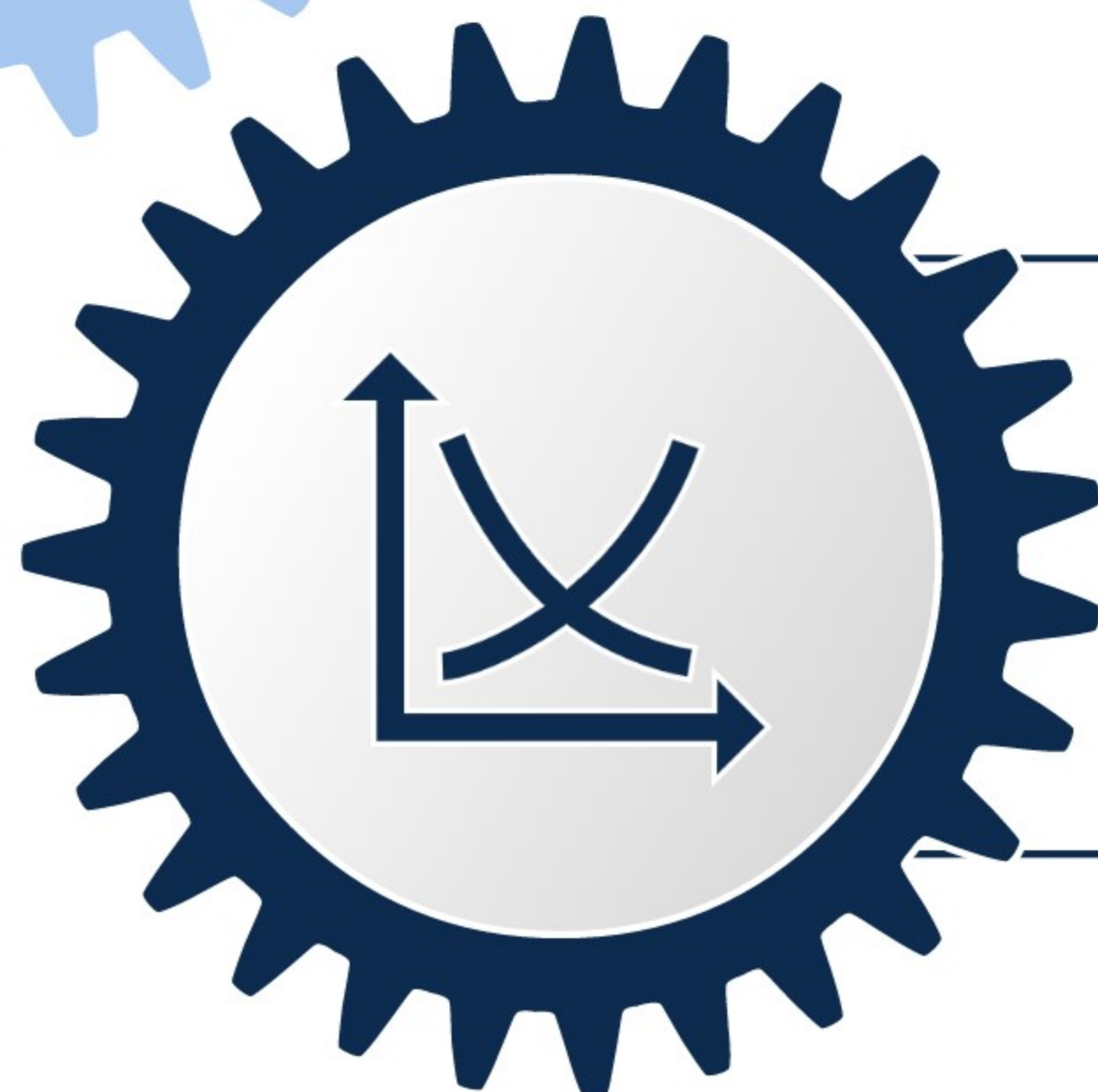
## CHALLENGES



Not starting early enough



Poor assumptions



Insufficient investment

## OPPORTUNITIES



Safer, less expensive decommissioning



Collaboration



Socioeconomic benefits



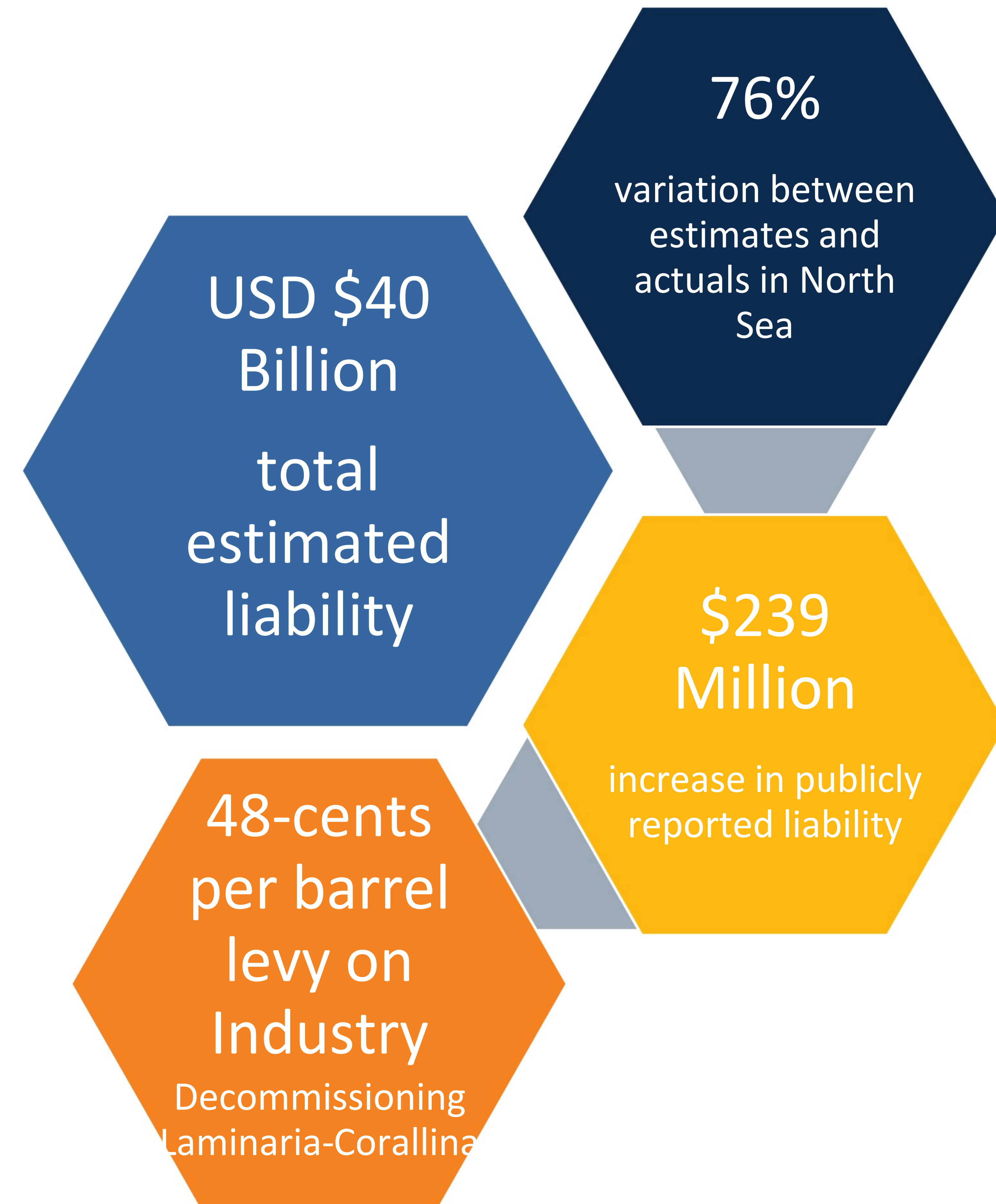
# Recent decommissioning proposals submitted to NOPSEMA

Activity	Initial end state proposal	Current/accepted end state proposal
Woollybutt	<ul style="list-style-type: none"> <li>Leaving 5.8km of umbilicals and jumpers, flowlines, anchors and chains</li> <li>Removal of wellheads and DSPM</li> </ul>	<ul style="list-style-type: none"> <li>Removal of all property from onshore disposal apart from chains and anchors</li> </ul>
Mutineer Exeter Fletcher Finucane	<ul style="list-style-type: none"> <li>Reuse/reefing of floating property (DTM and MWA)</li> </ul>	<ul style="list-style-type: none"> <li>All floating structures to be recycled</li> </ul>
Echo Yodel	<ul style="list-style-type: none"> <li>Leaving 23km pipeline and umbilicals</li> </ul>	<ul style="list-style-type: none"> <li>Removal of all property for onshore disposal</li> </ul>
Enfield	<ul style="list-style-type: none"> <li>Removal of subsea infrastructure</li> <li>Leaving anchors and mooring lines below the mudline</li> </ul>	<ul style="list-style-type: none"> <li>No change</li> </ul>
Nganhurra riser turret mooring	<ul style="list-style-type: none"> <li>Offshore reefing of the RTM</li> </ul>	<ul style="list-style-type: none"> <li>Removal of the RTM for onshore disposal</li> </ul>
Bayu-Undan	<ul style="list-style-type: none"> <li>Leaving 346km of pipeline in-situ</li> </ul>	<ul style="list-style-type: none"> <li>Withdrawn at request of titleholder onshore</li> </ul>



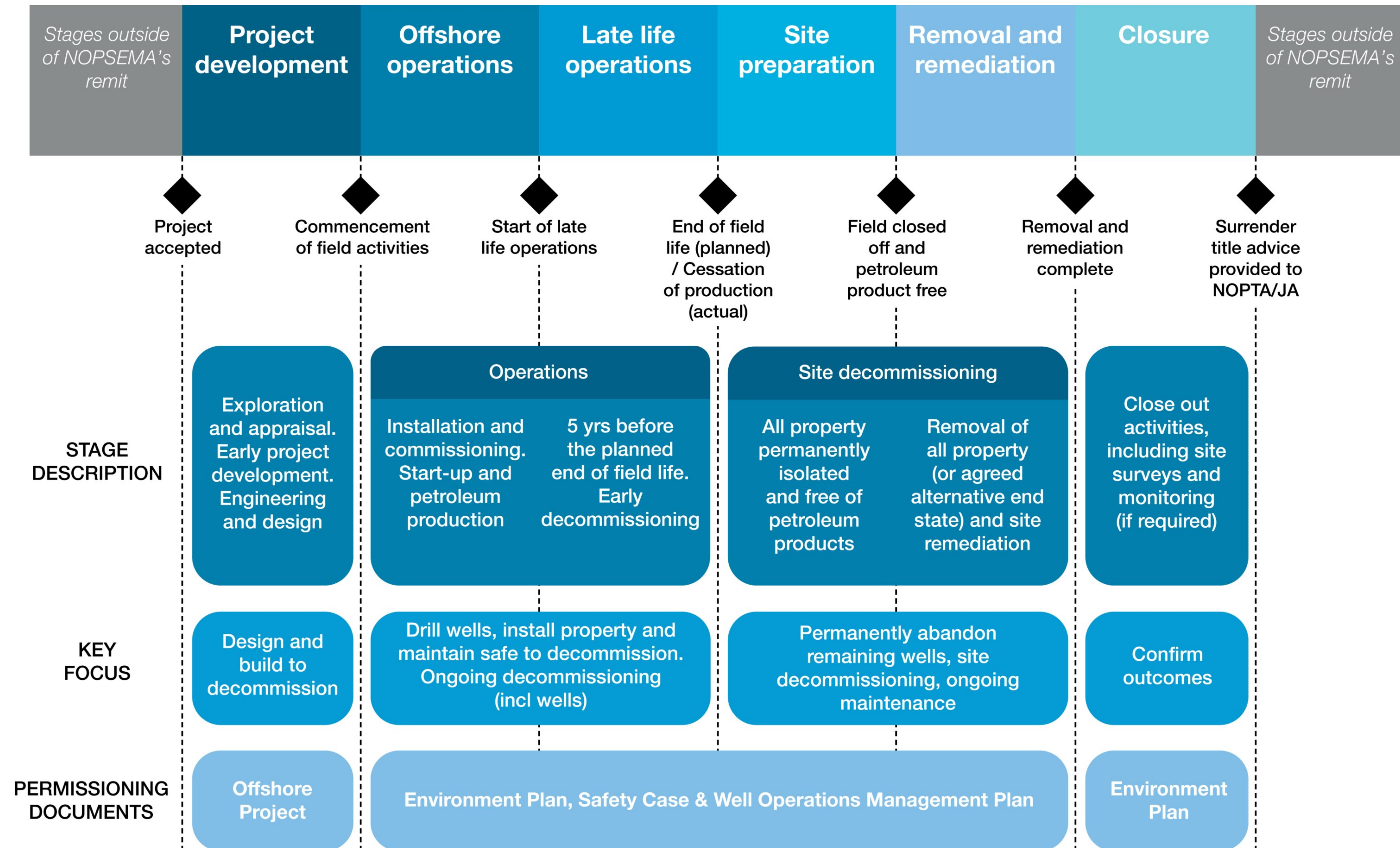
# What are some of the assumptions being made?

- What is the planning basis for decommissioning and associated liability?
- What are the key assumptions that have been used to estimate the decommissioning liability?
- Does this reflect current requirements, and community expectations?





# Better planning leads to better outcomes





# Summary

- Plan for removal of property and structures throughout the life of a project and embed this philosophy into operations and management of assets.
- If considering leaving property and structures invest efforts to:
  - Establish an environmental purpose/benefit and gathering data.
  - Stakeholder and community engagement.
  - Taking a long term stewardship view for the ongoing management of residual risks.
- Reassess financial liabilities in recognition of current standards and expectations of stakeholders.
- Collaborate to realise the many opportunities for cost and risk reduction and maintaining Industry's social licence.



## National Offshore Petroleum Safety and Environmental Management Authority

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**NOPSEMA**

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energy regulator

