



Offshore Petroleum and Greenhouse Gas Storage Amendment (Petroleum Pools and Other Measures) Act 2017

No. 11, 2017

**An Act to amend the *Offshore Petroleum and
Greenhouse Gas Storage Act 2006*, and for other
purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation
(<https://www.legislation.gov.au/>)

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**An Act to amend the *Offshore Petroleum and
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[Assented to 22 February 2017]

The Parliament of Australia enacts:

No. 11, 2017

*Offshore Petroleum and Greenhouse Gas Storage Amendment
(Petroleum Pools and Other Measures) Act 2017*

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1 Short title

This Act is the *Offshore Petroleum and Greenhouse Gas Storage Amendment (Petroleum Pools and Other Measures) Act 2017*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	22 February 2017
2. Schedule 1	The day after this Act receives the Royal Assent.	23 February 2017
3. Schedule 2, Part 1	The day after this Act receives the Royal Assent.	23 February 2017
4. Schedule 2, Part 2, Division 1	7 December 2011.	7 December 2011
5. Schedule 2, Part 2, Division 2	The day after this Act receives the Royal Assent.	23 February 2017

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Petroleum pools

Part 1—Amendments

Offshore Petroleum and Greenhouse Gas Storage Act 2006

1 After subsection 54(1)

Insert:

Multiple petroleum pools

(1A) If:

- (a) an agreement is in force between:
 - (i) the titleholder of a title; and
 - (ii) the Joint Authority for an offshore area of a State; and
 - (iii) the responsible State Minister for the State;in relation to a petroleum pool that is partly in the title area of a title and partly in an area (the ***State title area***) in which the titleholder has authority under the law of the State to explore for, or recover, petroleum; and
- (b) the agreement contains a provision (the ***apportionment provision***) that provides that, for the purposes of this section, there will be taken to be recovered in the title area of the title a specified proportion of all of the petroleum recovered from the petroleum pool; and
- (c) assuming that petroleum were recovered from the part of the seabed that is within the areal and vertical extents specified in the agreement, the specified proportion would be consistent with such proportion of all petroleum so recovered as may reasonably be treated as being derived from the title area of the title, having regard to the nature and probable extent of the petroleum in that part of the seabed; and
- (d) the agreement contains a provision to the effect that if it becomes apparent that the areal and vertical extents of the petroleum pool, as specified in the agreement:
 - (i) comprise; or
 - (ii) are likely to comprise;

more than one petroleum pool, the apportionment set out in the apportionment provision will apply to the petroleum recovered from any or all of those petroleum pools (regardless of their location but within those vertical and areal extents); and

- (e) after the time of the making of the agreement, it becomes apparent that the areal and vertical extents of the petroleum pool, as specified in the agreement, comprise, or are likely to comprise, 2 or more petroleum pools; and
- (f) petroleum is recovered from any of those pools through a well or wells in the title area of the title, the State title area, or both;

then:

- (g) for the purposes of this Act, there is taken to have been recovered in the title area of the title such proportion of all petroleum so recovered as is specified in the apportionment provision; and
 - (h) subsection (1) does not apply to any of those pools.
- (1B) The question of whether there is or was a petroleum pool covered by paragraph (1A)(a) is to be determined on the basis of information known at the time of the making of the agreement.
- (1C) The question of whether paragraph (1A)(c) applies is to be determined on the basis of information known at the time of the commencement of the apportionment provision.
- (1D) The location of any of the 2 or more petroleum pools mentioned in paragraph (1A)(e) is immaterial.

Specified part of the seabed—apportionment agreement

- (1E) If:
- (a) at a particular time after the commencement of this subsection, a petroleum pool is partly in the title area of a title and partly in an area (the *State title area*) in which the titleholder has authority under the law of a State to explore for, or recover, petroleum; and
 - (b) at that time, an agreement is made between the following parties:

- (i) the titleholder of the title;
 - (ii) the Joint Authority;
 - (iii) the responsible State Minister; and
 - (c) the agreement specifies a part of the seabed by reference to its areal and vertical extents; and
 - (d) the areal and vertical extents of the specified part consist of:
 - (i) the whole or a part of the title area of the title; and
 - (ii) the whole or part of the State title area; and
 - (e) the areal and vertical extents of the specified part include the petroleum pool; and
 - (f) the agreement contains a provision (the ***apportionment provision***) that provides that, for the purposes of this section, there will be taken to be recovered in the title area of the title a specified proportion of the petroleum recovered from the specified part; and
 - (g) assuming that petroleum were recovered from the specified part, the specified proportion would be consistent with such proportion of all petroleum so recovered as may reasonably be treated as being derived from the title area of the title, having regard to the nature and probable extent of the petroleum in the specified part; and
 - (h) petroleum is recovered from the specified part through a well or wells in the title area of the title, the State title area, or both;
- then:
- (i) for the purposes of this Act, there is taken to have been recovered in the title area of the title such proportion of all petroleum so recovered as is specified in the apportionment provision; and
 - (j) subsection (1) does not apply to a petroleum pool located in the specified part.

(1F) The question of whether there is or was a petroleum pool covered by paragraph (1E)(a) at a particular time is to be determined on the basis of information known at that time.

(1G) The question of whether paragraph (1E)(g) applies is to be determined on the basis of information known at the time of the commencement of the apportionment provision.

Petroleum Resource Rent Tax Assessment Act 1987

2 Section 3

Before “Where”, insert “(1)”.

3 At the end of section 3

Add:

- (2) If, for the purposes of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*, petroleum recovered from a part of the seabed is taken by subsection 54(1E) of that Act to have been recovered from a particular area or from particular areas in particular proportions, the petroleum is taken for the purposes of this Act to have been recovered from that area, or from those areas in those proportions, as the case may be.

Part 2—Application provisions

4 Application of amendments

Subsections 54(1A) and (1E) of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (as amended by this Act) apply in relation to an agreement made before, at or after the commencement of this item.

Schedule 2—Levies

Part 1—Safety case levy

Offshore Petroleum and Greenhouse Gas Storage Act 2006

1 Subsection 687(1) (heading)

Repeal the heading, substitute:

Remittal or refund

2 Subsections 687(1) and (2)

After “remittal”, insert “or refund”.

Part 2—Environment plan levy

Division 1—Amendments

Offshore Petroleum and Greenhouse Gas Storage Act 2006

3 Before subsection 688C(1)

Insert:

Remittal or refund

- (1A) The regulations may make provision for the remittal or refund of part of an amount of environment plan levy imposed by the Regulatory Levies Act.

Division 2—Payment of offset amount

4 Payment of offset amount

Scope

- (1) This item applies if:
- (a) before the commencement of this item, an amount (the **refund amount**) was paid to a person by way of, or purportedly by way of, a refund of part of an amount of environment plan levy imposed by the *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Act 2003*; and
 - (b) the payment of the refund amount was invalid because there was no appropriation for the payment; and
 - (c) as a result, the refund amount became repayable to the Commonwealth.

Payment of offset amount

- (2) The person is entitled to be paid by the Commonwealth an amount (the **offset amount**) equal to the refund amount.

- (3) The offset amount payable to the person by the Commonwealth may be set off against the refund amount repayable by the person to the Commonwealth.

Appropriation

- (4) The Consolidated Revenue Fund is appropriated for the purposes of this item.
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*[Minister's second reading speech made in—
House of Representatives on 15 September 2016
Senate on 8 November 2016]*

(116/16)

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