



Offshore Petroleum and Greenhouse Gas Storage (Environment) Amendment (Financial Assurance) Regulation 2014

Select Legislative Instrument No. 201, 2014

I, General the Honourable Sir Peter Cosgrove AK MC (Ret'd),
Governor-General of the Commonwealth of Australia, acting with the
advice of the Federal Executive Council, make the following regulation.

Dated 11 December 2014

Peter Cosgrove
Governor-General

By His Excellency's Command

Ian Macfarlane
Minister for Industry

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1 Name

This is the *Offshore Petroleum and Greenhouse Gas Storage (Environment) Amendment (Financial Assurance) Regulation 2014*.

2 Commencement

This instrument commences on 1 January 2015.

3 Authority

This instrument is made under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

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Amendment (Financial Assurance) Regulation 2014*

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Schedule 1—Amendments

Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009

1 After Part 1A

Insert:

Part 1B—Financial assurance

5G Demonstration of financial assurance prior condition for acceptance of environment plan

- (1) This regulation applies:
 - (a) if:
 - (i) an environment plan for a petroleum activity is submitted under regulation 9; and
 - (ii) there is a titleholder in relation to the activity immediately before the Regulator decides whether or not to accept the plan under regulation 10; or
 - (b) if a proposed revision of an environment plan for a petroleum activity is submitted under regulation 17, 18 or 19.
- (2) For paragraphs 571(3)(a) and (b) of the Act, NOPSEMA must not accept the environment plan, or the proposed revision of the environment plan, unless NOPSEMA is reasonably satisfied that:
 - (a) the titleholder is compliant with subsection 571(2) of the Act in relation to the petroleum activity; and
 - (b) the compliance is in a form that is acceptable to NOPSEMA.

Note: Failure by a petroleum titleholder to maintain compliance with subsection 571(2) of the Act, in a form acceptable to NOPSEMA, is a ground for withdrawal of acceptance of an environment plan—see paragraph 23(2)(e).

2 At the end of subregulation 11(1)

Add:

Note: For a petroleum activity, NOPSEMA must not accept the environment plan unless NOPSEMA is reasonably satisfied that the titleholder is compliant with subsection 571(2) of the Act in relation to the petroleum activity and the compliance is in a form that is acceptable to NOPSEMA: see regulation 5G.

3 At the end of subregulation 23(2)

Add:

- ; or (e) for a petroleum activity—the titleholder has failed to maintain compliance with subsection 571(2) of the Act, in a form acceptable to NOPSEMA, in relation to the activity.

4 Subregulation 32(1)

Omit “on behalf of the Commonwealth”.

5 At the end of Division 4.2

Add:

33 Financial assurance

- (1) For section 685 of the Act, a fee is payable to NOPSEMA by the titleholder for a petroleum activity if NOPSEMA assesses financial assurance arrangements, proposed by the titleholder in relation to the activity, for the purposes of regulation 5G.
- (2) The amount or rate of the fee is an amount or rate determined by the Chief Executive Officer of NOPSEMA and must not exceed the total of the expenses incurred by NOPSEMA for the purposes of assessing the proposed financial assurance arrangements.
- (3) The fee is payable at the time or times agreed in writing between the Chief Executive Officer of NOPSEMA and the titleholder.

6 At the end of Part 5

Add:

