

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Resources

Offshore Petroleum and Greenhouse Gas Storage Act 2006

Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Amendment (Fees) Regulations 2024

Purpose and Operation

The purpose of the *Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Amendment (Fees) Regulations 2024* (the Regulations) is to implement the outcomes of the National Offshore Petroleum Titles Administrator's (NOPTA) cost recovery implementation statement (CRIS) for 2025. The CRIS proposed increases in the amounts for application fees and fees for service, and the charging of new fees, and is publicly available on the NOPTA website.

The mechanism for setting fee amounts is through the preparation of a CRIS that meets the requirements of the Australian Government Cost Recovery Policy. NOPTA conducts regular reviews of its CRIS. The CRIS for 2025 required levies and fees to be increased, and new fees to be charged, to ensure that the cost recovery arrangements are adequate to enable NOPTA to continue to effectively discharge its regulatory functions.

The Regulations commence on 1 January 2025.

Details of the Regulations are set out in [Attachment A](#).

Background

The *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the OPGGS Act) provides for the prescription of fees for specified applications, and for specified services provided by NOPTA. NOPTA is fully funded through cost recovery charges and manages the funds through an administered Special Account, in accordance with section 695J of the OPGGS Act.

Fee amounts are prescribed in the *Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011* (the RMA Regulations).

NOPTA has functions and powers conferred on it by or under the OPGGS Act. The OPGGS Act provides that NOPTA is responsible for assisting and advising the Joint Authority and the responsible Commonwealth Minister, keeping registers of titles, and data and information management.

There has been rapid growth in greenhouse gas (GHG) storage activity in recent years, which has implications for cost recovery. NOPTA currently oversees a small, although increasing, number of GHG storage titles, with Australia's offshore GHG storage industry in the early

stages of progressing commercial scale applications as a key climate change mitigation strategy. While there are strong similarities to the administrative processes for petroleum, there are also significant differences that need to be managed, including the complexity of processes such as Declarations of Identified GHG Storage Formations and applications for GHG injection licences.

Cost recovery charges for GHG have traditionally mirrored petroleum charges, with no detailed mapping or costing of GHG regulatory charging activities being necessary due to the infancy of that industry. The rapid growth in GHG activity prompted the need for an independent review. Full cost recovery in relation to the assessment or administration of GHG activities is not yet being undertaken. The CRIS highlighted that 50% of NOPTA's costs in relation to GHG activities will be recovered under the revised fee amounts in the Regulations. The amendments relating to GHG activities provide for a graduated transition to full cost recovery of GHG with the opportunity to assess GHG activity numbers and costs of administering GHG titles over the next CRIS period. This is consistent with the Australian Government Cost Recovery Policy, which states that partial cost recovery may be appropriate in some circumstances, including where charges are being 'phased in'. It should be noted that complex activities in the later stages of the GHG lifecycle such as holding leases and injection licences have not been assessed by NOPTA yet, and the costs of which will be reviewed regularly.

As a consequence of the above, there is a significant increase in certain GHG fees. This relates to the growth in GHG activity, including higher volumes of GHG applications, and the fact that cost recovery is not yet being achieved.

Authority

Section 781 of the OPGGS Act provides that the Governor-General may make regulations prescribing matters required or permitted by the OPGGS Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the OPGGS Act.

Sections 256, 427, 516A, 565A and 566M of the OPGGS Act provide that the regulations may prescribe fees for specified applications. Section 695L provides that the regulations may specify fees for specified services provided by NOPTA in performing a function or exercising a power under the OPGGS Act or regulations.

Consultation

NOPTA held a public consultation process on the draft 2025 CRIS between 22 May 2024 and 7 June 2024. NOPTA used the Department of Industry, Science and Resources' (the department) Consultation Hub, the NOPTA website, the department's website and approached stakeholders directly via email.

Three submissions were received during the industry consultation process. The feedback was considered in the finalisation of the CRIS, and NOPTA responded directly to the relevant parties. Two titleholders raised concerns that the increase would stifle industry activity and

cited lengthy assessment timeframes as a significant impediment to their operations. One submission recommended that NOPTA's fees and levies be increased above the proposed amounts. NOPTA decided to proceed with the proposed increases as outlined in the CRIS to increase alignment with the Australian Government Charging Framework and enable appropriate resourcing to ensure NOPTA maintains competent capacity as a regulator.

Regulatory Impact

The Office of Impact Analysis (OIA) has confirmed that a Regulatory Impact Statement is not required for the Regulations. The OIA reference is OIA24-07538.

Statement of Compatibility with Human Rights

A Statement of Compatibility with Human Rights is set out at Attachment B.

Details of the *Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Amendment (Fees) Regulations 2024*

Section 1 – Name of Instrument

This section specifies that the title of the instrument is the *Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Amendment (Fees) Regulations 2024*.

Section 2 – Commencement

This section provides that the Regulations commence on 1 January 2025.

Section 3 – Authority

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

Section 4 – Schedules

This section provides that 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.

Schedule 1 – Amendments

Part 1—Main amendments

Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011

Item 1 – Clause 1 of Schedule 6 (table items 101 to 104, column headed “Fee (\$)”)

Section 256 of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Items 101 to 104 of the table in clause 1 of Schedule 6 relate to an application for a:

- Work-bid petroleum exploration permit under section 104 of the OPGGS Act;
- Special petroleum exploration permit under section 115 of the OPGGS Act;
- Cash-bid petroleum exploration permit under section 110 of the OPGGS Act; and
- Renewal of petroleum exploration permit (all types) under section 119 of the OPGGS Act.

This item increases the application fee for each from \$8,250 to \$18,000.

Item 2 – Clause 1 of Schedule 6 (table items 105 to 111A, column headed “Fee (\$)”)

Section 256 of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Items 105 to 111A of the table in clause 1 of Schedule 6 relate to an application for a:

- Petroleum retention lease (all types) under section 141 or 147 of the OPGGS Act;
- Renewal of petroleum retention lease (all types) under section 153 of the OPGGS Act;
- Petroleum production licence over a surrendered block under section 178 of the OPGGS Act;
- Petroleum production licence over an individual block under section 182 of the OPGGS Act;
- Petroleum production licence (other than a licence mentioned above);
- Renewal of petroleum production licence (all types) under section 184 of the OPGGS Act;
- Infrastructure licence under section 198 of the OPGGS Act; and
- Variation of infrastructure licence under section 204 of the OPGGS Act.

This item increases the application fee for each from \$8,250 to \$25,500.

Item 3 – Clause 1 of Schedule 6 (table items 112 and 113, column headed “Fee (\$)”)

Section 256 of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Items 112 and 113 of the table in clause 1 of Schedule 6 relate to an application for a:

- Pipeline licence under section 217 of the OPGGS Act; and
- Variation of pipeline licence under section 226 of the OPGGS Act.

This item increases the application fee for each from \$8,250 to \$18,000.

Item 4 – Clause 1 of Schedule 6 (table item 114, column headed “Fee (\$)”)

Section 256 of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Item 114 of the table in clause 1 of Schedule 6 relates to an application for a petroleum special prospecting authority under section 234 of the OPGGS Act.

This item increases the application fee from \$8,250 to \$10,000.

Item 5 – Clause 2 of Schedule 6 (table items 115 and 116, column headed “Fee (\$)”)

Section 516A of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Items 115 and 116 of the table in clause 2 of Schedule 6 relate to:

- Approval of the transfer of a petroleum title under section 473 of the OPGGS Act; and
- Approval of a dealing relating to a petroleum title under section 488 of the OPGGS Act.

This item increases the application fee for each from \$8,250 to \$10,000.

Item 6 – Clause 2 of Schedule 6 (at the end of the table)

Section 516A of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. This item adds item 116AAA to the table in clause 2 of Schedule 6. New table item 116AAA relates to an application for approval of a dealing relating to a title that may come into existence in the future under section 498 of the OPGGS Act.

This item also inserts an application fee of \$10,000.

Item 7 – Clause 2A of Schedule 6 (table item 116AA, column headed “Fee (\$)”)

Section 566M of the OPGGS Act authorises the imposition of a fee for an application for an approval under section 566C (change in control of a registered holder of a title) to be prescribed in the regulations. Item 116AA of the table in clause 2A of Schedule 6 relates to an application for approval of a change in control.

This item increases the fee from \$8,250 to \$10,000.

Item 8 – Clause 3 of Schedule 6 (table item 116A, column headed “Fee (\$)”)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. Item 116A of the table in clause 3 of Schedule 6 relates to processing a request for variation of a declaration of location under subsection 133(1) of the OPGGS Act.

This item increases the fee from \$8,250 to \$25,500.

Item 9 – Clause 3 of Schedule 6 (table item 117, column headed “Fee (\$)”)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. Item 117 of the table in clause 3 of Schedule 6 relates to processing an application for a petroleum access authority under section 242 of the OPGGS Act.

This item increases the fee from \$8,250 to \$10,000.

Item 10 – Clause 3 of Schedule 6 (table item 118, column headed “Fee (\$)”)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. Item 118 of the table in clause 3 of Schedule 6 relates to processing an application for one or more of the following under item 1 of the table in subsection 264(1) of the OPGGS Act in relation to a petroleum title:

- (a) variation of conditions of a permit, lease or licence;
- (b) suspension of conditions and extension of the term of a permit or lease;
- (c) exemption from conditions of a permit, lease or licence;
- (d) suspension of conditions of a licence, permit or lease.

This item increases the fee for each from \$8,250 to \$18,000.

Item 11 – Clause 3 of Schedule 6 (table item 119, column headed “Fee (\$)”)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. Item 119 of the table in clause 3 of Schedule 6 relates to processing a nomination by a permittee for a declaration of a location in relation to a petroleum title under section 129 of the OPGGS Act.

This item increases the fee from \$8,250 to \$25,500.

Item 12 – Clause 3 of Schedule 6 (table item 120, column headed “Fee (\$)”)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. Item 120 of the table in clause 3 of Schedule 6 relates to processing an application for a consent to surrender a title under section 269 of the OPGGS Act.

This item increases the fee from \$8,250 to \$18,000.

Item 13 – Clause 3 of Schedule 6 (after table item 120)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. This item adds item 120A to the table in clause 3 of Schedule 6. New table item 120A relates to an application for approval to carry out one or more key greenhouse gas operations under a greenhouse gas assessment permit under section 292 or 292A of the OPGGS Act.

This item also inserts an application fee of \$18,000.

Item 14 – Clause 3 of Schedule 6 (table items 121 and 122, column headed “Fee (\$)”)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. Items 121 and 122 of the table in clause 3 of Schedule 6 relate to processing an application for:

- A declaration of a part of a geological formation as an identified greenhouse gas storage formation under section 312 or 312A of the OPGGS Act; and
- Variation of a declaration of an identified greenhouse gas storage formation under section 313 of the OPGGS Act.

This item increases the fee for each from \$8,250 to \$40,000.

Item 15 – Clause 3 of Schedule 6 (after table item 122)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. This item adds item 122A to the table in clause 3 of Schedule 6. New table item 122A relates to an application for approval to carry out one or more key greenhouse gas operations under a greenhouse gas holding lease section 321 or 321A of the OPGGS Act.

This item also inserts an application fee of \$18,000.

Item 16 – Clause 3 of Schedule 6 (table item 123, column headed “Fee (\$)”)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. Item 123 of the table in clause 3 of Schedule 6 relates to processing an application for a greenhouse gas special authority under section 415 of the OPGGS Act.

This item increases the fee from \$8,250 to \$10,000.

Item 17 – Clause 3 of Schedule 6 (table items 124 to 124B, column headed “Fee (\$)”)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. Items 124 to 124B of the table in clause 3 of Schedule 6 relate to processing an:

- Application for one or more of the following under item 1 of the table in subsection 436(1) of the OPGGS Act in relation to a greenhouse gas assessment permit, greenhouse gas holding lease or greenhouse gas injection licence:
 - variation or suspension of any of the conditions to which the permit, lease or licence is subject;

- exemption from compliance with any of the conditions to which the permit, lease or licence is subject;
- Application for one or more of the following under item 1 of the table in subsection 439A(1) of the OPGGS Act in relation to a cross-boundary greenhouse gas assessment permit, cross-boundary greenhouse gas holding lease or cross-boundary greenhouse gas injection licence:
 - variation or suspension of any of the conditions to which the permit, lease or licence is subject;
 - exemption from compliance with any of the conditions to which the permit, lease or licence is subject; and
- Application for a consent to surrender a title under section 441 of the OPGGS Act.

This item increases the fee for each from \$8,250 to \$18,000.

Item 18 – Clause 3 of Schedule 6 (table items 125 to 128, column headed “Fee (\$)”)

Section 695L of the OPGGS Act authorises NOPTA to charge such fees as are specified in the regulations for specified services provided by NOPTA in performing a function, or exercising a power, under the OPGGS Act or regulations. Items 125 to 128 of the table in clause 3 of Schedule 6 relate to processing an application for:

- Acceptance of a field development plan under regulation 4.04 of the RMA Regulations);
- Variation of a field development plan under regulation 4.08 of the RMA Regulations;
- Permission to undertake recovery of petroleum from a petroleum pool in a licence area under regulation 4.14 of the RMA Regulations; and
- Approval of the rate of recovery of petroleum from a petroleum pool in a licence area under regulation 4.18 of the RMA Regulations.

This item increases the fee for each from \$8,250 to \$25,500.

Item 19 – Clause 4 of Schedule 6 (table items 201 to 203, column headed “Fee (\$)”)

Section 427 of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Items 201 to 203 of the table in clause 4 of Schedule 6 relate to an application for a work-bid greenhouse gas assessment permit, cross-boundary greenhouse gas assessment permit, cash-bid greenhouse gas assessment permit and renewal of a greenhouse gas assessment permit.

This item increases the application fee for each from \$8,250 to \$18,000.

Item 20 – Clause 4 of Schedule 6 (table items 204 and 205, column headed “Fee (\$)”)

Section 427 of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Items 204 and 205 of the table in clause 4 of Schedule 6 relate to an application for a:

- Greenhouse gas holding lease (all types); and
- Renewal of a greenhouse gas holding lease.

This item increases the application fee for each from \$8,250 to \$25,500.

Item 21 – Clause 4 of Schedule 6 (table item 206, column headed “Fee (\$)”)

Section 427 of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Item 206 of the table in clause 4 of Schedule 6 relates to an application for a greenhouse gas injection licence.

This item increases the fee from \$8,250 to \$40,000.

Item 22 – Clause 4 of Schedule 6 (after table item 206)

Section 427 of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. This item adds item 206A to the table in clause 4 of Schedule 6 which relates to an application for a variation of a greenhouse gas injection licence.

This item inserts an application fee of \$40,000.

Item 23 – Clause 4 of Schedule 6 (table item 207, column headed “Fee (\$)”)

Section 427 of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Item 207 of the table in clause 4 of Schedule 6 relates to an application for a greenhouse gas search authority.

This item increases the application fee from \$8,250 to \$10,000.

Item 24 – Clause 4 of Schedule 6 (table item 208, column headed “Fee (\$)”)

Section 427 of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Item 208 of the table in clause 4 of Schedule 6 relates to an application for a greenhouse gas site closing certificate.

This item increases the fee for each from \$8,250 to \$18,000.

Item 25 – Clause 5 of Schedule 6 (table items 209 to 211, column headed “Fee (\$)”)

Section 565A of the OPGGS Act authorises the imposition of application fees to be prescribed in the regulations. Items 209 to 211 of the table in clause 5 of Schedule 6 relate to an:

- Application for approval of a transfer of GHG title under section 525 of the OPGGS Act;
- Application for approval of a dealing relating to a GHG title under section 539 of the OPGGS Act; and
- Provisional application for approval of a dealing in a future interest relating to a GHG title under section 548 of the OPGGS Act.

This item increases the application fee from \$8,250 to \$10,000.

Part 2—Application provision

Item 26 – At the end of Part 13

New Division 3 is added at the end of Part 13 for provisions relating to the commencement of the Regulations.

New regulation 13.05 is an application provision. It provides for the amendments of Schedule 6 to the *Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011*, made by the Regulations, to apply in relation to an application, request or nomination (as the case requires) made on or after the day on which this section commences. This section commences on 1 January 2025.

This ensures the Regulations do not have retrospective effect.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Amendment (Fees) Regulations 2024

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

The *Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Amendment (Fees) Regulations 2024* (the Regulations) is a legislative instrument for the purposes of the *Legislation Act 2003*.

The Regulations increase the fee amounts for various functions undertaken by the National Offshore Petroleum Titles Administrator (NOPTA) and introduces new fees for additional activities. The new and increased fees implement NOPTA's Cost Recovery Implementation Statement for 2025, ensuring that the cost recovery arrangements are adequate to enable them to continue to effectively discharge their regulatory functions.

The Regulations are made under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGGS Act). The OPGGS Act enables the prescription of relevant fees in the regulations.

Human rights implications

This Legislative Instrument does not engage any of the applicable rights or freedoms.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

The Hon Madeleine King MP
Minister for Resources