Subsea, Environment and Decommissioning: a regulatory context

Presentation to the Society for Underwater Technology

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NOPSEMA
- NOPSA established in 2005 for OHS
- Montara Commission of Inquiry and Australian Government response
- Well integrity regulation commenced April 2011
- Environmental management function and NOPSEMA commenced 1 January 2012
- EPBC Act endorsement from 28 February 2014 to become single national offshore petroleum regulator
Note: State and Northern Territory coastal waters conform more or less to the Australian continent and associated islands. Commonwealth waters extend seaward from the edge of the three nautical mile limit of designated coastal waters, to the outer extent of the Australian Exclusive Economic Zone at 200 nautical miles.
Decommissioning activities range from removal for onshore disposal, recycling and reuse, leaving or toppling the structure in place or offshore disposal in another location.

Many facilities in Commonwealth waters are in deep water with significant subsea infrastructure.

This presents unique challenges to titleholders with respect to decommissioning projects.

Decommissioning must consider a range of factors including regulatory requirements and social and economic implications.
Decommissioning activities are regulated by NOPSEMA under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act) and associated regulations.

*Environment Protection and Biodiversity Conservation Act 1999* endorsement for NOPSEMA from 28 February 2014 to become single national offshore petroleum regulator.

*Environmental Protection (Sea Dumping) Act 1981* permit may be required from the Minister for Environment.
• **Removal of equipment** - Section 572 (3) of the OPGGS Act states that a titleholder must remove from the title area all structures, equipment and property that is not, or will not be, used for operations or will not be, used in connection with the operations.

• This obligation is subject to other provisions of the Act the regulations, certain directions and any other law.

• Titleholder may make alternative arrangement for equipment in an environment plan (EP) provided that those arrangements ensure that impacts and risk are acceptable and ALARP
Decommissioning Environment Plans

• An EP that includes a decommissioning activity must
  – Describe the activity and the end state at the conclusion of decommissioning including how the activity will be undertaken
  – address all the impacts and risks from undertaking the activity and any ongoing impacts and risks associated with any remaining petroleum infrastructure/end state
  – Set environmental performance outcomes and standards that will be met;
  – Describe all the environmental management requirements that apply to the activity
• The EP should provide clear boundaries for the completion of the activity and all of its associated commitments (e.g. monitoring).
Surrender of Title Areas

• Section 270 of the OPGGS Act

• Decision to allow the surrender of a title is made by the Joint Authority (responsible State and Commonwealth Minister) on advice from NOPSEMA
  – Removal of all equipment
  – Abandonment of wells
  – Conservation and protection of resources
  – Remediation of damage to the seabed

• Conditions may apply to this surrender process
Key Considerations

- Scope of decommissioning must be clearly set out in the EP
- Timing can affect optionality for future decommissioning works
- In perpetuity impacts and risks must be considered
- Final decision maker is the Minister
- Seek advice from NOPSEMA early in the process
Questions?