

From offshore installations to artificial reefs

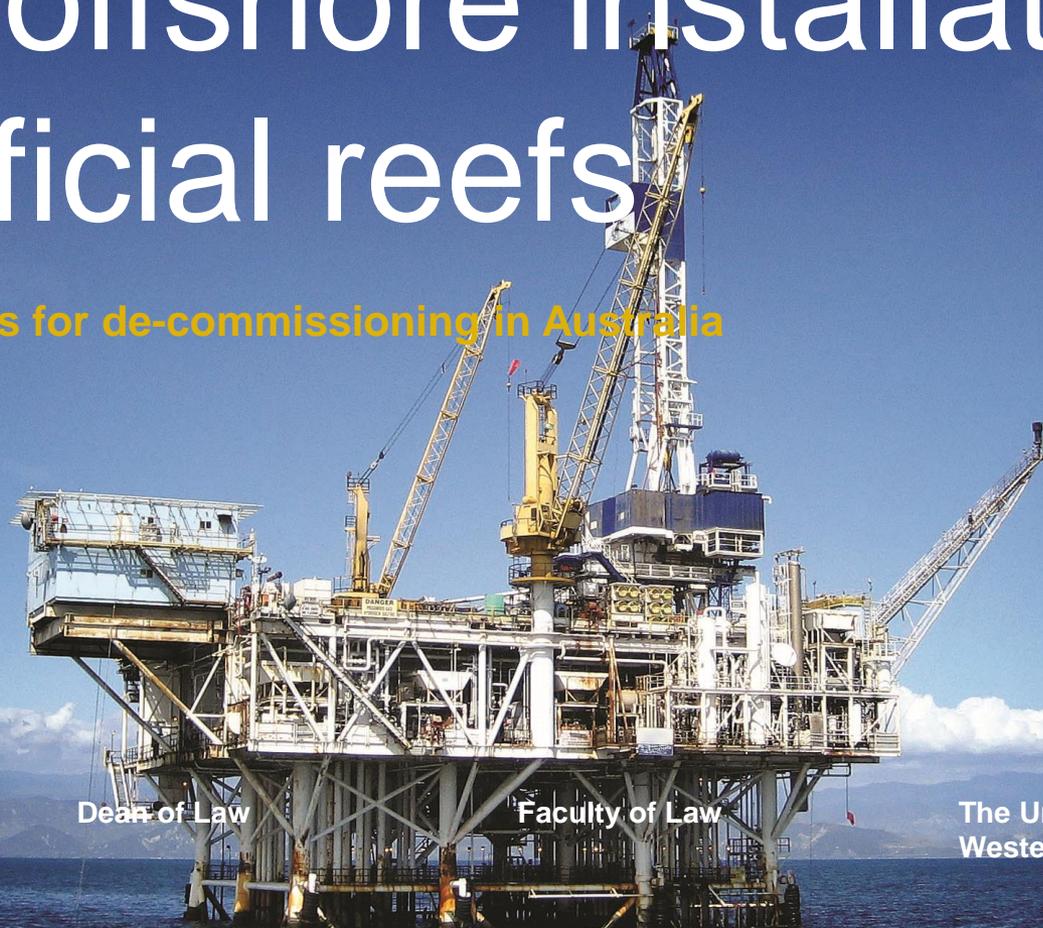
Legal frameworks for de-commissioning in Australia

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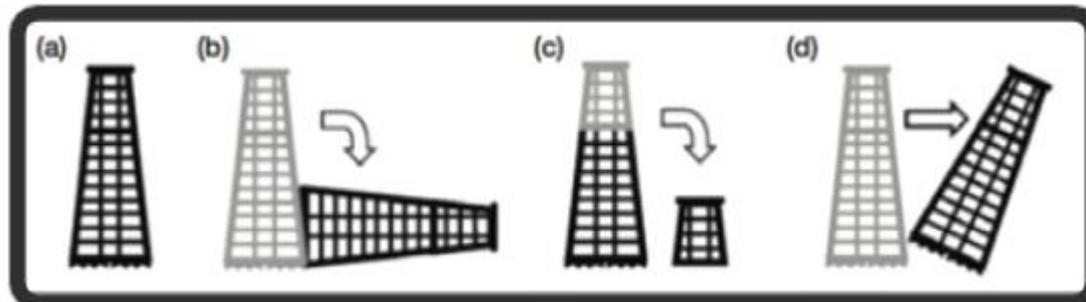
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- The Challenge
- Legal Context
- International legal obligations
- Comparative de-commissioning regulations
- Australia legal framework
- Key issues

The Challenge

- Globally
 - First offshore installations built in 1920s
 - Early de-commissioning 1970s
 - 1000s of installations 20+ years old
- In Australia
 - Construction of infrastructure in 1960s
 - Facing decommissioning in the next decade
- Options
 - Engineering allows for in situ and complete removal
 - Marine science demonstrates creation of artificial reefs
 - Legal frameworks in Australia favour removal



Legal Context

- International Law
 - Law of the Sea
 - Oceans governance
- National legal frameworks
 - EEZ
- State law and policy
 - Inshore waters
 - Coastal infrastructure



Fish at an oil platform, Gulf of Mexico (US Bureau of Ocean Energy Management):
<https://en.wikipedia.org/wiki/Rigs-to-Reefs>

International Legal Obligations

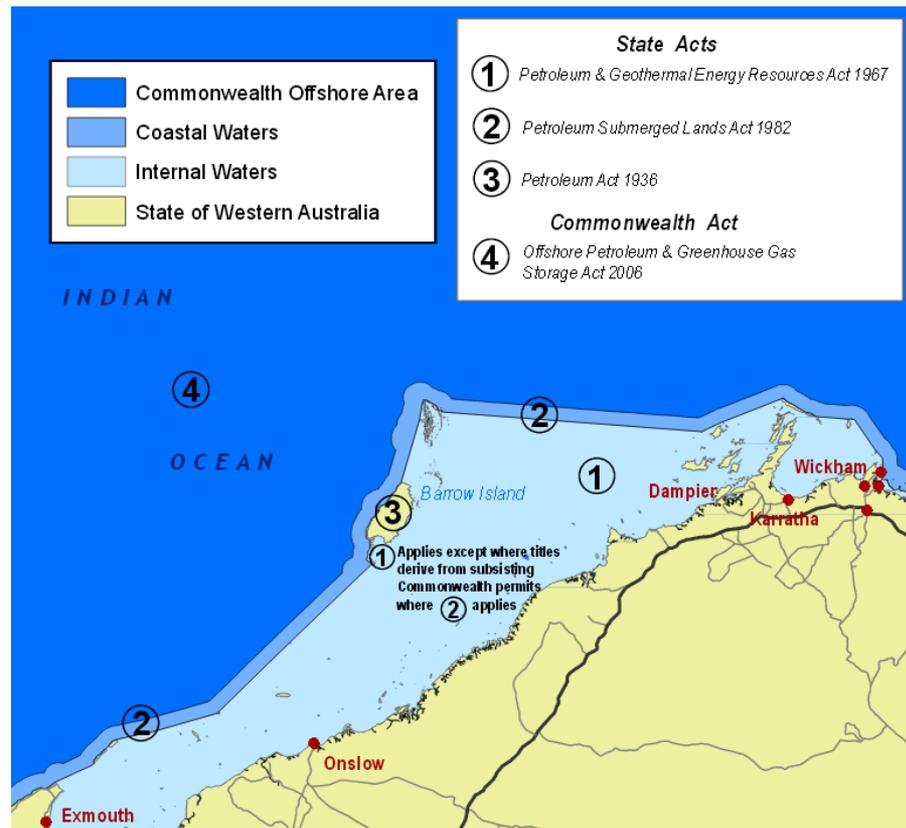
- Geneva Convention (1958)
 - Requires removal
- UNCLOS (1982)
 - Requires removal with regard to accepted international standards
- IMO standards (1989)
 - Permit partial removal for deep water structures and for waivers for 'new use'
- London (Dumping) Convention (1972)
 - Regulates dumping of waste and 'storage' on the seabed
 - Protocol (1996) permits disposal if authorised by state

National De-commissioning rules

- UK and EU
 - OSPAR Convention prohibits dumping but provides derogation rule; and artificial reefs only with new materials
 - UK *Petroleum Act* (1998) and the *Energy Act* (2008) limited in situ decommissioning
- US
 - Federal *National Fishing Enhancement Act* (1985) permits partial removal and conversion to artificial reefs
 - Gulf of Mexico states including Louisiana and Texas have facilitated conversion of rigs to reefs
 - *California Assembly Bill 2503* (2010)

Australian current structure

3 jurisdictions (or 4)



Australian Legal Framework



- Federal and State Jurisdictions in Australia
- Complexity of legislation
 - is the Commonwealth Offshore Petroleum and Greenhouse Gas Storage Act 2006 (OPGGSA)
 - Environmental Protection and Biodiversity Conservation Act 1999 (EPBC)
 - Environment Protection (Sea Dumping) Act 1981 (SDA)
 - Onshore legislation
- Multiple regulators
 - National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)
 - National Offshore Petroleum Titles Administrator (NOPTA)

- Commonwealth Waters
 - Federal DoE still administers permits under Environment Protection (Sea Dumping) Act 1981
 - OPGGSA s572(3) requires titleholders to remove from the title all structures, equipment and property used in connection with operations
 - Decommissioning activities must be conducted under an accepted Environment Plan (Environment Regs r6) or safety case
 - Surrender of a title will require the consent of the Joint Authority (OPGGSA s 270) which will require compliance with s572 (unless there are “sufficient grounds”)

Discussion Points

- Need for scientific studies on decommissioning in situ in West Australian waters – engineering and marine sciences
- How does scientific evidence feed into policy and regulation?
- Public perception and the social licence to decommission
- Fiscal treatment and liability issues of in situ decommissioning