

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry and Science Portfolio
Additional Estimates 2014-15
26 February 2015

AGENCY/DEPARTMENT: NOPSEMA

TOPIC: Environmental Performance Standards

REFERENCE: Written Question - Senator Wright

QUESTION No.: AI-44

- a. How many enquiries and complaints did NOPSEMA receive in 2014 which related to poor consultation practices by titleholders?
- b. Can NOPSEMA point to any instance where a temporary sanction has been placed on a company for failing to comply with environmental performance or consultation standards?
- c. Can NOPSEMA point to any instance where a permanent sanction has been placed on a company for failing to comply with environmental performance or consultation standards?
- d. Does your model remain one of industry education?
- e. How does NOPSEMA ensure feedback and comments from stakeholders are taken into consideration?

ANSWER

- a. NOPSEMA received 57 environmental regulatory enquiries in 2014, eight of which related to claims of poor consultation. NOPSEMA received four complaints in 2014, one of which related to a claim of poor consultation by a titleholder.
- b. Numerous titleholders have been unable to commence their activity for failure to demonstrate compliance with regulatory requirements for environmental performance standards and/or consultation standards. Since regulation of environmental management transferred to NOPSEMA on 1 January 2012, 25 environment plans have required modification and resubmission to address issues associated specifically with environmental performance standards and/or consultation standards.
- c. On ten occasions since 1 January 2012, titleholders have been refused acceptance of their environment plan for failure to comply with the regulatory requirements for environmental performance standards and/or consultation standards. The refusal of acceptance has meant the titleholder is unable to proceed with the activity as proposed in their submission. Therefore, this sanction remains in force until the titleholder submits a compliant environment plan.
- d. NOPSEMA has functions to promote and advise on safety, well integrity and environmental management matters which includes education where warranted. This includes communicating lessons learnt to improve industry performance. NOPSEMA resources this function alongside its other legislated functions which include the development and implementation of effective monitoring and enforcement strategies to secure compliance, as well as the investigation of accidents, dangerous occurrences and circumstances.

- e. As an independent statutory authority, NOPSEMA has an obligation to take into account all relevant considerations in reaching a decision on an environment plan. The *Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009* (the Regulations) require the titleholder to include stakeholder feedback and comments in their environment plan, which is then assessed by NOPSEMA. NOPSEMA's procedures allow for the capture and consideration of feedback and comment from stakeholders in relation to offshore petroleum activities in accordance with the Regulations.