



Senate Economics Committee
Inquiry into the *Offshore Petroleum Amendment (Greenhouse Gas Storage) Bill 2008* and three related Bills

14 August 2008



1. INTRODUCTION

WWF welcomes the opportunity to make submissions to the Senate Inquiry into the *Offshore Petroleum Amendment (Greenhouse Gas Storage) Bill 2008* and three related Bills.

2. SUBMISSIONS

Submission 1 - That debate of the Bill be delayed until the public has had an opportunity to comment on the Regulations and on the environmental guidelines being developed by the Environment Protection and Heritage Ministerial Council and the Ministerial Council on Mineral and Petroleum Resources.

Submission 2 – That the legislation provides for accelerated approval of demonstration projects.

Submission 3 – That a national interest test be developed for the selection of storage sites.

Submission 4 – That the Minister be given powers to direct the transfer of rights in petroleum infrastructure from a petroleum operator to a CCS proponent.

Submission 5 – That the Bill explicitly state that its objectives are to promote ecologically sustainable development, protect the natural environment in the course of construction, operation and post-operation monitoring of GHG exploration, injection and storage operations, accord safety the highest priority at all stages of a project, and to mandate a comprehensive process for community awareness and consultation.

Submission 6 – That the Bill provides guiding principles to assist courts, decision-makers, industry and the public to interpret the legislation.

Submission 7 – That the Bill be amended to require an environmental impact assessment to be undertaken prior to the issuing of any approval for exploration, injection and storage operations.

Submission 8 – That the Bill be amended to provide “no-go zones” around sensitive natural and heritage areas, and provide large environmental buffers around protected or vulnerable marine areas and offshore islands.

Submission 9 – WWF adopts the Australian Network of Environmental Defender’s Office Inc’s (ANEDO) submission (for the reasons in ANEDO’s submission) that the Bill be amended to:

- Include a mandatory monitoring, measurement and verification period for GHG operators of 30 years prior to the grant of a site closure certificate;
- Establish an industry-funded, Commonwealth-held trust fund for ongoing



Government monitoring, measurement and verification and remediation works;

- Mandate a monitoring, measurement and verification program;
- Establish an independent expert committee to advise the Minister on suitable sites and the issue of site-closure certificates;
- Provide for independent approval of site-specific monitoring, measurement and verification programs;
- Require additional reporting of such activities in a register of greenhouse gas formations.

Submission 10 – WWF submits that the Bill be amended to:

- Clearly identify the respective long and short-term liabilities of the operator and Commonwealth;
- Identify the owner (at relevant points in time) of stored carbon dioxide;
- Require the site operator to undertake GHG monitoring, measurement and verification for at least 30 years after the cessation of injection operations;
- Allow the operator to apply to an independent expert committee for a site closure certificate after 30 years and the issue of a certificate if both the expert committee and the Minister are satisfied that the site is secure and safe and that the monitoring, measurement and verification requirements;
- Provide that upon the issue of the site closure certificate liability and ownership of the carbon dioxide pass to the Commonwealth;
- That the Commonwealth it be responsible for long-term monitoring, measurement and verification operations after liability and ownership of the carbon dioxide has passed to it;
- That the long-term monitoring, measurement and verification operations funded by the industry;
- That the GHG injection operator remains liable under common law after liability under statute has been transferred to the Commonwealth.

Submission 11 – That the Bill be amended to require GHG injection operators to hold third party insurance.

Submission 12 – That the Bill be amended to provide the Commonwealth Government power to enter any land, access GHG operation, transport or injection operation-related records and undertake monitoring and verification activities and other related works.



Submission 13 – That any organization injecting CO₂ for enhanced oil recovery or any other reasons is subject to the legislation.

Submission 14 – That the Bill be amended as proposed by the Victorian Government on page 8 of its submission to the House of Representatives Inquiry into this Bill; namely that:

- The Minister should be given power to determine whether a CCS activity is in the 'public interest', and that a CCS proponent should be entitled to exploit CCS storage locations on that basis. This power should apply to all CCS activities, and should be able to be applied irrespective of when the overlapping petroleum title was granted. The exercise of this power should also require consideration of the impacts on other interests and resources, such as groundwater aquifers that may be linked geologically to potential underground greenhouse gas storages;
- In addition, the Minister should have power to direct CCS and petroleum proponents to the negotiating table regarding access to possible CCS storage formations which are co-located within petroleum tenure. This power could be based on the cooperative provisions, and powers of direction, embodied in similar legislative regimes;
- Where petroleum operations have reached a certain point (such as declining petroleum recovery to the stage that exploitation has become uneconomical, and prior to decommissioning), access to those petroleum reservoirs for CCS storage should be opened up for competitive bidding. This could be achieved by empowering the responsible Minister to invite competitive bidding for access to such CCS storage formations. In this way, the benefits of a 'work-bid' regime could apply to prime storage locations within the Gippsland Basin. This regime would be consistent with the fact the CCS industry is distinct from the petroleum industry;
- In short, once a storage formation has been exploited for petroleum purposes, that storage formation would be accessible by all for the exploitation as a CCS resource;
- Appropriate consideration should be given to a CCS proponent's technical ability and work program when considering the grant of CCS assessment permit tenure.

3. BACKGROUND AND COMMENTS OF GENERAL APPLICATION

To avoid dangerous climate change humanity must reduce global greenhouse gas emissions sufficiently to avoid a warming of 2 degrees or more above average global surface temperature.



To do this the world must simultaneously reduce per capita energy consumption and become more energy efficient, halt and reverse loss and degradation of forests, and replace traditional fossil fuels with zero and low emission technologies.

With respect to energy technology, WWF's *Climate Solutions*¹ report found that we must rapidly and concurrently deploy a range of renewable and low emissions technology, including carbon capture and storage (CCS). The United Nations' Intergovernmental Panel on Climate Change² and the International Energy Agency has reached similar conclusions³.

Climate Solutions found that CCS of fossil fuels could provide for about 26% of global energy supply by 2050 while avoiding emissions of 3.8 Gigatonnes (3.8 billion) of CO₂ per year. *Climate Solutions* also found that if one or two of the zero or low emission technologies fail to work or their deployment is delayed, including CCS, the likelihood of staying below 2 degrees is reduced significantly.

As a consequence, WWF supports rapid demonstration and commercialization of CCS to determine its part in the solution to climate change.

The creation of clear legal rights to explore for geological storage formations and to store carbon dioxide, as well as an efficient, transparent and credible regime for its assessment, approval and operation, is necessary for long-term, large-scale investment in CCS⁴.

However equally important is the creation of a clear framework for risk reduction, monitoring and verification and point of liability for stored carbon dioxide. Certainty in relation to these issues is essential to provide public confidence in the safety and ecologically sustainability of CCS.

WWF believes that the draft Bill puts more emphasis on the creation of legal rights to explore and store carbon dioxide rather than the creation of a clear risk, monitoring, verification and liability framework when equal priority should be accorded to both sets of issues.

Given that the objectives associated with injecting and permanently storing greenhouse gas emissions is to prevent these pollutants from entering the atmosphere and contributing to dangerous climate change is very different to the objectives associated with the extraction of petroleum, WWF believes that the Bill must have a greater focus on environmental and public safeguards than it presently does.

¹ WWF (2007) *Climate Solutions: WWF's Vision for 2050*, www.wwf.org.au/publications/gefreport/

² IPCC (2007) Fourth Assessment working group III climate change mitigation report Chapter 4 Energy supply, pg 255

³ IEA (2008) *Legal Aspects of Storing CO₂: Update and Recommendations*, pg. 3.

⁴ Victorian Government (2008) *Regulatory Framework for the Long-term Storage of Carbon Dioxide in Victoria: Discussion paper January 2008*



In its submission to the House of Representatives Standing Committee on Primary Industries and Resources Inquiry into *Draft Offshore Petroleum Amendment (Greenhouse Gas Storage) Bill 2008*, the Australian Network of Environmental Defender's Offices Inc (ANEDO), noted that greater environmental and public safeguards can be achieved through *"the incorporation of a rigorous independent assessment process, an ongoing monitoring regime, and strict adherence to the principles of ecologically sustainable development"*. WWF adopts those recommendations and adds that the inclusion of clear objectives, guiding principles, a definition of "public interest" and a "national interest" test would also assist in achieving those objectives.

The Bill has been tabled without the accompanying regulations, which will provide much of the detail of the regulatory scheme. WWF would appreciate an opportunity to make submissions in relation to the regulations when they are complete.

WWF further notes that the Environment Protection and Heritage Ministerial Council and the Ministerial Council on Mineral and Petroleum Resources are jointly developing environmental guidelines for CCS, which is yet to be completed and which has therefore not been considered in the course of developing the draft Bill.

Submission 1 - *That debate of the Bill be delayed until the public has had an opportunity to comment on the Regulations and on the environmental guidelines being developed by the Environment Protection and Heritage Ministerial Council and the Ministerial Council on Mineral and Petroleum Resources.*

4. KEY ISSUES

4.1 Demonstration projects

Before CCS becomes fully commercialized a number of demonstration projects will be undertaken in partnership with research organizations, private investors and other governments. These will provide important information on geological storage site suitability, the development of monitoring and verification protocols and regulatory legislation.

The International Energy Agency has remarked *"the apportionment of long-term legal responsibility between governments and project proponents will take some time to resolve, and probably only after demonstration projects have produced results"*.⁵

WWF notes that the Bill does not refer to demonstration projects and therefore assumes that it is intended that demonstration projects be subject to the proposed legislation. WWF believes that a case can be made for Government-approved demonstration projects to receive special treatment in relation to monitoring and liability provided that safety and

⁵ IEA (2008) Legal Aspects of Storing CO₂: Update and Recommendations.



environmental integrity are not compromised⁶. For example, WWF submits that, in the case of demonstration projects, the Government jointly with the other project proponents accept the primary obligation to monitor and verify injection and retention operations from the commencement of operations to avoid delaying demonstration projects and to gather and place in the public domain learning's from the project.

Submission 2 – That the legislation provides for accelerated approval of demonstration projects.

4.2 National interest test for storage sites

The development of CCS will require significant new infrastructure at capture sites, for transport and at storage sites. In order to facilitate economic, environmentally and socially-sound and efficient demonstration and commercialization of CCS, consideration should be given to developing a national interest criterion for selection of storage sites.

A national interest criterion could include consideration of: distance of storage site from power capture sites or hubs, existing pipeline routes or potential routes, quality of the site, potential size of reservoir, access to alternative storage locations, and impact on environmental and culturally sensitive areas.

WWF also believes that where possible infrastructure should be shared and supports the Victorian Government proposal (in its submission to House of Representatives Inquiry to this Bill) that “*the Minister [should] be given powers to direct the transfer of rights in petroleum infrastructure from the petroleum operator to the CCS proponent*”. WWF further notes that Part IIIA of the *Trade Practices Act 1974* provides an existing example of a procedure for granting third party access to (privately owned) facilities of national significance in particular electricity grids, natural gas pipelines and telecommunication infrastructure.

Submission 3 – That a national interest test be developed for the selection of storage sites.

Submission 4 – That the Minister be given powers to direct the transfer of rights in petroleum infrastructure from a petroleum operator to a CCS proponent.

⁶ Special laws for demonstration projects were addressed in the state of Texas in the United States, where the legislature enacted a law that makes the state liable for long term storage issues associated with the FutureGen project (FutureGen Texas, 2007). Similar legislation is pending in the state of Illinois. In both cases, this legislation addresses liability only in respect to FutureGen project activities, not to CO2 storage activities generally (IEA, 2008)



4.3 Environment, safety and community issues

At present the Bill does not make adequate provision for the protection of the natural environment, safety and community consultation. The existing provisions are uncertain or lack transparency because they rely heavily on Ministerial discretion. WWF believes that the Bill should explicitly state that its objectives are to promote ecologically sustainable development, protect the natural environment and heritage in the course of construction, operation and post-operation monitoring of GHG injection, accord safety the highest priority at all stages of the project, and mandate a comprehensive process for community awareness and consultation.

As carbon dioxide storage technology is largely new and untried (at least at a large scale), and that there is a need for rapid and early deployment, and that issues relating to liability are unprecedented in their novelty and complexity, WWF submits that guiding principles be included in the legislation to assist courts, decision-makers, industry and the public to interpret the legislation and ensure that the objectives of the legislature in enacting the legislation are met.

Submission 5 – *That the Bill explicitly state that its objectives are to promote ecologically sustainable development, protect the natural environment in the course of construction, operation and post-operation monitoring of GHG exploration, injection and storage operations, accord safety the highest priority at all stages of a project, and to mandate a comprehensive process for community awareness and consultation.*

Submission 6 – *That the Bill provides guiding principles to assist courts, decision-makers, industry and the public to interpret the legislation.*

The current draft Bill deals primarily with the resolving conflicts between parties wanting to store GHGs and parties with existing rights to explore and extract oil and gas; it makes no reference to conflicts with the environment and heritage. WWF submits that the Bill should be amended to require environmental impact assessment to be undertaken prior to the issuing of any approval for exploration, injection and storage operations, to provide “no-go zones” around sensitive natural and heritage areas, and large environmental buffers around protected and or vulnerable marine areas and offshore islands.

Submission 7 – *That the Bill be amended to require an environmental impact assessment to be undertaken prior to the issuing of any approval for exploration, injection and storage operations.*

Submission 8 – *That the Bill be amended to provide “no-go zones” around sensitive natural and heritage areas, and provide large environmental buffers around protected or vulnerable marine areas and offshore islands.*



4.4 Monitoring, measurement and verification

Submission 9 – WWF adopts the Australian Network of Environmental Defender's Office Inc's (ANEDO) submission (for the reasons in ANEDO's submission) that the Bill be amended to:

- *Include a mandatory monitoring, measurement and verification period for GHG operators of 30 years prior to the grant of a site-closure certificate;*
- *Establish an industry-funded, Commonwealth-held trust fund for ongoing Government monitoring, measurement and verification and remediation works;*
- *Mandate a monitoring, measurement and verification program;*
- *Establish an independent expert committee to advise the Minister on suitable sites and the issue of site-closure certificates;*
- *Provide for independent approval of site-specific monitoring, measurement and verification programs;*
- *Require additional reporting of such activities in a register of greenhouse gas formations.*

4.5 Liability

The CO2CRC noted the difficulties it faced with respect to long-term liability in establishing Otway Project in its submission to the House of Representatives Inquiry into this Bill. The CO2CRC argued that lack of acceptance of long-term liability by Government could be a significant impediment to the deployment of CCS offshore. At the same time, ANEDO noted that situations will inevitably arise in which corporations responsible for damage will no longer exist.

WWF submits that a two-stage approach to GHG storage liability be adopted. Under stage one the site operator undertakes GHG monitoring, measurement and verification for 30 years after the cessation of injection operations after which the operator can apply to an independent expert committee for a site closure certificate. If both the expert committee and the Minister are satisfied that the site is secure and safe and that the monitoring, measurement and verification requirements have been met then a site closure certificate can be issued and the liability for stored GHGs, as well as the obligation to undertake long-term monitoring, measurement and verification operations, passed to the Commonwealth (Stage two). WWF submits that long-term monitoring, measurement and verification operations should be paid for from an industry fund accumulated by either a levy, fee on injection or the sale of carbon credits equal to a (relatively small) percentage of the CO₂ stored in the relevant geological formation.



If the expert committee or Minister are not satisfied that the site is safe and secure or that monitoring, measurement and verification requirements have been met, then the committee or Minister should have the power to order the operator to carry out works or continue monitoring, measurement and verification operations for a specified period of time after which a further application can be made for a site closure certificate.

Until a site closure certificate is issued liability should remain with the operator. WWF proposes that within the minimum 30 year period, the nature and intensity of the monitoring, measurement and verification regime be varied according to the location and knowledge of the site (amongst other things).

WWF submits that common law liability should remain with the operator even after liability has been transferred to the Commonwealth in order to preserve an incentive to act properly during injection and monitoring, measurement and verification operations.

Similar proposals have been made by the Massachusetts Institute of Technology⁷, the Government of the United Kingdom and the United States' Centre for the Study and Improvement of Regulation.

Submission 10 – WWF submits that the Bill be amended to:

- *Clearly identify the respective long and short term liabilities of the operator and Commonwealth;*
- *Identify the owner (at relevant points in time) of stored carbon dioxide;*
- *Require the site operator to undertake GHG monitoring, measurement and verification for at least 30 years after the cessation of injection operations;*
- *Allow the operator to apply to an independent expert committee for a site closure certificate after 30 years and the issue of a certificate if both the expert committee and the Minister are satisfied that the site is secure and safe and that the monitoring, measurement and verification requirements;*
- *Provide that upon the issue of the site closure certificate liability and ownership of the carbon dioxide pass to the Commonwealth;*
- *That the Commonwealth be responsible for long-term monitoring, measurement and verification operations after liability and ownership of the carbon dioxide has passed to it;*
- *That the long-term monitoring, measurement and verification operations be funded by the industry;*

⁷ MIT (2007) The Future of Coal http://web.mit.edu/coal/The_Future_of_Coal_Chapters_4-5.pdf, pg 58

- That the GHG injection operator remains liable under common law after liability under statute has been transferred to the Commonwealth.

Consideration should also be given to requiring GHG storage operators to hold third party insurance. For example, under the Victorian *Petroleum Act 1998* a petroleum operator must obtain and maintain insurance against expenses or liabilities which may arise in connection with or as a result of the carrying out of petroleum operations, including the cost of complying with directions to clean-up or remedy the consequences of escaped petroleum. And the Victorian Environment Protection Authority requires landfill operators to obtain third party liability insurance and to provide evidence of such insurance at the time of applying for a works approval or license.

Submission 11 – That the Bill be amended to require GHG injection operators to hold third party insurance.

4.6 Government power to enter land

CCS is novel, technically complex and has the potential to do considerable damage to human settlements and the environment. In such circumstances the Government should have the power to enter relevant land, access all transportation, injection, monitoring and verification records and any other relevant records, test all equipment and, in the case of demonstration projects, have joint responsibility for monitoring and verification of CCS capture, injection and storage operations.

Submission 12 – That the Bill be amended to provide the Commonwealth Government power to enter any land, access GHG operation, transport or injection operation-related records and undertake monitoring and verification activities and other related works.

4.7 Enhanced oil and gas recovery

WWF notes that no provisions have been included in the Bill in relation to petroleum operators involved in enhanced oil and gas recovery. Although petroleum operators have been injecting CO₂ as part of enhanced oil and gas recovery for decades and have not been subject to requirements as to monitoring, measurement and verification and liability laws, they have been doing so in an era where leakage of CO₂ has been consider minor or irrelevant. This has now changed. WWF submits that all public and private organizations involved in injecting CO₂ for enhanced oil and gas recovery (or any other reason) should be subject to regulation. WWF understands that the Queensland Government proposes to subject companies injecting and storing CO₂ for enhanced oil and gas recovery to GHG storage legislation.



WWF also notes that many petroleum operators can and will benefit from injecting and storing CO₂ whether as a part of enhanced oil recovery or as part of a CCS project by claiming carbon credits. The integrity of the market requires that their operations be subject to regulation.

Submission 13 – *That any organization injecting CO₂ for enhanced oil recovery or any other reason is subject to the legislation.*

4.8 Rights of petroleum title holders and potential CO₂ storage title holders

WWF believes that the Bill may provide existing and potential petroleum title holders with the power of veto over GHG storage.

The Bill states that with respect to “Pre-commencement Petroleum Titles” that the Minister must not approve “Key GHG Operations” if there is a significant risk of a significant impact on petroleum operations unless the petroleum title holder has agreed to the GHG operations and the terms of agreement are not contrary to public interest. With respect to “Post-Commencement Petroleum Titles”, the Minister must have regard to the impact on petroleum exploration and recovery operations on existing and future petroleum tenures, any agreements between GHG and petroleum operators, and public interest (which is not defined).

The CO₂CRC noted in its submission to the House of Representatives inquiry into this Bill that *“it is likely that many holders of an existing E&P license would oppose any move to undertake storage activities in their E&P area, thereby effectively blocking CO₂ storage”*.

WWF believes that high quality storage sites may be rejected by petroleum title holders with the result that injection will occur in poorer quality storage sites.

WWF notes that during the House of Representatives inquiry to this Bill, witnesses from the Australian Petroleum Production & Exploration Association (APPEA)⁸ and the Department of Resources, Energy and Tourism⁹ argued that a failure to protect the rights of existing title holders would or may have an adverse impact on Australia’s reputation as a country with “low sovereign risk”.

WWF believes that the concept of sovereign risk is unlikely to have application in the present circumstances. Whether or not a country has a reputation of having low sovereign risk is a question of opinion imputed to future prospective investors. In circumstances

⁸ Mr Mullen, Deputy CEO of APPEA. Hansard Friday, 18 July 2008, page 20.

⁹ Mr Miller, Policy Officer, CCS Legislation Section, Department of Resources, Energy and Tourism, Hansard, Friday, 18 July 2008, page 32.



where climate change has been recognized as a grave threat to human civilization and the natural environment by all major governments in the world, and by BHP-Billiton, BP, Rio Tinto, Anglo-American and numerous other major mineral, oil, gas, petroleum and other resource companies, and the ANZ Bank, Westpac Bank, Macquarie Bank, National Australian Bank, Commonwealth Bank and numerous other financial institutions, it is very difficult to accept that the hypothetical future investor would find it either unreasonable or indeed surprising that Australian governments take action to facilitate the development of one of the key solutions to climate change – carbon, capture and storage (CCS) fossil fuels – or that such action might have an impact on existing titleholders.

Indeed a failure to provide governments with the power to take action to facilitate the development of carbon, capture and storage is to provide existing titleholders, who gained their title only for the purpose of winning petroleum, a veto over the creation of a new industry, and indeed a monopoly in that industry wherever an existing title is in existence.

WWF submits that Australia's reputation will be adequately protected if the Government's powers to limit, modify or acquire the rights of existing titleholders are exercised reasonably; that the exercise of the power is subject to judicial review (as is guaranteed by the Australian Constitution in the case of the Commonwealth); and that reasonable compensation is paid if the title or other existing rights are acquired by the Australian Government.

However even if the concept of sovereign risk is applicable in the present circumstances, WWF submits that the High Court of Australia case *Commonwealth v WMC Resources Limited* (1998) 194 CLR 1 suggests that the reputation of Australia is so strong that the cancellation (without compensation) of petroleum permits in the national interest in the very recent past has had no impact on Australia's reputation as a low sovereign risk country. In that case a Western Mining Corporation subsidiary's petroleum exploration permits in the Timor Gap were cancelled without compensation (because they were not "acquired" by the Commonwealth). The premier annual international review of national competitiveness is the IMD *World Competitiveness Yearbook* (<http://www.imd.ch/research/publications/wcy/index.cfm>). In 1997 (the year before the WMC Resources case) Australia was rated the 18th most competitive nation in the world. Since then Australia has been successively rated 15th (1998), 12th (1999), 10th (2000), 11th (2001), 10th (2002), 7th (2003), 4th (2004), 9th (2005) 6th (2006), 12th (2007) and 7th (2008). In other words, a decision to directly impact upon the rights of an oil and gas titleholder in circumstances directly analogous to those at hand had no discernable impact on Australia's international competitiveness.

The Victorian Government has noted in its submission to the House of Representatives inquiry to this Bill that over 80% of the Gippsland Basin is currently subject to petroleum titleholders. The Gippsland Basin has been identified as one of the key sites for CCS-



related storage. Given the severe economic and environmental consequences of climate change, and the clear need for CCS to be part of the solution, it is clearly in the national – indeed international – interest that CCS storage to be given priority over existing petroleum titles and WWF would support the modification or acquisition of those petroleum titles for that purpose. WWF also supports the recommendations of the Victorian Government on page 8 of its submission to the House of Representatives inquiry to this Bill.

Submission 14 – *That the Bill be amended as proposed by the Victorian Government on page 8 of its submission to the House of Representatives Inquiry to this Bill; namely that:*

- *The Minister should be given power to determine whether a CCS activity is in the 'public interest', and that a CCS proponent should be entitled to exploit CCS storage locations on that basis. This power should apply to all CCS activities, and should be able to be applied irrespective of when the overlapping petroleum title was granted. The exercise of this power should also require consideration of the impacts on other interests and resources, such as groundwater aquifers that may be linked geologically to potential underground greenhouse gas storages.*
- *In addition, the Minister should have power to direct CCS and petroleum proponents to the negotiating table regarding access to possible CCS storage formations which are co-located within petroleum tenure. This power could be based on the cooperative provisions, and powers of direction, embodied in similar legislative regimes.*
- *Where petroleum operations have reached a certain point (such as declining petroleum recovery to the stage that exploitation has become uneconomical, and prior to decommissioning), access to those petroleum reservoirs for CCS storage should be opened up for competitive bidding. This could be achieved by empowering the responsible Minister to invite competitive bidding for access to such CCS storage formations. In this way, the benefits of a 'work-bid' regime could apply to prime storage locations within the Gippsland Basin. This regime would be consistent with the fact the CCS industry is distinct from the petroleum industry.*
- *In short, once a storage formation has been exploited for petroleum purposes, that storage formation would be accessible by all for the exploitation as a CCS resource.*
- *Appropriate consideration should be given to a CCS proponent's technical ability and work program when considering the grant of CCS assessment permit tenure.*



4.9 Legislative framework that could be adopted on a national basis.

WWF supports the development of national legislation and the creation of a national task force to facilitate its development. WWF notes that national legislation could be either legislation enacted by the Commonwealth Parliament or legislation enacted by one of the states or territories and adopted by the others (as, for example, has been done in the case of corporate and consumer credit laws). At the very least State and Federal legislation should be consistent. The Bill in its current form has many flaws (which are noted in this submission) and WWF submits it should not, in its current form, be adopted as national model legislation.

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