

PETROLEUM AND GEOTHERMAL ENERGY LEGISLATION AMENDMENT BILL 2013

Explanatory Memorandum

The primary purpose of this Bill is to amend the *Petroleum and Geothermal Energy Resources Act 1967* and the *Petroleum Pipelines Act 1969* to facilitate the geological storage of greenhouse gas substances. The Bill also amends the *Petroleum Pipelines Act 1969* to provide for the transport of greenhouse gas substances via pipelines.

Greenhouse gas substances will be predominantly carbon dioxide but could also include methane as a by-product of LNG processing. The amendments to the *Petroleum and Geothermal Energy Resources Act 1967* include onshore greenhouse gas (GHG) storage formation property rights (geosequestration), acreage release provisions, exploration, retention and injection licenses and address injection, site closure and a long-term liability regime.

Geosequestration is the deep, (2,000 - 3,000m) geological storage of carbon dioxide from major industrial sources such as fossil fuel-fired power stations, oil and natural gas processing, cement manufacture, iron and steel manufacture and the petrochemical industry. The Bill does not cover the capture of greenhouse gases as this occurs at industrial plant/power station sites.

Many of the provisions in the Bill follow the existing petroleum legislative regime. These include work program-based acreage releases, title types and registration of interest in titles. This approach allows for existing petroleum safety case, occupational health and safety and environment plan regulations to be amended to include GHG operations following passage of the Bill.

This approach follows amendments of a similar nature enacted by the Commonwealth in 2008 via changes to the then titled *Offshore Petroleum Act 2006*.

There are also consequential minor amendments to other legislation which mainly add GHG references to the existing petroleum and geothermal provisions and cover the name changes of petroleum legislation where occurring in other State legislation. This also includes changing the *Dampier to Bunbury Pipeline Act 1997* to allow for access to the pipeline corridor for pipelines carrying greenhouse gas substances if required.

The injection and permanent storage of GHG in underground geological formations is currently not regulated in WA other than for the Gorgon Gas Project via the State Agreement *Barrow Island Act 2003*. The Bill does not impact on the *Barrow Island Act 2003* although it follows a similar approach for dealing with the long-term liability of stored greenhouse gas substances.

Part 1 introduces the Bill and provides for commencement of the various provisions.

Part 2 amends the *Petroleum and Geothermal Energy Resources Act 1967*.

Part 3 amends the *Petroleum Pipelines Act 1969*.

Part 4 consequentially amends the:

- *Barrow Island Act 2003*,
- *Building Act 2011*,
- *Conservation and Land Management Act 1984*,
- *Dampier to Bunbury Pipeline Act 1997*,
- *Land Administration Act 1997*,
- *Mining Act 1978*,
- *Occupational Safety and Health Act 1984*,
- *Petroleum (Submerged Lands) Act 1982*,
- *Petroleum and Geothermal Energy Resources (Registration Fees) Act 1967*,
- *Petroleum and Geothermal Energy Safety Levies Act 2011*,
- *Transfer of Land Act 1893*,
- various references to the *Petroleum and Geothermal Energy Resources Act 1967* and the *Petroleum Pipelines Act 1969* in other Acts.

Outlined below is an examination of the contents of the Bill on a clause by clause basis.

Part 1 – Preliminary

Clause 1 – Short Title

The title is the *Petroleum and Geothermal Energy Legislation Amendment Bill 2013*.

Clause 2 – Commencement

This clause provides for Part 1 to come into operation on the day the Bill receives Royal Assent and becomes an Act. The remainder of the Act comes into operation on a day fixed by proclamation and that different days may be fixed for different provisions.

Part 2 – *Petroleum and Geothermal Energy Resources Act 1967* amended

Clause 3 - Act amended

This clause provides that amendments in this Part are to the *Petroleum and Geothermal Energy Resources Act 1967*.

Clause 4 – Long title replaced

Clause 4 amends the long title of the *Petroleum and Geothermal Energy Resources Act 1967* by adding in “the injection and storage of greenhouse gas substances within certain lands of the State” and to also delete “to repeal the *Petroleum Act 1936*”.

Clause 5 – Section 1 amended

Clause 5 amends the name of the Act in the short title from the “*Petroleum and Geothermal Energy Resources Act 1967*” to the “*Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*”.

Clause 6 - Section 5 amended

Clause 6(1) deletes the definitions of “other protected person”; “partly cancelled”; and “permit area” from section 5(1) as new definitions for these have been inserted by clause 6(2).

Clause 6(2) introduces the following new definitions:

- “approved site plan” – means a site plan in respect of which an approval is in force under the regulations and is described in more detail in new section 69I inserted by clause 81.
- “closure assurance period” – declared under section 69JR(1) is the period beginning at the end of the cessation day (ie: when the Minister is satisfied that operations for the injection of a greenhouse gas substance into the formation ceased on a day) and ending at the end of the decision day ie: a day that is at least 15 years after the issue of the site closing certificate.
- “detection agent” means a substance, whether in a gaseous or liquid state, that (a) when added to another substance or a mixture of other substances; facilitates the monitoring of the behaviour of that other substance or that mixture, as the case may be; and (b) is specified in the regulations.
- “drilling reservation area” – means the area constituted by the blocks that are the subject of the drilling reservation.
- “eligible GHG storage formation” – this term is described in more detail in new section 6AB(1) inserted by clause 7.
- “fundamental suitability determinants” - this term is described in more detail in new section 6AB(9) inserted by clause 7.
- “geological formation” – includes (a) any seal or reservoir of a geological formation; and (b) any associated geological attributes or features of a geological formation.

- “geothermal exploration operation” – means an operation to explore for geothermal energy resources, and the carrying on of such operations and the execution of such works as are necessary for that purpose.
- “GHG access authority” – introduces a new type of access authority to allow the holder of a GHG exploration permit, GHG drilling reservation, GHG lease area or a GHG injection license to conduct greenhouse gas exploration activities outside of their areas.
- “GHG drilling reservation” - introduces a new type of drilling reservation for GHG operations.
- “GHG exploration operation” means an operation to explore for potential GHG storage formations or potential GHG injection sites, and the carrying on of such operations and the execution of such works as are necessary for that purpose.
- “GHG exploration permit” - introduces a new type of exploration permit and authorises the holder to explore for a potential GHG storage formation or GHG injection site and inject, for appraisal purposes, a greenhouse gas substance in the permit area.
- “GHG injection licence” - means a licence to carry out operations for the injection and permanent storage of greenhouse gas in the licence area, so long as the greenhouse gas substance is injected into, or permanently stored in, an identified greenhouse gas storage formation.
- “GHG injection operation” – describes the types of GHG injection activities.
- “GHG lease area” – means the area constituted by the blocks that are the subject of a GHG retention lease.
- “GHG lessee” – means the registered holder of a GHG retention lease.
- “GHG licensee” – means the registered holder of a GHG injection licence.
- “GHG operation” – describes the activities covered by the term but excludes the operations for the injection of carbon dioxide, as defined in section 3 of the State Agreement *Barrow Island Act 2003*.
- “GHG permit area” - means the area constituted by the blocks that are the subject of a GHG exploration permit.
- “GHG permittee” – means the registered holder of a GHG exploration permit.

- “GHG retention lease” - introduces a new type of retention or holding lease for GHG purposes.
- “GHG special prospecting authority” - introduces a new type of special prospecting authority lease and allows limited exploration for a potential GHG storage formation or GHG injection site but does not authorise the drilling of a well.
- “greenhouse gas substance or GHG” – describes the substances which, for the purpose of the Bill, can be stored.
- “identified GHG storage formation” – is that part of a geological formation that, using the fundamental suitability determinants set out in the application, is part of an eligible greenhouse gas storage formation under section 69E(1)(c).
- “incidental greenhouse gas-related substance” – this term is described in more detail in new section 6AC(2) inserted by clause 7.
- “other protected person” – means a person who is at or near a place at the invitation or with the express or implied consent of the operator or person in control of a petroleum, geothermal or GHG operation.
- “partly cancelled” – in relation to a permit, drilling reservation, or licence means cancelled as to one or more but not all of the blocks the subject of the permit, drilling reservation, or licence.
- “permit area” – means the area constituted by the blocks that are the subject of a permit.
- “petroleum exploration operation” – means an operation to explore for petroleum, and the carrying on of such operations and the execution of such works as are necessary for that purpose.
- “potential GHG injection site” - is a place that: (a) is a suitable place to make a well or wells to inject a greenhouse gas substance into a part of a geological formation.
- “potential GHG storage formation” – this term is described in more detail in new section 6AA(1) inserted by clause 7.
- “site plan” – is a document that relates to an identified greenhouse gas storage formation and complies with such requirements as are specified in the regulations. The site plan is divided into the two parts - Part A, which sets out predictions for the behaviour of a greenhouse gas substance stored in the identified greenhouse gas storage formation; and Part B, which deals with other matters.
- “spatial extent” – definition provided in clause 7 section 6AB(3).

Clause 6(3) amends the definition of “**access authority**” – to introduce a new type of access authority to allow the holder of a GHG exploration permit, GHG drilling reservation GHG lease area or a GHG injection license to conduct greenhouse gas exploration activities outside of their title areas.

Clause 6(4) amends the definition of “**drilling reservation**” to introduce a new type of drilling reservation to allow the holder of a GHG exploration permit to drill for a potential GHG storage formation or GHG injection site and inject a greenhouse gas substance in the drilling reservation area for appraisal purposes.

Clause 6(5) extends the definition of “**facility**” to include a structure for, or in connection with, carrying out a GHG operation along with those for petroleum and geothermal operations.

Clause 6(6) amends the definition of “**geothermal drilling reservation**” by deleting the reference to “section 43D(2)” and replacing it with “Part III” as, following the introduction of a greenhouse gas drilling reservation, there are now three types of drilling reservations.

Clause 6(7) amends the definition of “**geothermal energy operation**” to include a “geothermal exploration operation” as one of the types of a “geothermal energy operation”.

Clause 6(8) amends the definition of “**geothermal exploration permit**” by deleting the reference to “section 38(2)” and replacing it with “Part III.”

Clause 6(9) extends the definition of “**lease**” to include a GHG retention lease.

Clause 6(10) extends the definition of “**licence**” to include a GHG injection licence.

Clause 6(11) extends the definition of “**operator**” to include all types of GHG operations so that the registered holder of a GHG title is the “operator”.

Clause 6(12) extends the definition of “**permit**” to include a GHG exploration permit.

Clause 6(13) amends the definition of “**petroleum drilling reservation**” by deleting the reference to “section 43D(1)” and replacing it with “Part III” as, with the introduction of a greenhouse gas drilling reservation, there are now three types of drilling reservations.

Clause 6(14) amends the definition of “**petroleum exploration permit**” by deleting the reference to “section 38(1)” and replacing it with “Part III” as, with the introduction of a greenhouse gas exploration permit, there are now three types of exploration permits.

Clause 6(15) amends the definition of “**petroleum operation**” to include a “petroleum exploration operation” as one of the types of a “petroleum operation”.

Clause 6(16) extends the definition of “**special prospecting authority**” to include a GHG special prospecting authority.

Clause 6(17) extends the definition of “**well**” to include GHG operations.

Clause 6(18) inserts the word “or” at various places in the definitions of “**geothermal energy operations**”, “**operator**”, and “**petroleum operation**”.

Clause 7 – Sections 6AA, 6AB and 6AC inserted

Clause 7 inserts the following specific greenhouse gas terms:

6AA – Potential GHG storage formation

A “***potential greenhouse gas storage formation***” is a part of a geological formation that is suitable for the permanent storage of a greenhouse gas substance injected into that part of the formation. It is not necessary to identify the GHG substance and reasonable foreseeable technological developments may be taken into account.

6AB - Eligible GHG Storage Formation and related terms

An “***eligible greenhouse gas storage formation***” in subclauses (1) and (2) is a part of a geological formation that is suitable for the permanent storage of a particular amount (at least 100,000 tonnes) of a particular greenhouse gas substance injected at a particular point or points over a particular period. A greenhouse gas title-holder who reasonably believes that the title area contains an eligible greenhouse gas storage formation may apply for a declaration that it is an “identified greenhouse gas storage formation”.

“**Spatial extent**” of an eligible greenhouse gas storage formation in subclause (3) is the expected migration pathway or pathways, over the period including the proposed injection period plus the notional site closing period.

The “***notional site closing period***” listed in subclause (6) is the time between the end of the proposed injection period and the estimated earliest time when there will be sufficient certainty about the fate of the injected greenhouse gas substance to enable the Minister to grant a site closing certificate.

The “***fundamental suitability determinants***” of the eligible greenhouse gas storage formation in subclause (9), are:

- (a) the amount of greenhouse gas substance that it is suitable to store;
- (b) the chemical composition of the greenhouse gas substance that it is suitable to store;
- (c) the proposed injection point or points;
- (d) the proposed injection period;
- (e) the effective sealing feature, attribute or mechanism of the formation that makes it suitable for the permanent storage.

6AC Incidental greenhouse gas –related substance

An “***incidental greenhouse gas-related substance***” - in relation to a primary greenhouse gas substance is:

- (a) any substance that is incidentally derived from the source material;
- (b) any substance that is incidentally derived from the capture;
- (c) if the primary greenhouse gas substance, whether in a pure form or in a mixture with other substances, is transported — any substance that is incidentally derived from the transportation;
- (d) if the primary greenhouse gas substance, whether in a pure form or in a mixture with other substances, is injected into a part of a geological formation—any substance that is incidentally derived from the injection;
- (e) if the primary greenhouse gas substance, whether in a pure form or in a mixture with other substances, is stored in a part of a geological formation—any substance that is incidentally derived from the storage.

Clause 8 – Section 7AA amended

This clause expands the operations where prescribed occupational safety and health laws do not apply, to now include a GHG operation in addition to the current petroleum operations and geothermal operations. This is because the petroleum and geothermal legislation has its own comprehensive occupational safety and health regime at Schedule 1 and also associated occupational safety and health and safety case regulations.

Clause 9 – Section 9 amended

This clause includes potential GHG storage formations and potential GHG injection sites as being the property of the Crown along with the existing petroleum and geothermal energy resources. The heading of this section in the Act is accordingly amended to now read “Certain resources and formations declared to be property of Crown”.

Clause 10 – Section 10 amended

This clause ensures that reservations in Crown grants and leases issued before, on, or after the commencement of the Act now also include potential GHG storage formations and potential GHG injection sites in addition to petroleum and geothermal energy.

Clause 11 – Section 11 amended

This clause extends the Minister's current power to search and obtain petroleum and geothermal energy resources on any vacant Crown land, or any other land, to now include GHG operations. The same compensation provisions for interference with the use of land that currently apply to petroleum and geothermal operations, are extended to GHG operations.

The heading of this section in the Act is accordingly amended to now read "Minister may carry on petroleum, geothermal energy or GHG operations".

Clause 12 – Section 15 amended

This clause corrects a minor drafting error to this section, which details the authority conferred by the grant of petroleum and geothermal permits, drilling reservations, retention leases and production licences, where "area" was not included after drilling reservation.

Clause 13 – Section 15A amended

This clause extends the existing provisions that require the Minister's consent for entry onto reserves for the purposes of exploration for petroleum or geothermal energy resources or for carrying out operations for the recovery of petroleum or geothermal energy resources, to now include carrying out GHG operations.

Clause 14 – Section 16 amended

This clause extends the existing provisions that require the consent of the owner or trustees of land in certain cases for exploration for petroleum or geothermal energy resources or for carrying out operations for the recovery of petroleum or geothermal energy resources, to include carrying out GHG operations.

Clause 15 – Section 17 amended

This clause extends the existing provisions that provide that no compensation is to be paid to the owners and occupiers of private land for any gold, minerals, petroleum, geothermal energy resources or geothermal energy known, or supposed to be on or under the land, to now include potential GHG storage formations or potential GHG injection sites.

Clause 16 – Section 24 amended

This clause extends the existing provisions that provide for matters for which compensation is not payable for any gold, minerals, petroleum, geothermal energy resources or geothermal energy known, or supposed to be on or under the land, to now include potential GHG storage formations or potential GHG injection sites.

Clause 17 – Part III heading replaced

The heading to Part III is deleted and replaced by the new heading "Operations relating to recovery of petroleum and geothermal energy or GHG injection and storage."

Clause 18 – Section 28 amended

This clause extends the existing provisions for which the Minister may reserve blocks to cover a situation (e.g. for defence purposes) where it is necessary to exclude a block, to now include a GHG title along with the petroleum and geothermal titles.

Clause 19 – Section 29 amended

This clause extends the existing provisions of this section to require that a person or company must have a title under the Act before exploring for a potential GHG storage formation or potential GHG injection site.

The heading of this section is also amended to now read “Exploration for petroleum, geothermal energy resources, potential GHG storage formations and potential GHG injection sites restricted”.

Clause 20 – Section 30 amended

This clause extends the existing provisions, whereby the Minister may invite applications for the grant of a permit to include the grant of a GHG exploration permit. It also provides that applications may be required to include information concerning the source, volume and composition of the greenhouse gas substance that is to be injected and stored and any other information that the Minister considers relevant.

Clause 21 – Section 31A inserted

This clause inserts a new provision that requires the Minister to notify the holder of a petroleum retention lease or a petroleum production licence of the proposal to place an advertisement inviting applications for the grant of a GHG retention lease or a GHG injection licence for blocks within the holder’s lease or licence area. This provides the entitlement for the petroleum lessee or petroleum licensee to have first priority in the grant of the GHG retention lease or a GHG injection licence without having to apply through the advertisement process where blocks overlap.

Clause 22 – Section 31 amended

This clause extends the existing provisions that detail the process for applying for a permit to now include potential GHG storage formations or potential GHG injection sites. GHG permits are aligned to the petroleum provisions in stipulating a maximum for a GHG exploration permit of 400 blocks. One graticular block equates to approximately 80 square kilometres meaning the potential maximum size for GHG exploration operations is 32,000 square kilometres. The clause also inserts a specific GHG requirement that may be required to include information concerning the source, volume and composition of the greenhouse gas substance that is to be injected and stored and any other information that the Minister considers relevant.

Clause 23 – Section 32A amended

This clause extends the existing provisions covering the process where there is more than one application for the same block or blocks to now include GHG exploration permits in addition to petroleum and geothermal exploration permits.

Clause 24 – Section 32 amended

This clause extends the existing provisions, covering the grant or refusal of a petroleum or geothermal exploration permit, to now include GHG exploration permits.

Clause 25 – Section 33 amended

This clause extends the existing provisions covering the grant or refusal of a petroleum and geothermal exploration permit in respect to surrendered, cancelled or determined blocks to now include GHG exploration permits.

Clause 26 – Section 35 amended

Clause 26 amends the provisions in section 35 that deal with consideration of applications for blocks that were previously included in a location to include the new GHG provisions inserted in section 33 by clause 25. The section also sets out the procedure if one or more applications are received and the details that must be included in an offer document.

Clause 27 – Section 37 amended

This clause extends the existing provisions covering the grant of a permit offered in section 35 to now include GHG exploration permits.

Clause 28 – Section 37A amended

This clause extends the existing provisions, which details how an original petroleum or geothermal permit of two or more blocks may be divided into two or more permits, to now include GHG exploration permits.

Clause 29 – Section 38 amended

Clause 29 amends section 38(1) to clarify the existing rights conferred by a petroleum permit to cover exploration, recovery of petroleum on an appraisal basis to establish the nature and probable extent of a discovery of petroleum and carry on such works in the permit area. The amendment also provides consistency with the existing rights conferred by geothermal energy permits.

Clause 29 amends this section to also specifically state that a petroleum exploration permit and a geothermal exploration permit does not authorise the permittee to make a well outside the permit area.

The heading of this section in the Act is accordingly amended to now read “Rights conferred by petroleum exploration permit or geothermal exploration permit”.

Clause 30 – Section 39A inserted

This clause is inserted as a separate section to section 38, which covers the rights conferred by petroleum exploration permit or geothermal exploration permit, to detail the rights conferred by a GHG exploration permit. As well as exploration, injection and storage on an appraisal basis, these rights also extend to allowing, with the Minister's consent, the GHG permittee to recover either petroleum or geothermal energy for the sole purpose of appraising the discovery.

Clause 31 – Section 40 amended

Section 40 deals with applications for the renewal of a petroleum exploration permit and a geothermal exploration permit. Clause 31 adds in a reference to new section 42B which is inserted by clause 34 to provide for the renewal of GHG exploration permits.

Clause 32 – Section 41 amended

This clause extends the existing provisions relating to the mandatory relinquishment of blocks upon the renewal of a permit to now include blocks in an identified GHG storage formation.

Clause 33 – Section 42A amended

This clause amends the provisions of section 42A, to specifically detail that petroleum exploration permits and geothermal exploration permits granted after 25 May 2010 cannot be renewed more than twice. This date was the commencement of the renewal provisions contained in the *Petroleum and Energy Legislation Amendment Act 2010*. A separate section for GHG exploration permits is inserted by clause 34.

The heading of this section is accordingly amended to now read "Certain petroleum exploration permits and geothermal exploration permits cannot be renewed more than twice".

Clause 34 – Section 42B inserted

This clause inserts a new section that details that all GHG exploration permits cannot be renewed more than once and allows a potential maximum of eleven years for the tenure of a GHG exploration permit. This is to avoid the possibility of the permit being retained indefinitely and to intensify the exploration effort to lead to early progression to the injection phase.

This provision is different to that for petroleum exploration permits and geothermal exploration permits granted on or after 25 May 2010 which cannot be renewed more than twice.

Clause 35 – Section 43A amended

This clause extends the existing provisions relating to the advertisement of blocks for drilling reservations to now include applications for a GHG drilling reservation and for these there may be the requirement to include information concerning the source, volume and composition of the greenhouse gas substance that is proposed to be injected and stored and any other information that the Minister considers relevant.

This clause also makes a minor drafting correction to change “petroleum lease” and “geothermal lease” to “petroleum retention lease” and “geothermal retention lease” respectively.

Clause 36 – Section 43B amended

This clause extends the existing provisions relating to applications for drilling reservations to now include the size and configuration of potential GHG storage formations or GHG injection sites and for applications to include information concerning the source, volume and composition of the greenhouse gas substance (if required) that is proposed to be injected.

Clause 37 – Section 43CA amended

This clause extends the existing provisions covering the process where there is more than one drilling reservation application for the same block or blocks to now include GHG drilling reservations.

Clause 38 – Section 43C amended

This clause makes a minor drafting amendment to delete an incorrect cross reference to “s43B” when it should be “s43A.”

Clause 39 – Section 43D amended

This clause deletes existing section 43(D)(1) and inserts a new provision to clarify the existing rights conferred by a petroleum drilling reservation to cover exploration, recovery of petroleum on an appraisal basis to establish the nature and probable extent of a discovery of petroleum and carry on such works in the permit area. The amendment also provides consistency with the existing rights conferred by geothermal energy drilling reservations.

Clause 40 – Section 43EA inserted

This clause is inserted as a separate section to 43D, which covers the rights conferred to the holder of a petroleum drilling reservation or a geothermal drilling reservation, to detail the rights conferred to the holder of a GHG drilling reservation. As well as exploration, injection and storage on an appraisal basis, these rights also extend to allowing, with the Minister’s consent, the holder of a GHG drilling reservation to recover either petroleum or geothermal energy for the sole purpose of appraising the discovery.

Clause 41 – Section 44 replaced

This clause inserts a new section 44 to extend the existing provisions, which covers the requirement to report on petroleum and geothermal energy resources discoveries in exploration permit and drilling reservation areas, to now include potential GHG storage formations and potential GHG injection sites in a GHG permit area or GHG drilling reservation area.

This is to ensure that the Minister has the full range of options available such as instructing the permittee or lessee to collect a specific type of core, cutting or sample when the drilling operations are still on-going. This clause also covers the reporting of petroleum discoveries in geothermal and GHG areas, geothermal discoveries in petroleum and GHG areas, and GHG discoveries in petroleum and geothermal areas.

Clause 42 – Section 46 amended

This clause corrects a minor drafting error where “area” was not included after drilling reservation on four separate occasions in the provisions covering the nomination of blocks as a location.

Clause 43 – Section 47 amended

This clause corrects a minor drafting error where “area” was not included after drilling reservation on two separate occasions in the provisions covering the declaration of a location.

Clause 44 – Section 48A amended

This clause extends the existing provisions, which detail the process for a petroleum or geothermal permittee or the holder of a petroleum or geothermal drilling reservation to apply for a retention lease over location blocks, to now include GHG permittees and holders of a GHG drilling reservations. In the case of GHG exploration permits or drilling reservations, the application will be over blocks within the identified storage formation.

Unlike petroleum and geothermal energy retention leases, GHG retention leases will require an assessment by the applicant as to when the applicant will be in a position to carry on a GHG injection operation rather than on the commercial viability criteria.

Clause 45 – Section 48B amended

This clause extends the existing provisions, which detail the two requirements that must be satisfied before the Minister will grant a retention lease, to now include applications for retention leases from GHG permittees or the holders of GHG drilling reservation.

That is, the block, or any one or more of the blocks, specified in the application must contain an identified GHG storage formation and that the applicant is not in a position to carry on a GHG injection operation in respect of that identified GHG storage formation but is likely to be in such a position within the period of 15 years after that time.

The clause also enables the Minister to refuse a retention lease being granted over blocks specified in the application where the Minister is not satisfied the applicant meets the required criteria.

Clause 46 – Section 48BA amended

This section clarifies that in circumstances where a permit or part of a permit is in the process of being converted to a retention lease and the ownership of the permit is transferred, this amendment enables the Minister to recognise the transferee as the applicant for the retention lease. This clause extends the existing provisions of this section to now include applications for retention leases from GHG permittees or the holders of GHG drilling reservation.

Clause 47 – Sections 48CAA, 48CAB 48CAC inserted

This clause inserts three new sections relating to applications for GHG retention lease from petroleum retention lessees.

New section 48CAA details the information to be provided by a petroleum lessee for an application for a GHG retention lease.

New section 48CAB provides for the Minister to grant or refuse an application from the holder of a petroleum retention lease for a GHG retention lease depending on whether the Minister is satisfied that the area comprises in the block or any one or more of the blocks specified in the application contains an identified GHG storage formation. In granting the lease, the Minister would need to be satisfied that the applicant is not at the time of the application, in a position to carry on a GHG operation but is likely to be in such a position within 15 years.

Lastly, new section 48CAC, enables, in circumstances where a petroleum retention lease has been transferred, for the Minister to recognise the transferee party as being the applicant for the retention lease.

Clause 48 – Section 48CA amended

This clause extends the existing provisions of section 48CA, to now include applications for retention leases from the holders of GHG injection licences where no GHG injection operation is being carried on under the licence or, an unused area in the licence.

This section is required due to a new provision (section 64A inserted by clause 76) which enables termination of a licence if no GHG injection operations have been carried out for a continuous period of at least five years.

The application period for a retention lease, in this circumstance, is five years commencing from the date the GHG injection licence was granted or from the last day on which GHG injection operations were carried on.

Clause 49 – Section 48CB amended

This clause extends the existing provisions of section 48CB, which provides for the Minister to grant or refuse an application for a retention lease from a petroleum or geothermal production licensee, to now include applications for retention leases from the holders of GHG injection licences.

In granting the lease, the Minister would need to be satisfied that the holders of a GHG injection licence are not in a position to carry on a GHG injection operation in the unused area and are likely to be in such a position within 15 years.

Clause 50 – Section 48CC amended

This clause extends the existing provisions of section 48CC to now include applications for retention leases from the holders of GHG injection licences. This section provides for the Minister, in circumstances where a licence has been transferred, to recognise the transferee party as being the applicant for the retention lease.

Clause 51 – Section 48C amended

This clause clarifies the existing rights conferred by a petroleum retention lease to cover exploration, recovery of petroleum on an appraisal basis to establish the nature and probable extent of a discovery of petroleum and to carry on such operations and execute such works as are necessary.

This provision also confirms that a geothermal energy retention lease does not authorise the lessee to make a well outside the lease area.

Clause 52 – Section 48DA inserted

This clause inserts new provisions for the rights conferred by GHG retention leases. The holder of a GHG lease can inject air, petroleum or water for storage on an appraisal basis. The holder of a GHG lease is, with the written consent of the Minister, allowed to recover petroleum and geothermal energy.

If either petroleum or geothermal energy is recovered as authorised by the Minister, the petroleum or geothermal energy do not become the property of the lessee.

Clause 53 – Section 48E amended

This clause extends the existing provisions by which the Minister may give notice of the intention to cancel a retention lease to now include GHG retention leases if the Minister is of the opinion that the lessee is in a position to carry on a GHG injection operation.

Clause 54 – Section 48F amended

This clause extends the existing provisions which detail the information to be provided by the holder of a petroleum and geothermal retention lease in an application for the renewal of a retention lease to now include GHG retention leases.

Clause 55 – Section 48G amended

This clause extends the existing provisions to include GHG retention leases in the grant or refusal of renewal provisions currently applying to petroleum and geothermal retention leases.

Clause 56 – Section 48HA inserted

This clause inserts a new section that provides that GHG retention leases cannot be renewed more than once. This is to avoid the possibility of the lease being retained indefinitely and intensifies the exploration effort to lead to early progression to the injection phase.

Clause 57 – Section 48H amended

This clause extends the existing provisions which detail the conditions applying to petroleum and geothermal retention leases to now include GHG retention leases. This clause also amends section 48 to allow for a lease to include a condition requiring the lessee to report in writing upon a written request from the Minister, on the re-evaluation of the potential to carry on a GHG injection operation.

Clause 58 – Section 48J replaced

This clause extends the existing provisions covering the requirement for the holder of a retention lease to report on petroleum and geothermal energy resources discoveries in the lease area to now include discoveries of potential GHG storage formations and potential GHG injection sites.

The heading of this section in the Act is also amended to now read “Certain discoveries in lease area to be notified”.

Clause 59 – Section 48K deleted

This amendment corrects a drafting oversight where this clause was not deleted in an earlier Amendment Bill. The provision which enables the Minister to direct the holder of a petroleum or geothermal energy retention lease to do such things necessary to determine the properties and quantity of the discovered resource is no longer necessary as the required information is technical in nature and will be included in proposed resource management regulations which are currently being drafted.

Clause 60 – Part III Division 3 heading amended

This clause amends the name of this Division to extend the coverage to include GHG injection licences which are the equivalent of petroleum and geothermal production licences.

Clause 61 – Section 49A inserted

This clause inserts a new section to make it mandatory that a person has authority under the Act to engage in GHG injection operations. These provisions are identical to the provisions for the recovery of petroleum and geothermal energy set out in section 49, where a petroleum production licence and a geothermal production licence are required for the recovery of petroleum and geothermal energy respectively, and imposes the same penalty for any breach.

Clause 62 – Section 50 amended

This clause amends the provisions of section 50, to restrict the application for a petroleum production licence or a geothermal production licence to be only from the holder of a petroleum exploration permit or drilling reservation or a geothermal exploration permit or drilling reservation respectively. The amendments are required as the primary and secondary licence entitlement concept applies only to petroleum production licences.

The heading of this section has also been amended to now read “Application by permittee or holder of drilling reservation for petroleum production licence or geothermal production licence”.

GHG injection licences have different provisions and will be described separately in new section 50AA which is added by clause 63.

Clause 63 – Section 50AA inserted

This clause inserts a new section that details the conditions for making an application for the grant of a GHG injection licence from a GHG permittee or the holder of a GHG drilling reservation.

The clause also provides that if the application relates to blocks where a retention lease has been refused, then an application for an injection licence must be lodged submitted within 12 months from the date of the refusal instrument.

Clause 64 – Section 50A amended

Section 50A details the formula that applies in determining the number of blocks that can be granted to retention leases holders.

The main amendment made to section 50A by clause 64 is to insert new provisions at section 50(2A) to provide the formula for calculating the number of blocks in a GHG injection licence.

Clause 64 also amends this section by changing “petroleum lease” and “geothermal lease” to “petroleum retention lease” and “geothermal retention lease” and corrects a reference error that stated that geothermal retention lease holders were able to make application for the grant of a licence for a number of blocks that is less than the entitlement.

Clause 65 – Section 51 amended

Section 51 details the process that the holder of a petroleum exploration permit, petroleum drilling reservation, petroleum retention lease or a geothermal exploration permit, geothermal drilling reservation or geothermal retention lease must undertake when applying for a petroleum production licence or a geothermal production licence.

This clause in the Bill extends the provisions of this section to now include applications for GHG injection licences from GHG permittees or the holders of a GHG drilling reservation and for these to include information specifying the

source, volume and composition of the greenhouse gas substance that is to be injected and stored.

The heading of this section is also been amended to now read “Application for licence under s. 50, 50AA or 50A, requirements for” to correctly reflect the various sections under which an application could originate.

Clause 66 – Section 53 amended

This clause extends the provisions of section 53, which details the process for the notification of the grant of a production licence, to now include applications for GHG injection licences.

Clause 67 – Section 54 amended

This section currently provides for the grant of a production licence only over a block or blocks for which the Minister is satisfied contains petroleum or geothermal energy resources. This clause will extend the scope of this section to include the granting of GHG injection licences where the Minister is satisfied that the block or blocks contains an identified GHG storage formation.

The clause also makes a minor drafting improvement to replaces the term “instrument” with the more correct term “notice”.

Clause 68 – Section 54A amended

This clause extends the existing provisions of section 54A to now include applications for GHG injection licences from GHG permittees or holders of GHG drilling reservations under section 50AA. This section provides for the Minister, in circumstances where a permit or drilling reservation has been transferred, to recognise the transferee party as being the applicant for the production or injection licence.

Clause 69 – Section 55 amended

This section provides for the variation of a petroleum production licence and this clause deletes an incorrect reference to “s53(2A)(c)” which is a geothermal provision.

Clause 70 – Section 57 amended

Section 57 details the process for applying for a production licence covering blocks that were previously included in a location. Clause 70 of the Bill extends the provisions of this section to now include GHG licences in identified GHG storage formations. An application for a GHG injection licence must also specify the source, volume and composition of the greenhouse gas substance to be injected and stored.

This clause also corrects a drafting error where the term “petrol” was incorrectly used and has been replaced by “petroleum” in s.57(1)(ba).

Clause 71 – Section 59 amended

This clause extends the existing provisions of section 59, which provides for the “offer” or request to grant stage in the grant of an application for a

petroleum or geothermal production licence that were previously included in a location, to now include applications for GHG injection licences.

Clause 72 – Section 60 amended

This clause extends the existing provisions of section 60, which provides for the grant of an application for a petroleum or geothermal production licence where an offer has been made under section 59, to now include applications for GHG injection licences.

Clause 73 – Section 61 amended

This clause amends the provisions of section 61, to clarify that the option to split a production licence is only available to petroleum or geothermal licences. It does not apply to GHG injection licences as it would not be appropriate in the context of injection of GHG into a storage formation.

The heading of this section is also been amended to now read “Petroleum production licence or geothermal production licence for 2 or more blocks may be divided into 2 or more licences.”

Clause 74 – Section 62 amended

This clause extends the existing provisions detailing the rights conferred to the holder of a petroleum or geothermal production licence, to now include GHG injection licences. The rights for a GHG licensee are to inject and permanently store a greenhouse gas substance into an identified GHG storage formation; explore for a potential GHG storage formation or for a potential GHG injection site; and carry out any such operations or execute any such works as are necessary for these purposes.

A GHG licensee, with the written consent of the Minister, is able to recover petroleum or geothermal energy discovered as an incidental consequence of GHG injection or storage operations. Any petroleum or geothermal energy so recovered does not become the property of the GHG licensee. In addition a GHG licence does not authorise the licensee to make a well outside the licence area.

Clause 75 – Section 63 amended

This clause extends the existing provisions of section 63, which details the term of petroleum production licences and geothermal production licences, to now include that GHG injection licences remain in force indefinitely.

Clause 76 – Section 64A amended

This clause extends the existing provisions of section 64A, which cover the conditions for the termination of petroleum and geothermal production licences, to now include that an indefinite term GHG injection licences may be terminated if the licensee has not carried on any GHG injection operations under the licence at any time during a continuous period of at least five years.

As with petroleum production licences and geothermal production licences, dispensation is given for any period where no such operations were carried out due to circumstances beyond the licensee’s control (ie: force-majeure).

Clause 77 – Section 66 amended

This clause extends the provisions of section 66 “Conditions of licence”, which provides that petroleum and geothermal production licences may be granted subject to such conditions as the Minister thinks fit, to also include GHG injection licences.

The clause introduces provisions for regulations which may establish a regime for third party access to services provided by means of the use of (a) identified GHG storage formations; or (b) wells, equipment or structures for use in injecting greenhouse gas substances into identified GHG storage formations; or (c) equipment or structures for use in the processing, compressing or storing of greenhouse gas substances prior to the injection of the substances into identified GHG storage formations.

Clause 78 – Section 69 amended

Clause 78 extends the unit development provisions in section 69 to now include GHG injection licences. In brief, unit development means the setting up of cooperative arrangements between persons carrying on operations for recovering petroleum from a pool, or geothermal energy from a geothermal resources area or GHG injection operations into an eligible GHG storage formation which is situated partly in one injection licence area and partly in another licensee’s injection licence area.

The overriding principle behind section 69 is that unless there is some provision enabling the coordinated recovery of petroleum from such a pool, severe injustices may be inflicted on a licensee having rights in respect of the pool by the actions of another party having rights in respect of the same pool, and who unfairly, or improperly, draws petroleum from the pool.

If the parties cannot voluntarily conclude a unit development agreement, or do not do so even after being directed to do so by the Minister, the section provides that the Minister can formulate a unit production scheme for the pool after considering any suggestions or schemes put forward by the parties involved. A dealing documenting the unit development agreement is required to be approved and registered on the title under section 75 of the Act. The same principals will apply to GHG injection operations.

Clause 79 – Part III Division 3A heading amended

This clause amends the name of this Division to extend the coverage to include GHG titles. The heading now reads “Petroleum titles, geothermal titles and GHG titles may subsist in respect of same blocks”.

Clause 80 – Section 69A amended

Section 69A describes the types of petroleum and geothermal titles that can subsist on the same block. That is, exploration permits, drilling reservations, retention leases, production licences, special prospecting authorities or access authorities. Clause 80 extends this section to now include equivalent GHG titles.

The section provides that petroleum, geothermal and GHG titles may overlap each other. It allows for the concept of multipurpose land use by providing that the Minister must write to the registered holder of the first title, allowing at least one month's notice and take into account any matters that the person wishes the Minister to consider before a new title is granted. This process is a consultation mechanism rather than a right to veto an application.

The heading of this section is also been amended to now read "Petroleum titles, geothermal titles and GHG titles may subsist in respect of same blocks".

Clause 81 – Part III Division 4A inserted

This clause inserts a new Division and includes a significant number of sections for matters specific to GHG injection and storage. The new sections commence at section 69B and extend through to section 69JT.

Subdivision 1 – Declaration of identified GHG storage formation

Section 69B - Application for declaration of identified GHG storage formation

This new section contains provisions relating to a GHG titleholder applying for an identified GHG storage formation and also provides a mechanism for the holder of a petroleum retention lease or production licence to apply for a declaration of an identified GHG storage formation should it be required as a result of an acreage release via section 31A inserted by clause 21.

In order for the holder of a GHG exploration permit or drilling reservation to advance to a GHG injection licence or GHG retention lease, the titleholder must obtain a declaration of a part of a geological formation as an "identified GHG storage formation". The identified GHG storage formation must be wholly situated within the titleholder's permit area.

It is possible to have a second and subsequent identified GHG storage formation declared, provided each of them is wholly situated within the titleholder's current permit area, or within an injection licence or retention lease that is derived from that original permit area.

The declaration of an identified GHG storage formation is a core document that corresponds to the declaration of a petroleum location. Unlike a petroleum location, however, the declaration of the identified GHG storage formation retains its significance over the whole life of the GHG project. This is because the injection licence will be controlled via licence conditions determined by the matters specified in the declaration of the identified storage formation.

An application for declaration of an identified GHG storage formation must set out:

- the applicant's reasons for believing that the geological formation is an 'eligible' GHG storage formation – ie that it is suitable for the

permanent storage of a particular amount of a particular greenhouse gas substance;

- the 'fundamental suitability determinants' of the eligible GHG storage formation; and
- an estimate of the spatial extent of the eligible GHG storage formation.

Section 69C – Requirement for further information or further analysis

This new section allows for the Minister to request in writing further information in connection with the application for the declaration of an identified GHG storage formation.

If the application fails to provide the required information, the Minister may by written notice, refuse to consider the application, or refuse to take any action or further action.

Section 69D – Variation of application

This section has been inserted so that prior to a decision on the application, the applicant or the Minister may vary any or all of the fundamental suitability determinants or the spatial extent estimated in the application.

Section 69E - Declaration of identified GHG storage formation

Following an application under 69B, if the Minister is satisfied that using the fundamental suitability determinants set out in the application that a part of a geological formation is an eligible GHG storage formation and that the estimate of the spatial extent is a reasonable estimate of the spatial extent set out in the application of the eligible GHG storage formation, the Minister may declare an identified GHG storage formation.

A declaration must set out the estimate of the spatial extent of the identified storage formation and must set out the fundamental suitability determinants specified in the application. A copy of the declaration must be published in the Gazette.

Section 69F – Refusal to make declaration

If an application is made under section 69B in relation to a part of a geological formation and the Minister is not required by section 69E(1) to make a declaration then the Minister must, by written notice given to the applicant, refuse to declare that part is to be an identified GHG storage formation.

Section 69G – Variation of declaration

If a declaration of an identified storage formation is in force, the Minister may by instrument in writing vary the declaration. A variation may be made by the GHG titleholder, or at the Minister's own initiative.

An application for a variation must set out the proposed variation and specify the reasons for the proposal.

The Minister must have regard to any new information, any new analysis and any relevant scientific or technological developments.

Before varying a declaration on the Minister's own initiative, the Minister must consult with the GHG titleholder and a copy of a variation must be published in the Gazette.

Section 69H - Revocation of declaration

If a declaration of an identified storage formation is in force, the Minister may revoke the declaration if the Minister is satisfied that, using any set of fundamental suitability determinants, that the part is not an eligible GHG storage formation.

A copy of the revocation must be published in the Gazette and before revoking a declaration, the Minister must consult with the GHG titleholder. If the Minister proposes to revoke a declaration, the option to instead vary the declaration under s.69G must be considered.

Subdivision 2 – Approved site plans

Section 69I – Approved site plans

The site plan is the core document for each greenhouse gas injection and storage project and will form the basis for the day-to-day regulatory interaction between the injection licensee and the Minister. The site plan will keep the Minister informed, at an appropriate level of detail, of the geological attributes or features of the storage formation, as they are currently known, current and proposed injection and storage operations, the results of ongoing monitoring and verification programs and predictions as to the short, medium and long-term behaviour and fate of the greenhouse gas in the identified storage formation and associated geological formation(s). Most of the details of the requirements for site plans will be provided for in regulations and may include:

- that a GHG licensee must not carry on any operations in relation to an identified GHG storage formation specified in the licence unless an approved site plan is in force;
- that if an approved site plan is in force in relation to an identified GHG formation specified in a GHG injection licence, the GHG licensee must comply with the approved site plan;
- that the Minister approves draft site plans. If the Minister approves a draft site plan, the approved plan, comes into force at the time of the approval and remains in force indefinitely unless the Minister withdraws approval of the site plan.
- for the withdrawal or variation of approved site plans. Regulations made for the variation of an approved site plan may require a GHG licensee to prepare a draft variation periodically, in such circumstances as are specified in the regulations or, when so required by the Minister.

Subdivision 3 – Serious situations

Section 69JA – When serious situation exists

This section sets out that a serious situation for an identified GHG storage formation exists if

- an injected greenhouse gas substance has leaked or will leak;
- a greenhouse gas substance has leaked or will leak in the course of being injected;
- an injected greenhouse gas substance has behaved or will behave otherwise than as predicted in the approved site plan;
- the injection or storage of a greenhouse gas substance has had or will have a significant adverse impact on the geotechnical integrity of a geological formation or structure.
- The identified GHG structure is not suitable for the permanent storage of a greenhouse gas substance.

Section 69JB – Reporting of serious situations

This section requires the holder of a GHG injection licence to report a serious situation that has or may occur in relation to an identified GHG storage formation in a licence area.

Section 69JC – Minister may give directions

This provision provides for various directions the Minister may give a GHG licensee if, in the opinion of the Minister, a serious situation has occurred. The direction must be in writing and may include the requirement for the licensee to take all reasonable steps to ensure that a greenhouse gas substance is injected into the identified GHG storage formation in the manner specified in the direction.

This section also makes it an offence to not comply with a direction.

Subdivision 4 - Site closing certificates

Section 69JD – Application for site closing certificate

This section provides that a GHG licensee may apply to the Minister for a site closing certificate for an identified GHG storage formation if injection operations have ceased. The application for a site closing certificate must be made in the application period which is within 30 days of ceasing injection, or for a longer period of not more than 90 days after that day, as the Minister allows.

If there are grounds for cancelling a GHG licence (e.g. non-compliance with conditions of a licence), then the Minister may direct the licensee to make an application for a site closing certificate.

This section also make provisions for an application for a site closing certificate if a GHG injection licence is tied to a petroleum retention lease or a

petroleum production licence and the retention lease or petroleum production licence ceases to be in force as a result of being surrendered, cancelled, terminated or wholly revoked.

Under this scenario the Minister may direct the holder of the GHG tied licence to apply for a site closing certificate.

A GHG injection licence is tied to a petroleum retention lease or production licence if the GHG licence is derived from a GHG retention lease granted or renewed under section 48CAB inserted by clause 47.

Section 69JE – Requirements for application

This section details the requirements for an application for a site closing certificate under section 69JD and include

- a written report setting out the applicant's modelling of the behaviour of the injected greenhouse gas substance and information relevant to that modelling and analysis of that information;
- a written report setting out the applicant's assessment of the behaviour, expected migration pathway or pathways, the short term and long term consequences of the injected greenhouse gas substance, and
- the applicant's suggestions for the approach to be taken by the State after the issue of the certificate for monitoring the behaviour of the injected greenhouse gas substance.

The regulations may specify other information to be provided and the Minister may require further information in writing in connection with application.

Section 69JF – Acknowledgement of receipt of application

When an application has been made for a site closing certificate under section 69JD, the Minister must give the applicant a receipt of the application.

Section 69JG – Variation of application

Before a decision on an application for a site closing certificate is made by the Minister, the applicant may apply to vary the application.

A variation of an application may be made on the applicant's own initiative, or at the request of the Minister.

Section 69JH – Pre-certificate notice

If an application has been made for a site closing certificate and either the Minister is satisfied that injection operations have ceased, or that there have been no injection operations into the identified GHG storage formation, the Minister may give the applicant a 'pre-certificate notice.'

A pre-certificate notice is a written notice telling the applicant that the Minister is prepared to issue a site closing certificate for the identified GHG storage formation.

If the Minister is satisfied that there is a significant risk that a greenhouse gas substance injected into an identified GHG storage formation will have a significant adverse impact on the surface or any improvements of any land or any petroleum, mineral geothermal energy, geothermal resources, GHG operations or operations relating to the construction or operation of a pipeline, then the Minister must have regard to that significant risk in deciding whether to give the applicant a pre-certificate notice.

The Minister may refuse to give the applicant a pre-certificate notice if the Minister is not satisfied, that the GHG substance injected into the identified GHG storage formation is behaving as predicted in the approved site plan for the formation.

The Minister may also refuse to give the applicant a pre-certificate notice if the Minister is satisfied that there is a significant risk that a greenhouse gas substance injected into an identified GHG storage formation will have a significant adverse impact on the conservation of the resources of the soil or the Earth's crust, or the geotechnical integrity of the whole or a part of a geological structure, or the environment or human health or safety.

The Minister must not give the applicant a pre-certificate notice in relation to the identified GHG storage formation unless the Minister is satisfied that either the relevant statutory requirements have been complied with, or if not, that there are sufficient grounds to warrant the issue of the site closing certificate, or any conditions of the injection licence have been satisfied.

If an application is made for a site closing certificate the Minister must make a decision on the application within 5 years.

Section 69JI – Refusal to give pre-certificate notice

If the Minister refuses to give a pre-certificate notice under section 69JH for an application for a site closing certificate, the refusal must be given in writing.

Section 69JJ – Content of Pre-certificate notice

A pre-certificate notice given to a GHG licensee will include:

- a program for monitoring operations to be carried out by the State;
- an estimate of the total costs and expenses of this monitoring program; and
- the form and amount of security required to be lodged within a specified timeframe.

The purpose of obtaining this security is that the program of monitoring and verification will be carried out over a considerable time, and there is no certainty that the person responsible for payment of the costs and expenses will still be in existence, or still be in a financial position to reimburse the State.

Section 69JK – Issue of site closing certificate

If the injection licensee lodges the security in compliance with the issue of a pre-certificate notice in section 69JJ, the Minister must issue the site closing certificate.

Section 69JL – Transferee of GHG injection licence treated as applicant

If an injection licence is transferred under section 72 after an application is made for a site closing certificate but before the Minister has decided to issue the certificate, the new licensee will be treated as the applicant for the certificate for all purposes.

Section 69JM – Duration of site closing certificate

This section provides that a site closing certificate remains in force indefinitely.

Section 69JN – Transfer of site closing certificate

If a transfer of an injection licence is registered under section 72, a site closing certificate held by the previous licensee is transferred to the new licensee.

Section 69JO – Transfer of securities

Following on from section 69JN, if there is a security in force this section provides for the transfer of the interest in the security to the transferee.

Section 69JP – Discharge of securities

This section provides for regulations to be made for the discharge in whole or part by the Minister of securities in force in relation to site closing certificates.

Section 69JQ – Recovery of State's costs and expenses

This section provides that the costs and expenses of the State in carrying out the post site closing work program are recoverable from the holder of the site closing certificate.

Subdivision 5 – Long term liabilities in respect of GHG storage

Under the provisions in the Bill, the State accepts long term liability for stored GHG conditional on the provision of a site closing certificate and the declaration of a closure assurance period for the GHG storage formation.

Section 69JR – Closure assurance period

The Minister may declare a closure assurance period if, at least 15 years after a site closing certificate is issued, the Minister is satisfied that:

- the GHG injected is behaving as predicted, and
- there is no significant risk that the GHG will have a significant adverse impact on geological integrity of the formation, the environment, human health or safety.

The closure assurance period extends from the date on which the site closing certificate is granted to the date on which the closure assurance period is declared.

Section 69JS – Indemnity against long term liability

Long-term liability refers to risks beyond the operational phase of the project; the risks of harm to health, the environment, or property due to the leakage or migration of injected carbon dioxide. These risks can be minimised by ensuring a rigorous and robust site selection process, and effective monitoring and verification. Long-term liability involves both statutory liability and liability under common law.

The issue of liability is complicated by the fact that liabilities for greenhouse gas storage projects will run for centuries and extend far beyond the life of most companies and insurance contracts. In this instance, as with other industries, government would assume liability by default.

If the closure assurance period is declared, then the State will, subject to conditions which may be specified in the regulations, indemnify the GHG title holder for liability for damages for any act or omission done in the carrying out of operations authorised by the GHG title incurred or accrued after the end of the closure assurance period.

Section 69JS(3) provides for the standing requirement for the amount of any indemnity to be charged to Treasury’s Consolidated Account.

Section 69JT – State to assume long term liability if licensee has ceased to exist

Similar to the circumstances detailed in section 69JS, this section provides that the State will also assume long term liability if the GHG titleholder has ceased to exist.

Section 69JT(3) also provides for the standing requirement for the amount of any indemnity to be charged to Treasury’s Consolidated Account in the event that the licensee has ceased to exist.

Clause 82 – Section 70 amended

This clause corrects a minor drafting error to this section where “area” was not included after drilling reservation and also allows for the Register to include the declaration, variation and revocation of an identified storage formation.

Clause 83 – Section 72 amended

Section 72 provides for the approval and registration of transfers. Clause 83 amends the title of the *Petroleum and Geothermal Energy Resources (Registration Fees) Act 1967* referred to in section 72(9) to reflect the new Act title of the *Petroleum Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Clause 84 – Section 75 amended

Section 75 of the Act provides for the approval of dealings and creation of interests in existing titles. Clause 84 of this Bill expands the reference to the recovery of petroleum and geothermal energy in section 75(1)(c) to now include interests relating to greenhouse gas titles.

This clause also amends the title of the *Petroleum and Geothermal Energy Resources (Registration Fees) Act 1967* referred to in section 75(12) to reflect the new Act title of the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Clause 85 - Section 76 amended

Section 76 of the Act provides for the true consideration for a transfer or a dealing to be stated. Clause 85 amends the title of the *Petroleum and Geothermal Energy Resources (Registration Fees) Act 1967* referred to in sections 76(1) and 76(2) to reflect the new Act title of the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Clause 86 – Section 85 amended

Section 85 of the Act provides for the assessment of the fee payable under the *Petroleum and Geothermal Energy Resources (Registration Fees) Act 1967*. Clause 86 amends the title of the *Petroleum and Geothermal Energy resources (Registration Fees) Act 1967* referred to in section 85(1) to reflect the new Act title of the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

The heading of this section has also been amended to now read “Assessment of fee payable under *Petroleum, Geothermal Energy and Greenhouse Gas Storage (Registration Fees) Act 1967*”.

Clause 87 – Section 89 amended

This clause corrects a minor drafting error where “area” was not included after drilling reservation in the provisions of section 89 which sets the effective date for the surrender or cancellation of a permit, drilling reservation, lease or licence.

Clause 88 – Section 91 amended

Section 91 imposes a series of general and specific requirements or work practices on titleholders. The work practices are in accordance with good oil-field practice and ensure good reservoir engineering practices are followed at all times to ensure the conservation of petroleum, geothermal energy resources and water resources.

The main amendments in the clause now extend these work practice requirements to include all GHG operations.

Clause 88 also makes a drafting correction to clearly stipulate the responsibilities of petroleum, geothermal and GHG permittees, holders of a drilling reservation, lessees and licensees.

This clause also corrects a minor drafting error where “area” was not included after “drilling reservation” and extends the existing penalty to GHG title holders.

Clause 89 – Section 91A amended

Clause 89 amends section 91A which provides for the conditions relating to insurance. The section requires a titleholder to take out adequate insurance to cover the eventualities such as blowouts, pollution damage and clean-up costs. The amendments in this clause extend the insurance requirements to cover the carrying out of GHG operations.

However, the s.91A insurance provisions for GHG titles are not for long-term liability as that is covered by the provisions of Subdivision 5 in sections 69JS and 69JT. The s.91A amendments provide for insurance for such activities as the drilling of a well in order to cover blow out and cleanup of the well site as is required for petroleum and geothermal wells.

Clause 90 – Section 91B amended

This clause corrects a minor drafting error, where “area” was not included after drilling reservation, to the provisions prohibiting the holder from entering specified land within their title area.

Clause 91 – Section 92 amended

This clause corrects a minor drafting error where “area” was not included after drilling reservation in the provisions requiring the operator to maintain, repair or remove all structures, equipment and other property.

Clause 92 – Section 95 amended

Section 95 of the Act provides the Minister power to issue directions in relation to any matter with respect to which regulations may be made. Such directions are served individually on each titleholder. The amendment to section 95(2)(b) provides that the ability to give a direction may also expressly apply to any person touching, concerning, arising out of, or connected with GHG operations in the State.

Clause 93 – Section 101 amended

This clause corrects a minor drafting error where “area” was not included after drilling reservation in the provisions requiring the permittee, holder of a drilling reservation, lessee and licensee to remove all property or to plug or close off all wells on the determination, cancellation or expiry of a title.

Clause 94 – Sections 105 amended

Clause 94 extends the special prospecting authority provisions of the Act to allow for the granting of a GHG special prospecting authority and the conditions under which the Minister may issue other special prospecting authorities over the same area.

A special prospecting authority may currently be issued to petroleum and geothermal exploration companies over any area which is not covered by an

exploration permit, drilling reservation, retention lease or production licence. The authority allows the holder to undertake approved exploration operations, but does not allow the drilling of wells.

This clause also makes a minor drafting enhancement by changing the term “geothermal energy resources exploration operations” to the more correct “geothermal exploration operations”.

Clause 95 – Section 106 amended

Clause 95 extends the existing access authority provisions of the Act to allow for the granting of a GHG access authority.

An access authority may currently be issued to petroleum and geothermal titleholders who wish to undertake exploration or development work (not including the drilling of wells) in close proximity to, the boundaries of that title area. The authority may provide access to a vacant area or an area covered by another title. In the latter case, the Minister must inform and consider submissions from the holder of the title into which the authority provides access. The authority could even be issued to the holder of a title outside of the State.

This clause also corrects a minor drafting error where “area” was not included after drilling reservation and makes a minor drafting enhancement by changing the term “geothermal energy resources exploration operations” to the more correct “geothermal exploration operations”.

Lastly, the clause adds the term “GHG title” which is the legislative authority to carry on a GHG injection operation.

Clause 96 – Section 109 amended

Clause 96 expands the provisions of this section, which empower the Minister, or an inspector, to require any person, but not necessarily a titleholder, to provide factual information which is relevant for the proper administration of the legislation, to now include GHG operations in the State.

Clause 97 – Section 113 amended

This clause corrects a minor drafting error where “area” was not included after drilling reservation in the provisions regarding notification of the discovery of water.

Clause 98 – Section 116 amended

Clause 98 amends the provisions of the Act, that provide for the Minister to consent to petroleum exploration and geothermal exploration in the course of a scientific investigation, to include GHG exploration operations.

This clause also makes a minor drafting enhancement by changing the term “geothermal energy resources exploration operations” to the more correct “geothermal exploration operations”.

Clause 99 – Section 117 amended

Clause 99 extends the provisions of this Section, that place any titleholder under an overriding responsibility to take into account the rights of other operations lawfully carried on with regard to mineral, petroleum, geothermal or pipeline activities, to now include GHG operations.

Clause 100 – Section 117A amended

This clause extends the provisions of section 117A that detail that a person must not intentionally or recklessly damage or interfere with any petroleum operation or geothermal energy operation or damage, to now include GHG operations.

The heading of this section has also been amended to now read “Interfering with petroleum operation, geothermal energy operation or GHG operation”.

Clause 101 – Section 119 amended

This clause amends the provisions in section 119, which detail the powers of inspectors under the Act, to include GHG operations. This clause also makes a minor drafting enhancement by changing the term “geothermal energy resources exploration operations” to the more correct “geothermal exploration operations”.

Clause 102 – Section 123 amended

Clause 102 amends the provisions of the Act that refer to the conviction of persons for unauthorised petroleum exploration or recovery of petroleum, or the unauthorised construction or operation of vehicles, vessels, aircraft or specified equipment. The amendment ensures that unauthorised GHG exploration and injection operations are now included.

Clause 103 – Section 126A amended

Clause 103 extends the provisions that establish that certain matters in relation to petroleum and geothermal operations are taken to have been proved in the absence of evidence to the contrary, to now include GHG operations.

This section also outlines the matters where, in proceedings for an offence against the Act, proof is not required unless evidence is given to the contrary and provides for the certification of codes of practice, Australian Standards and Australian/New Zealand standards.

Clause 104 – Section 136 amended

This clause amends section 136. The section details that certain ongoing petroleum exploration or recovery activities on Barrow Island for the purpose of the Barrow Island oil lease L1H granted under the *Petroleum Act 1936* are not prohibited by sections 29 and 49. The amendment clarifies that the petroleum specific references are sub-sections 29(1) and 49(1).

Clause 105 – Section 142 amended

This clause corrects a minor drafting error to this section, which details petroleum and geothermal royalty provisions, where “area” was not included after drilling reservation.

Clause 106 – Section 144 amended

This clause makes a minor drafting enhancement which covers the circumstances in which petroleum and geothermal royalty is not payable, by changing the term “geothermal energy resources exploration operations” to the more correct “geothermal exploration operations”.

Clause 107 – Section 149B amended

This clause extends the provisions relating to occupational safety and health regulations for persons engaged in petroleum and geothermal operations, to now include GHG operations.

Clause 108 – Section 149C amended

This clause extends the provisions relating to the Minister’s functions in relation to occupational safety and health for persons engaged in petroleum and geothermal operations, to now include GHG operations.

Clause 109 – Section 152 amended

This clause amends the provisions specifying that, in accordance with section 10 of the *Personal Property Securities Act 2009* (Commonwealth), certain things are not personal property for the purpose of the Commonwealth legislation. The existing exemptions for petroleum and geothermal energy titles are now extended to GHG titles.

Clause 110 – Section 153 amended

This clause extends the provisions of section 153, which sets out the general regulation-making powers of the Act, to now include GHG operations and allow regulations to be made for GHG exploration, prevention of damage to resources, maintenance in good condition and repair of all structures or the removal of structures and equipment.

This clause also corrects a minor drafting error where “area” was not included after drilling reservation.

Clause 111 – Schedule 1 amended

Schedule 1 contains comprehensive provisions regarding occupational safety and health of persons in relation to petroleum and geothermal operations. Clause 111 amends the Schedule to now include “GHG operation” as applicable.

Part 3 – *Petroleum Pipelines Act 1969* amended

Clause 112 – Act amended

This clause provides that amendments in this Part are to the *Petroleum Pipelines Act 1969*.

Clause 113 – Long title amended

Clause 113 amends the long title of the *Petroleum Pipelines Act 1969* to add “or greenhouse gas substances” which, along with petroleum, is conveyed in the pipelines.

Clause 114 – Section 1 amended

Clause 114 amends the name of the Act in the short title from the “*Petroleum Pipelines Act 1969*” to the “*Petroleum and Greenhouse Gas Pipelines Act 1969*”.

Clause 115 – Section 4 amended

Clause 115 inserts a new definition of “greenhouse gas substance”, by referring directly to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967* definition in section 5(1), and also amends the definition of “pipeline” to include “or greenhouse gas substances”.

Clause 116 – Section 8 amended

This clause extends the provisions of this Section, which details the requirements for an application for a pipeline licence, to include pipelines used for the conveyance of greenhouse gas substances.

Clause 117 – Section 21 amended

This Section details that a person may apply to the Minister for a direction if agreement has not been reached with a pipeline licensee for the conveyance of petroleum through the pipeline specified in the licensee’s licence within a period of three months. This clause extends the provisions of this section to also include the conveyance of greenhouse gas substances and also amends the title to now read “Directions as to conveyance of petroleum or greenhouse gas substances.”

Clause 118 – Section 37A amended

This clause extends the provisions of this Section, which requires that the licensee must maintain insurance against expenses or liabilities or specified things arising in connection with or as a result of work carried out under a pipeline licence, to include pipelines used for the conveyance of greenhouse gas substances.

Clause 119 – Section 47 amended

Section 47 of the Act provides for the approval of dealings and creation of interests in existing titles. Clause 119 of the Bill expands the reference to the recovery of petroleum in section 47(1)(c) and petroleum produced from operation in section 47(1)(d)(ii) to now include interests relating to the injection of greenhouse gas substances derived as a result of carrying out of GHG operations.

Clause 120 – Section 64 amended

Section 64 details that any person who maliciously or fraudulently obtains, wastes, diverts or uses petroleum conveyed in a pipeline is guilty of theft. Clause 120 extends the provisions of section 64 to now include greenhouse gas substances.

Clause 121 – Section 67 amended

This clause amends the regulation making provisions in section 67 to reflect the new Act title of the *Petroleum Geothermal Energy and Greenhouse Gas Storage Act 1967* referred to in section 67(1c).

Part 4 – Other Acts amended***Division 1 - Barrow Island Act 2003* amended****Clause 122 – Act amended**

This Division amends the *Barrow Island Act 2003*.

Clause 123 – Section 7 amended

Currently, section 7(5)(b) of the *Barrow Island Act 2003* provides that nothing in that Act prevents the existence on the same area of the Barrow Island reserve of a *Land Administration Act 1997* lease, a mining, petroleum or geothermal right. This is now extended to include a GHG right.

Clause 124 – Section 11 amended

The amendments to section 11 allow for the change of the *Pipelines Act 1969* name to the new *Petroleum and Greenhouse Gas Pipelines Act 1969*.

The heading of this section has also been amended to now read “*Petroleum and Greenhouse Gas Pipelines Act 1969* applies to pipelines on Barrow Island for conveyance of carbon dioxide”.

Clause 125 – Section 14 amended

The amendments to section 14 allow for the change of the *Pipelines Act 1969* name to the new *Petroleum and Greenhouse Gas Pipelines Act 1969*.

Division 2 - Building Act 2011* amended*Clause 126 – Act amended**

This division amends the *Building Act 2011*.

Clause 127 – Section 73 amended

This clause amends section 73 “Buildings incidental to exploiting petroleum and other resources” by way of name changes to the petroleum legislation to broaden the scope to now cover GHG operations in the exemptions from building permit requirements.

Division 3 - Conservation and Land Management Act 1984 amended

Clause 128 – Act amended

This clause provides that amendments in this Division are to the *Conservation and Land Management Act 1984*.

Clause 129 – Section 3 amended

This clause amends the references to the Acts administered by the Minister for Mines and Petroleum to now read the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967* and the *Petroleum and Greenhouse Gas Pipelines Act 1969*.

Clause 130 – Section 4 amended

This clause amends section 4(1), which details the relationship that the *Conservation and Land Management Act 1984* has with other Acts, to change the *Petroleum and Geothermal Energy Resources Act 1967* to now read the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Clause 131 – Section 13A amended

This clause amends section 13A, which details the purpose of marine nature reserves. Sub-section (3) has been amended to extend the current provisions, which stipulate that exploratory drilling for, or production of, petroleum, geothermal energy resources or geothermal energy under the *Petroleum and Geothermal Energy Resources Act 1967* or petroleum under the *Petroleum (Submerged Lands) Act 1982* shall not be carried out in a marine nature reserve, to now include exploratory drilling for potential GHG storage sites or potential GHG injection sites or injection and storage of greenhouse gas substances.

The Act reference has also been updated to the “*Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*”.

Clause 132 – Section 13B amended

Clause 132 amends section 13B, which details the purpose of marine parks. Sub-section (9) has been amended to extend the current provisions, which stipulate that exploratory drilling for, or production of, petroleum, geothermal energy resources or geothermal energy under the *Petroleum and Geothermal Energy Resources Act 1967* or petroleum under the *Petroleum (Submerged Lands) Act 1982* shall not be carried out in a marine park classified under section 62, to now include exploratory drilling for potential GHG storage sites or potential GHG injection sites or injection and storage of greenhouse gas substances.

The Act reference has also been updated to the “*Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*”.

Clause 133 – Section 13C amended

Section 13C, which details the purpose of marine management areas, is to be amended by clause 133. Sub-section (1aa) has been amended to include

“greenhouse gas substance, potential GHG injection site and potential GHG storage formation” along with the existing geothermal energy and geothermal energy resources.

Sub-section (2), which defines “Commercial purposes” has been extended to add GHG activities along with the existing petroleum and geothermal activities. Sub-section (7), which details activities that may be carried out in a marine management area, has also been extended to add GHG activities along with the existing petroleum and geothermal activities.

The Act reference has also been updated to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Clause 134 – Section 13E amended

Clause 134 amends definitions in Section 13E which relate to the preservation of licences and other instruments relating to petroleum and provision for further rights. The Act reference in the definition of “drilling reservation” has been updated to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*. In the definition of “petroleum law”, the Act references have been amended to now read “the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*, the *Petroleum (Submerged Lands) Act 1967* or the *Petroleum and Greenhouse Gas Pipelines Act 1969*.” The Act reference in the pipeline licence definition has also been amended to *Petroleum and Greenhouse Gas Pipelines Act 1969*.

Clause 135 – Section 60 amended

Section 60, which details that land management plans are to be approved by the Minister for the Environment has been amended by clause 135 to change the Act reference of *Petroleum and Geothermal Energy Resources Act 1967* to *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967* and *Petroleum Pipelines Act 1969* to *Petroleum and Greenhouse Gas Pipelines Act 1969*.

Division 4 – Dampier to Bunbury Pipeline Act 1997 amended

Clause 136 – Act amended

This clause provides that amendments in this Division are to the *Dampier to Bunbury Pipeline Act 1997*.

Clause 137 – Section 34 amended

This clause amends the *Dampier to Bunbury Pipeline Act 1997* (DBP Act) to allow for the potential location of a pipeline transporting greenhouse gas in the Dampier to Bunbury pipeline corridor on a case-by-case basis. Following this amendment if there is a requirement to accommodate a greenhouse gas pipeline in the corridor, then if the Minister responsible for the administration of the DBP Act decides that access should occur, the Minister can prescribe via regulations to the DBP Act that the pipeline can be located in the corridor.

Clause 138 – Schedule 4 Division 8 heading amended

The heading of this division has been amended to now read “*Petroleum and Greenhouse Gas Pipelines Act 1969*”.

Clause 139 – Schedule 4 clause 37 amended

Clause 139 amends the references to the Acts contained in clause 37 in Schedule 4 to now read the *Petroleum and Greenhouse Gas Pipelines Act 1969*.

Division 5 – Land Administration Act 1997 amended**Clause 140 – Act amended**

This clause provides that amendments in this Division are to the *Land Administration Act 1997*.

Clause 141 – Section 3 amended

In section 3 the definition of “mining, petroleum or geothermal energy right” has been expanded to include greenhouse gas rights. The Act references to the *Petroleum and Geothermal Energy Resources Act 1967* and the *Petroleum Pipelines Act 1969* have also been updated to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967* and the *Petroleum and Greenhouse Gas Pipelines Act 1969* respectively. The definition of “interest” has also been amended with the existing mining, petroleum or geothermal energy rights extended to include greenhouse gas rights.

Clause 142 – Section 5 replaced

Section 5 details that the *Land Administration Act 1997* does not apply to registration of rights in respect of minerals, petroleum, geothermal energy or geothermal energy resources. This section has been widened to now include that the *Land Administration Act 1997* does not apply to the registration of rights for the storage of greenhouse gas substances nor for the system of registering greenhouse gas rights. The Act reference to the *Petroleum and Geothermal Energy Resources Act 1967* has also been updated to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Clause 143 – Section 24 amended

Clause 143 amends section 24, which provides that minerals, petroleum and geothermal energy are reserved to the Crown, to include “potential GHG storage formations and potential GHG injection sites”. The Act reference has been changed to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967* and the heading of this Section amended to read “Minerals, petroleum and other substances reserved to Crown”.

Clause 144 – Section 91 amended

Section 91 details the provisions for licences and profits à prendre (the right to take from the land owned by another person part of the natural produce grown on that land or part of the soil, earth or rock comprising the land) in respect of Crown land. Clause 144 amends subsection (5) has been amended to reflect

the change to section 3 whereby the definition of “mining, petroleum or geothermal energy right” has been expanded to include greenhouse gas rights.

Clause 145 – Section 164 amended

Section 164 provides that mines and minerals may be excluded when interests in land are taken. Clause 145 amends subsection (1)(c) by inserting “greenhouse gas substances” as a new right and the Act references to the *Petroleum and Geothermal Energy Resources Act 1967* and the *Petroleum Pipelines Act 1969* have been updated to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967* and the *Petroleum and Greenhouse Gas Pipelines Act 1969* respectively.

The heading of this section has also been amended to now read “Minerals, petroleum and other rights may be excluded when interests in land taken”.

Clause 146 – Section 170 amended

Section 170 provides for the notice of intention to take an interest in land. Clause 146 amends subsection (5) to broaden the rights to now include “greenhouse gas” as well as mining, petroleum and geothermal energy.

Clause 147 – Section 175 amended

Clause 147 amends section 175, which provides for objections to a proposal to take interests in land. In this clause, subsection (1)(a)(iii) is amended to broaden the rights to now include “greenhouse gas” as well as mining, petroleum and geothermal energy.

Clause 148 – Section 177 amended

Clause 148 amends section 177 which provides for the making of a taking order in relation to land. In this clause, subsection (5) is amended to broaden the rights to now include “greenhouse gas” as well as mining, petroleum and geothermal energy.

Division 6 – Mining Act 1978 amended

Clause 149 – Act amended

This clause provides that amendments in this Division are to the *Mining Act 1978*.

Clause 150 – Section 8 amended

This clause amends the Act name in the definition of “minerals” in sections 8(1) and the determination of whether a substance is oil shale or not in 8(2), from *Petroleum and Geothermal Energy Resources Act 1967* to now read the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Clause 151 – Section 8A deleted

Clause 151 deletes section 8A, which details the rights in respect of oil shale and coal. This clause is no longer required as the schedule referred to in

section 8A(1) is redundant and has been deleted from the *Petroleum and Geothermal Energy Resources Act 1987*.

Clause 152 – Section 159 amended

This clause amends the Act name in section 159, which deals with the disputes between licensees and other persons, from *Petroleum and Geothermal Energy Resources Act 1967* to now read the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Division 7 – Occupational Safety and Health Act 1984 amended

Clause 153 – Act amended

This clause provides that amendments in this Division are to the *Occupational Safety and Health Act 1984*.

Clause 154 – Section 4 amended

This clause amends section 4 “Application of the Act” to add “GHG operation” to the existing petroleum operations and geothermal energy operations that are excluded from the coverage of the *Occupational Safety and Health Act 1984*. Act references to the *Petroleum and Geothermal Energy Resources Act 1967* and the *Petroleum Pipelines Act 1969* have also been updated to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967* and the *Petroleum and Greenhouse Gas Pipelines Act 1969* respectively.

Division 8 – Petroleum (Submerged Lands) Act 1982 amended

Clause 155 – Act amended

This clause provides that amendments in this Division are to the *Petroleum (Submerged Lands) Act 1982*.

Clause 156 – Section 112 amended

This clause amends subsections (6) and (13) of Section 112, which provides for the grant of an access authority, to update the *Petroleum and Geothermal Energy Resources Act 1967* references to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Clause 157 – Section 142 amended

Clause 157 amends section 142, which relates to the time of payment of fees, to correct an earlier drafting error whereby section 141A, covering infrastructure licence fees, was not included as one of the fees.

Clause 158 – Section 145 amended

In section 145, which covers the circumstances in which petroleum and geothermal royalty is not payable, subsection (3) has been amended by clause 158 to update the *Petroleum and Geothermal Energy Resources Act 1967* reference to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Clause 159 – Section 152 amended

In section 152, which sets out the general regulation-making powers of the Act, subsection (2) has been amended by clause 159 to update the Act references to the *Petroleum and Geothermal Energy Resources Act 1967* and the *Petroleum Pipelines Act 1969* to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967* and the *Petroleum and Greenhouse Gas Pipelines Act 1969* respectively.

Division 9 – Petroleum and Geothermal Energy Resources (Registration Fees) Act 1967 amended**Clause 160 – Act amended**

This clause provides that amendments in this Division are to the *Petroleum and Geothermal Energy Resources (Registration Fees) Act 1967*.

Clause 161 – Long title amended

Clause 161 amends the long title of this Act to now read the “*Petroleum, Geothermal Energy and Greenhouse Gas Storage (Registration Fees) Act 1967*”.

Clause 162 – Section 1 amended

Clause 162 amends the short title of this Act to now read the “*Petroleum, Geothermal Energy and Greenhouse Gas Storage (Registration Fees) Act 1967*”.

Clause 163 – Section 3 amended

Clause 163 amends the Act reference in this section from the “*Petroleum and Geothermal Energy Resources Act 1967*” to now read the “*Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*”.

The heading to the section is also amended to now read “Act read with *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*”.

Clause 164 – Section 4 amended

Clause 164 amends the Act references in Section 4, from the “*Petroleum and Geothermal Energy Resources Act 1967*” to now read the “*Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*”.

Division 10 – Petroleum and Geothermal Energy Safety Levies Act 2011 amended**Clause 165 – Act amended**

This clause provides that amendments in this Division are to the *Petroleum and Geothermal Energy Safety Levies Act 2011*.

Clause 166 – Section 3 amended

This clause amends the Act name in Section (3) in the definitions of “geothermal energy operations”; “operator”; “petroleum operation”; and safety

management system” from “*Petroleum and Geothermal Energy Resources Act 1967*” to now read the “*Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*”.

This clause also amends the Act name in the definitions of “licensee”; “pipeline operation”; and “safety case in force” from “*Petroleum Pipelines Act 1969*” to now read the “*Petroleum and Greenhouse Gas Pipelines Act 1969*”.

These consequential changes are only for the proposed amendments to the names of the petroleum and pipelines acts. They do not extend the safety levy to GHG operators. This latter amendment will be the subject of a separate Bill at some future date.

Clause 167 – Section 10 amended

This clause amends the Act names in Section 10, which details the assessment of the safety levy payable from “*Petroleum and Geothermal Energy Resources Act 1967*” to now read the “*Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*” and also from “*Petroleum Pipelines Act 1969*” to now read the “*Petroleum and Greenhouse Gas Pipelines Act 1969*”.

Clause 168 – Section 21 amended

This clause amends the Act names in Section 21, which details that a Petroleum and Geothermal Energy Safety Levies Account must be established for any safety levy or penalty amount paid or recovered, from “*Petroleum and Geothermal Energy Resources Act 1967*” to now read the “*Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*” and also from “*Petroleum Pipelines Act 1969*” to now read the “*Petroleum and Greenhouse Gas Pipelines Act 1969*”.

Division 11 – *Transfer of Land Act 1893* amended

Clause 169 – Act amended

This clause provides that amendments in this Division are to the *Transfer of Land Act 1893*.

Clause 170 – Section 3 amended

Section (3) details that the *Transfer of Land Act 1893* does not to apply to the registration of rights in respect of minerals, petroleum, geothermal energy or geothermal energy resources or prevent or otherwise affect the system of registration under other Acts of mining, petroleum or geothermal energy rights in respect of land whether Crown, freehold or leasehold.

This section has been widened to now include the registration of rights for the injection and storage of greenhouse gas substances and the system of registering greenhouse gas rights. The Act reference to the *Petroleum and Geothermal Energy Resources Act 1967* has also been updated to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*.

Division 12 – Various references to “*Petroleum and Geothermal Energy Resources Act 1967*” and “*Petroleum Pipelines Act 1969*” amended

Clause 171 – References to “*Petroleum and Geothermal Energy Resources Act 1967*” amended

Clause 171 amends the following Acts to change the name, where occurring, of the *Petroleum and Geothermal Energy Resources Act 1967* to the *Petroleum, Geothermal Energy and Greenhouse Gas Storage Act 1967*:

- *Aboriginal Affairs Planning Authority Act 1972*
- *Aboriginal Heritage Act 1972*
- *Barrow Island Royalty Variation Agreement Act 1985*
- *Fire and Emergency Services Authority of Western Australia Act 1998*
- *Fish Resources Management Act 1994*
- *Gas Standards Act 1972*
- *Gas Supply (Gas Quality Specifications) Act 2009*
- *Heritage of Western Australia Act 1990*
- *Industrial Relations Act 1979*
- *Local Government Act 1995*
- *Soil and Land Conservation Act 1945*
- *Valuation of Land Act 1978*
- *Waterways Conservation Act 1976*

Clause 172 – References to “*Petroleum Pipelines Act 1969*” amended

Clause 172 amends the following Acts to change the name, where occurring, of the *Petroleum Pipelines Act 1969* to the *Petroleum and Greenhouse Gas Pipelines Act 1969*:

- *Aboriginal Heritage Act 1972*
- *Dangerous Goods Safety Act 2004*
- *Duties Act 2008*
- *Energy Coordination Act 1994*
- *Gas Standards Act 1972*
- *Gas Supply (Gas Quality Specifications) Act 2009*
- *Industrial Relations Act 1979*
- *National Gas Access (WA) Act 2009*