

# **PETROLEUM AMENDMENT BILL 1993**

## **EXPLANATORY NOTES**

### **Background**

The purpose of the Petroleum Amendment Bill 1993 is to:

- allow pipeline tariffs determined on estimates of pipeline throughput to be adjusted for actual throughput figures when known; and
- set a pipeline tariff for the period 1 August 1992 to 31 July 1993.

### **Notes on Provisions**

*Clause 1* — Provides for this Bill to be cited as the Petroleum Amendment Bill 1993.

*Clause 2* — Provides that the Petroleum Act 1923 is amended as set out in this Bill.

*Clause 3* — Omits redundant provisions and definitions and redefines two definitions in accordance with current drafting practice.

*Clause 4* — Recasts the provision in line with current drafting practice by omitting a matter of administration detail.

*Clause 5 Section 4G* — Recasts the provision in accordance with current drafting practice and changes the statutory instrument made under the provision from order in council to regulation.

*Clause 5 Section 4H(1)* — Defines terms used in the section.

*Clause 5 Section 4H(2)* — This requires petroleum transportation charges (other than for Naccowlah Block Producers) to be adjusted between the pipeline licensee and producers for accounting periods in which charges are, by regulation, subject to adjustment. Under subsection 7, this provision does not apply if the licensee and a producer enter into an agreement for transportation charges for any future accounting period.

*Clause 5 Section 4H(3)* — This provision requires any adjustments to petroleum transportation charges to be calculated in a way determined by written notice by the Minister and which has regard to the recommendations of Pipeline Tribunals which have inquired into transportation charges imposed by the licensee.

*Clause 5 Section 4H(4)* — This is a machinery provision which sets the time period in which the Minister must be advised of the adjustment figures.

*Clause 5 Section 4H(5)* — Requires the Minister to advise, in writing, the licensee and producers of the way any adjustment has been calculated and any amount payable as an adjustment.

*Clause 5 Section 4H(6)* — Establishes that any adjustment payable is a debt due either by the licensee to the producer or producer to the licensee.

*Clause 5 Section 4H(7)* — An adjustment can not be made to transportation charges for any future accounting period if the licensee and a producer enter into an agreement after the commencement of this section for transportation charges for the period.

*Clause 5 Section 4H(8)* — This provision has the effect of allowing adjustments to pipeline charges despite the conditions specified.

*Clause 5 Section 4H(9)* — The written notice by the Minister outlining the way a transportation charge adjustment is to be made is to be subordinate legislation.

*Clauses 6 — 13* — Effect amendments rationalising the use of statutory instruments by -

- . changing the types of statutory instruments or omitting the requirement for an instrument; and
- . in some cases, recasts the amended provision.

in accordance with current drafting practice.

*Clause 14* — A machinery provision which recasts the expression of penalties in accord with the Penalties and Sentences Act 1992 and provides for an increase which reflects current values.

*Clause 15* — Remakes section 65 in line with current drafting practice.

*Clause 16 Section 66* — Omits a redundant provision and inserts a new section setting a maximum pipeline transportation charge for the period 1

August 1992 to 31 July 1993 of \$2.10 per barrel if petroleum is transported to the Moonie Terminal by the Jackson to Moonie pipeline and \$2.95 per barrel for petroleum transported to the Moonie Terminal by any other means. This provision does not apply to petroleum transported through the Moonie to Brisbane pipeline under the terms of the Moonie Transportation Agreement.

*Clause 16 Section 67* — Saves existing statutory rules made under the Act because of the changes made under this Bill in the types of statutory instruments used.

*Clause 17 and 18* — Repeal a redundant Act and Order in Council.