



Queensland

Petroleum and Gas (Production and Safety) Amendment Regulation (No. 3) 2011

Explanatory Notes for SL 2011 No. 113

made under the

Petroleum and Gas (Production and Safety) Act 2004

General outline

Short title

Petroleum and Gas (Production and Safety) Amendment Regulation (No. 3) 2011.

General outline

Authorising law

Section 175H and section 859 of the *Petroleum and Gas (Production and Safety) Act 2004*

Policy objectives and reasons for them

The policy objective of the regulation is to support the amendments made to the *Petroleum and Gas (Production and Safety) Act 2004* (the Act) to implement the Prospective Gas Production Land Reserve policy (PGPLR). Specifically, if warranted by the findings of the annual Gas Market Review

(AGMR) process, the PGPLR would be created by conditioning future petroleum exploration tenure releases over certain areas to require that any gas produced from subsequent production tenure over these areas may only be supplied for consumption within the Australian market.

Achievement of policy objectives

To achieve the policy objectives, the regulation provides for:

- the record-keeping requirements for sales of gas produced from PGPLR land to support recent amendments to the Act made by the *Gas Security Amendment Act 2011*; and
- the period and the way in which information relating to sales of gas produced from PGPLR land is kept.

Consistency with policy objectives of authorising law

The regulation is consistent with the main objectives of the Act, and amends the *Petroleum and Gas (Production and Safety) Regulation 2004* in relation to the record keeping requirements for gas produced from PGPLR land.

Inconsistency with policy objectives of other legislation

The subordinate legislation is not inconsistent with any policy objectives of any other legislation.

Alternative ways of achieving policy objectives

The Act sets out the framework for the PGPLR policy. There are no alternative means to effectively achieve the policy objectives as the regulation provides for the administration and operation of the PGPLR policy.

Benefits and costs of implementation

The regulation supports the administration of the PGPLR framework established under the Act. The costs associated with implementation are

anticipated to be minimal as companies are already required to comply with similar reporting obligations under the *Corporations Act 2001 (Cth)*.

The cost to Government will be met by existing resources and is expected to be minimal.

Consistency with fundamental legislative principles

The amendment has been drafted with regard to the fundamental legislative principles and is considered to comply with these principles.

Consultation

Extensive consultation has been undertaken with key industry stakeholders and other government agencies in relation to the PGPLR policy and the related amendments to the Act. As these amendments were to implement the PGPLR policy, no further consultation has been undertaken specifically for the supportive regulatory amendments.

ENDNOTES

- 1 Laid before the Legislative Assembly on . . .
- 2 The administering agency is the Department of Employment, Economic Development and Innovation.

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