



Queensland

# Natural Resources and Mines Legislation Amendment Regulation (No. 2) 2012

## Explanatory Notes for SL 2012 No. 226

made under the

*Geothermal Energy Act 2010*

*Greenhouse Gas Storage Act 2009*

*Mineral Resources Act 1989*

*Petroleum Act 1923*

*Petroleum and Gas (Production and Safety) Act 2004*

---

## General outline

### Short title

*Natural Resources and Mines Legislation Amendment Regulation (No. 2) 2012.*

### Authorising law

Section 417 of the *Mineral Resources Act 1989*

Sections 553 and 859 of the *Petroleum and Gas (Production and Safety) Act 2004*

Section 149 of the *Petroleum Act 1923*

Section 385 of the *Geothermal Energy Act 2010*

Section 429 of the *Greenhouse Gas Storage Act 2009*

## **Policy objectives and the reasons for them**

The policy objective of the regulation is to update the Mineral Resources Regulation 2003, Petroleum and Gas (Production and Safety) Regulation 2004, Petroleum Regulation 2004, Geothermal Energy Regulation 2012 and Greenhouse Gas Storage Regulation 2010 as a consequence of the commencement of the *Mines Legislation (Streamlining) Amendment Act 2012* (Streamlining Act).

Commencement of sections of the Streamlining Act amend the *Mineral Resources Act 1989* (MRA), *Petroleum and Gas (Production and Safety) Act 2004* (P&G Act), *Petroleum Act 1923* (PA23), *Geothermal Energy Act 2010* (GEA) and *Greenhouse Gas Storage Act 2009* (GHG) (hereinafter referred to as ‘resources Acts’) to address several initiatives.

## **Achievement of policy objectives**

The regulatory amendments are required to support commencement of the Streamlining Act in the following ways:

- Prescribe a way for making applications, lodging documents or making submissions electronically to enable online lodgement of applications and documents.
- Specify a time when documents lodged electronically outside of prescribed business hours are taken to be lodged.
- Require that an original copy of an application or document lodged online may be given to the chief executive.
- Provide a period of confidentiality for petroleum lease infrastructure reports.
- Prescribe a fee for an application to delay production commencement day for a petroleum lease.
- Make renumbering and consequential amendments to the regulations due to the commencement of the Streamlining Act.

## **Consistency with policy objectives of authorising law**

The regulation is consistent with the following policy objectives of authorizing law:

- It provides an administrative framework to expedite and regulate prospecting and exploring for and mining of minerals pursuant to section 2(f) of the *Mineral Resources Act 1989*;
- It creates an effective and efficient regulatory system for the carrying out of petroleum activities and the use of petroleum and fuel gas, pursuant to section 3(1)(c) of the *Petroleum and Gas (Production and Safety) Act 2004*;
- It makes better provision for encouraging and regulating mining for petroleum and natural gas in the State and the conveying of petroleum and gas, wherever recovered, pursuant to the object of the *Petroleum Act 1923*;
- It creates a regulatory system for the carrying out of activities relating to geothermal tenures, pursuant to section 3(2)(b) of the *Geothermal Energy Act 2010*; and
- It provides for the granting of authorities to explore for or use underground geological formations or structures to store carbon dioxide, or carry out related activities; and creating a regulatory system for the carrying out of activities relating to GHG authorities, pursuant to section 3 of the *Greenhouse Gas Storage Act 2009*.

### **Inconsistency with policy objectives of other legislation**

There is no inconsistency with policy objectives of other legislation.

### **Alternative ways of achieving policy objectives**

Not amending the subordinate legislation would:

- Prevent the department and industry from benefiting from the efficiencies available through online lodgement of applications and documents. The objective of the regulatory framework is to remove restrictions on lodgement within the legislation, to provide flexibility to adapt to differing service delivery models.
- Infrastructure reports would not be subject to a confidentiality period that could have a negative impact on the petroleum and gas sector.

- The department would not be able to charge a fee to recover costs to process an application to delay production commencement day for a petroleum lease.

### **Benefits and costs of implementation**

Amendment of the subordinate legislation supports the changes made to the primary legislation. The amendments to the primary legislation will result in reduced assessment times for processing tenure applications allowing major projects to get started sooner. This provides savings to industry from earlier commencement of projects, savings to government through improved efficiency and economic benefits to the state and communities through promotion of investment in the state's resources. Costs for implementation will be absorbed within existing departmental resources.

### **Consistency with fundamental legislative principles**

The amendment has been drafted with regard to and is considered not to breach any fundamental legislative principles.

### **Consultation**

Industry and relevant State agencies has been consulted on proposed amendments during ongoing engagement of the Streamlining Approvals Project. Wider notification of amendments was achieved during the Parliamentary Committee Inquiry into the Mines Legislation (Streamlining) Amendment Bill 2012. Industry strongly supports amendments that reduce assessment times and remove red tape.

Australian Petroleum Production and Exploration Association and Queensland Resources Council have recently been consulted in relation to confidentiality period of infrastructure reports for the petroleum and gas sector. No concerns have been raised.

### **Reasons for non-inclusion of information**

All relevant information has been included.

ENDNOTES

- 1 Laid before the Legislative Assembly on . . .
- 2 The administering agency is the Department of Natural Resources and Mines.

© State of Queensland 2012