

Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017

Explanatory notes for SL 2017 No. 163

made under the

Petroleum Act 1923

Petroleum and Gas (Production and Safety) Act 2004

General Outline

Short title

Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017

Authorising law

Section 149 of the *Petroleum Act 1923*

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

Policy objectives and the reasons for them

The main purpose of the *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* is to remove the general provisions (predominantly consisting of notifications about the start and end of particular authorised activities for petroleum tenure or authorities, the reporting about these activities, records and samples kept or taken during these activities, measurement tolerances for meters, annual fees and rents) from the *Petroleum and Gas (Production and Safety) Regulation 2004* that will now be detailed in the *Petroleum and Gas (General Provisions) Regulation 2017*.

Additionally, as the *Petroleum Regulation 2004* will expire on 31 August 2017, the *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* also transposes the safety and health provisions from the *Petroleum Regulation 2004* into the *Petroleum and Gas (Production and Safety) Regulation 2004*.

The making of the *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* supports the policy objectives of the *Petroleum Act 1923* and the *Petroleum and Gas (Production and Safety) Act 2004* and will remain necessary for their continued effective operation.

The *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* complements the *Petroleum and Gas (General Provisions) Regulation 2017*. The *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* is being made to ensure the effective operation of the *Petroleum and Gas (General Provisions) Regulation 2017*.

Achievement of policy objectives

The policy objectives will be achieved through making the following changes:

- The *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* amends the *Petroleum and Gas (Production and Safety) Regulation 2004* to remove the general provisions now contained in the *Petroleum and Gas (General Provisions) Regulation 2017*.
- The *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* also transposes sections that relate to safety and health matters from the *Petroleum Regulation 2004* into the *Petroleum and Gas (Production and Safety) Regulation 2004*. This will allow for the expiry of the *Petroleum Regulation 2004* on 31 August 2017.
- The *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* also makes consequential amendments to the *Natural Resources and Mines Legislation (Fees) Amendment Regulation 2017*. The *Natural Resources and Mines Legislation (Fees) Amendment Regulation 2017* provides for certain fees and rent provision amendments to the *Petroleum Regulation 2004* and the *Petroleum and Gas (Production and Safety) Regulation 2004*.
- Without the consequential amendments in the *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017*, these fees and rent provision amendments, which are due to commence on 1 September 2017, would be inserted to the *Petroleum Regulation 2004* which will expire on 31 August 2017 and into the *Petroleum and Gas (Production and Safety) Regulation 2004* when these are required to be inserted into the *Petroleum and Gas (General Provisions) Regulation 2017* when made.

Consistency with policy objectives of authorising law

The *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* is consistent with the policy objectives of the authorising law as it will assist in maintaining the administrative framework necessary to facilitate and regulate the carrying out of responsible authorised petroleum activities.

Inconsistency with policy objectives of other legislation

The *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* is not inconsistent with the policy objectives of other legislation.

Alternative ways of achieving policy objectives

The *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* complements the making of the *Petroleum and Gas (General Provisions) Regulation 2017*. It complements it by ensuring that the *Petroleum and Gas (General Provisions) Regulation 2017* operates effectively, that there is no repetition of provisions in other regulations and that the current fees and rents are properly detailed in the *Petroleum and Gas (General Provisions) Regulation 2017*.

Without the making of the *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017*, there would be an incomplete and largely incomprehensible regulatory framework (which includes the specification of fees and rents payable) causing uncertainty to both government and to the petroleum industry.

Benefits and costs of implementation

The benefits of the making of the *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* include the following:

- It provides for the *Petroleum and Gas (General Provisions) Regulation 2017* to operate effectively once made;
- It provides for amendments that will have the effect of ensuring that there is no duplication of provisions, contained in other regulations; and
- It ensures that the correct fees and rents are properly detailed in the relevant regulation.

Implementing the *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* should not result in an increase in costs for government as administration will remain largely subject to existing processes and staffing.

Consistency with fundamental legislative principles

The *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* has been drafted with regard to the fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992* and is considered not to breach any fundamental legislative principles.

Consultation

The Office of Best Practice Regulation within the Queensland Productivity Commission was consulted regarding the need to prepare a Regulatory Impact

Statement for the remaking of the *Petroleum Regulation 2004* and the *Petroleum and Gas (Production and Safety) Regulation 2004*. The *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017* is one of the results of this remaking. The Office of Best Practice Regulation advised that the remake will involve only the removal of minor and redundant provisions with no effect on stakeholders. They consider the remake is unlikely to result in significant impacts and no further assessment under the system guidelines is required.

Peak petroleum industry representative bodies the Australian Petroleum Production and Exploration Association and Queensland Resources Council have been consulted and support the making of the *Petroleum and Gas (General Provisions) Regulation 2017* and by inference, the complementary *Petroleum and Gas (Production and Safety) and Other Legislation Amendment Regulation 2017*.

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