

Greenhouse Gas Storage Regulation 2021

Explanatory notes for SL 2021 No. 130

made under the

Greenhouse Gas Storage Act 2009

General Outline

Short title

Greenhouse Gas Storage Regulation 2021

Authorising law

Section 429 of the *Greenhouse Gas Storage Act 2009*

Policy objectives and the reasons for them

The objective of the *Greenhouse Gas Storage Regulation 2021* (the Regulation) is to replace the *Greenhouse Gas Storage Regulation 2010*.

Section 54 of the *Statutory Instruments Act 1992* provides that subordinate legislation expires 10 years after its making unless a regulation is made exempting it from expiry. The *Greenhouse Gas Storage Regulation 2010* came into effect in 2010 and was due to expire on 1 September 2020.

The expiry of the *Greenhouse Gas Storage Regulation 2010* was exempted by the *Statutory Instruments (Exemptions from Expiry) Amendment Regulation 2020* and is now due to expire on 31 August 2021.

The provisions contained in the Regulation remain necessary for the continued effective operation of the *Greenhouse Gas Storage Act 2009*.

Achievement of policy objectives

The Regulation remains substantially the same as the *Greenhouse Gas Storage Regulation 2010* except where amendments have been made to correct typographical errors, update reference standards, update wording based on current drafting style or incorporate changes to clarify the operation of the Regulation.

Consistency with policy objectives of authorising law

The Regulation is consistent with the policy objectives of the authorising law as it provides an administrative framework necessary to facilitate and regulate the carrying out of responsible greenhouse gas storage activities.

Inconsistency with policy objectives of other legislation

There is no inconsistency with the policy objectives of other legislation.

Benefits and costs of implementation

The Regulation is required to ensure that the regulatory framework supporting the *Greenhouse Gas Storage Act 2009* continues. A robust framework regulating greenhouse gas storage benefits government, the community, and industry by clarifying stakeholder obligations, responsibilities and entitlements.

Implementing the Regulation will not result in any increase in costs for government or industry as the Regulation remains substantively the same as the preceding statute, the *Greenhouse Gas Storage Regulation 2010*.

Consistency with fundamental legislative principles

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

Consultation

The sunset review of the expiring *Greenhouse Gas Storage Regulation 2010* involved writing to key internal and external stakeholders including the Queensland Resources Council, Queensland Exploration Council, the Association of Mining and Exploration Companies, Australian Petroleum Production and Exploration Association and Carbon Transport and Storage Corporation Pty Limited.

The Queensland Resources Council and Carbon Transport and Storage Corporation Pty Limited endorsed amending reporting requirements to avoid confusion for tenure holders. The Regulation reflects this suggestion.

In accordance with the *Queensland Government Guide to Better Regulation* the Office of Best Practice Regulation was consulted in relation to the regulatory proposals.

The Office of Best Practice Regulation advised that the Department of Resources has satisfactorily met the objectives for a sunset review as set out in the *Queensland Government Guide to Better Regulation* and that no further regulatory impact analysis of the *Greenhouse Gas Storage Regulation 2021* is required prior to its remake.

Clause by Clause Explanatory Notes

Clause 1 provides the short title of the regulation.

Clause 2 provides that the dictionary in schedule 3 defines particular words in the regulation.

Clause 3 provides matters that are to be included in proposed initial work programs. It replicates the previously existing section 3 of the *Greenhouse Gas Storage Regulation 2010* with minor changes to reflect contemporary drafting practice.

Clause 4 provides matters that are to be included in proposed initial development plans. It replicates the previously existing section 4 of the *Greenhouse Gas Storage Regulation 2010* with minor changes to reflect that previously listed acts are now collectively referred to as the resource Acts.

Clause 5 provides information required for site plans for Greenhouse Gas (GHG) stream storage sites. It replicates the previously existing section 5 of the *Greenhouse Gas Storage Regulation 2010* with minor structural changes to reflect contemporary drafting practice.

Clause 6 provides the requirements for a proposed test plan for GHG storage injection testing. It broadly replicates the previously existing section 6 of the *Greenhouse Gas Storage Regulation 2010* with a minor change to the title to specify that a 'test plan' is now a 'test plan for GHG storage injection testing'.

Clause 7 provides the required information for a relinquishment report for a GHG permit. It replicates the previously existing section 7 of the *Greenhouse Gas Storage Regulation 2010* with minor structural changes to the section and other updates to reflect contemporary drafting practice, including changing the term 'map' to 'spatial information'.

The clause also amends the requirement to report on the volume of water produced from each GHG well or water bore in the relinquished area to only require information on water produced for authorised activities under the GHG permit. This prevents reporting on water produced for unrelated uses.

Clause 8 provides the required information for an end of tenure report. It replicates the previously existing section 8 of the *Greenhouse Gas Storage Regulation 2010* with minor structural changes to reflect contemporary drafting practice and updates to cross references.

Clause 9 provides the required information for the report for a surrender application. It broadly replicates the previously existing section 9 of the *Greenhouse Gas Storage Regulation 2010* with minor changes to require information about water produced from, specifically, GHG wells or water bores rather than the previous requirement to report on water produced from the 'area' of the GHG lease.

The clause also amends the requirement to report on the amount and location of water produced from each GHG well or water bore in the GHG lease area, including other related information, to only require information on water produced for authorised activities under the GHG lease. This prevents reporting on water produced for unrelated uses and aligns reporting requirements with the changes made to clause 8.

Clause 10 provides for the purpose of part 5. It replicates the previously existing section 10 of the *Greenhouse Gas Storage Regulation 2010* and adds a drafting note to advise readers that a person must comply with a requirement under the part, and to refer the reader to the relevant section in the *Greenhouse Gas Storage Act 2009*.

Clause 11 provides requirements for the notice about an intention to drill a GHG well. It broadly replicates the previously existing section 11 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice. It also extends the notice period to require the notice to be given to the chief executive 10 business days before drilling starts, rather than the five business days previously required. The time period is now consistent with other notice periods in the *Greenhouse Gas Storage Regulation 2010*.

Clause 12 provides requirements for notices about particular events for GHG wells. It broadly replicates the previously existing section 12 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 13 provides requirements for notices about the intention to carry out seismic, technical, or scientific surveys. It broadly replicates the previously existing section 13 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 14 provides requirements for notices about the completion of seismic, technical, or scientific surveys. It broadly replicates the previously existing section 14 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 15 provides the requirements for daily drilling reports. It broadly replicates the previously existing section 15 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 16 provides the requirements for well completion reports. It broadly replicates the previously existing section 16 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice, including changing the term 'map' to 'spatial information'.

Clause 17 provides the requirements for well abandonment reports. It broadly replicates the previously existing section 17 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice, including changing the term 'map' to 'spatial information' and updating of references.

Clause 18 provides the requirements for seismic survey reports. It broadly replicates the previously existing section 18 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice, including changing the term 'map' to 'spatial information' and updating of references.

The clause also provides that a seismic survey report is due within 2 years after the completion of the survey, rather than within twelve months as was originally provided for.

Clause 19 provides the requirements for scientific or technical survey reports. It broadly replicates the previously existing section 19 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice, including changing the term 'map' to 'spatial information' and updating of references.

Clause 20 provides the requirements for how particular volumes must be stated in reports. It broadly replicates the previously existing section 21 of the *Greenhouse Gas Storage Regulation 2010*, with minor structural amendments to reflect contemporary drafting practice.

Clause 21 provides the requirements for GHG storage injection testing reports. It broadly replicates the previously existing section 22 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 22 provides the requirements for GHG stream storage capacity reports. It broadly replicates the previously existing section 23 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 23 provides the requirements for GHG stream storage injection reports. It broadly replicates the previously existing section 24 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

This clause also expands the effect of the section. Where previously, a lease holder was only required to provide an assessment of whether there is a risk of a serious situation arising for any GHG stream storage site, they will now also be required to include in their report a description of how those risks are being mitigated.

This change makes the approach to regulating the risk of serious situations consistent with the existing approach for regulating the risk to public health and the environment.

Clause 24 provides the requirements for keeping samples as required by the *Greenhouse Gas Storage Act 2009*. It replicates the previously existing section 25 of the *Greenhouse Gas Storage Regulation 2010*.

Clause 25 provides the requirements for cutting samples. It replicates the previously existing section 26 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 26 provides the requirements for core samples. It replicates the previously existing section 27 of the *Greenhouse Gas Storage Regulation 2010*.

Clause 27 provides the requirements for fluid samples. It replicates the previously existing section 28 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 28 provides the confidentiality periods for required information for GHG authorities. It replicates the previously existing section 29 of the *Greenhouse Gas*

Storage Regulation 2010, with minor amendments to reflect contemporary drafting practice and updates to cross-referencing.

Clause 29 provides for the publication of required information for GHG authorities. It replicates the previously existing section 30 of the *Greenhouse Gas Storage Regulation 2010*.

Clause 30 provides for the annual rent for GHG authorities. It replicates certain parts of the previously existing section 31 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 31 provides for when annual rent must be paid for GHG authorities. It replicates the parts of the previously existing section 31 of the *Greenhouse Gas Storage Regulation 2010* that deal with when rent is to be paid, with minor amendments to reflect contemporary drafting practice.

Clause 32 provides for how annual rent must be paid for GHG authorities. It replicates the parts of the previously existing section 31 of the *Greenhouse Gas Storage Regulation 2010* that deal with how rent is to be paid, with minor amendments to reflect contemporary drafting practice.

Clause 33 provides for how security is to be dealt with for GHG authorities, including prescription of methods and amounts. It replicates the previously existing section 32 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 34 provides for interest rates under the Act. It replicates the existing section 33 of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 35 provides that the fees payable under the *Greenhouse Gas Storage Act 2009* are stated in Schedule 2. It replicates the existing section 35 of the *Greenhouse Gas Storage Regulation 2010*, with updated cross referencing.

Clause 36 provides a way for making applications, lodging documents, or making submissions. It replicates the existing section 34A of the *Greenhouse Gas Storage Regulation 2010*, with minor amendments to reflect contemporary drafting practice.

Clause 37 repeals the *Greenhouse Gas Storage Regulation 2010*.

Clause 38 provides a transitional provision to provide that a daily drilling report for a well for section 17 includes a daily drilling report under the repealed *Greenhouse Gas Storage Regulation 2010*, section 15.

Schedule 1 prescribes a list of annual rent values due for different GHG authorities. It broadly replicates the existing Schedule 1 within the *Greenhouse Gas Storage Regulation 2010*. Minor updates have been made to the fee amounts, consistent with the annual indexation of rent amounts across government.

Schedule 2 prescribes a list of fees for different GHG actions. It replicates the existing Schedule 2 within the *Greenhouse Gas Storage Regulation 2010*.

Schedule 3 provides definitions for various specific terms within the Regulation. It largely replicates the existing *Schedule 4* within the *Greenhouse Gas Storage Regulation 2010*, with some minor updates and new defined terms to support contemporary drafting in other parts of the Regulation. It also includes a definition for '6 month period' which was previously prescribed by section 20 of the *Greenhouse Gas Storage Regulation 2010* and is updated to reflect annual indexation rates.

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