

Opening Statement, Sue McCarrey, Chief Executive Officer

Budget Estimates, February 2025

I welcome the opportunity to appear before the committee today.

NOPSEMA's work in the petroleum space and renewables space is delineated under legislation and our internal structure, including cost recovery mechanisms.

With me today are colleagues who can answer questions that go to our role administering the OPGGS Act and associated regulation for the offshore oil and gas industry.

As such, I will cover some topical issues in my opening address that I hope will assist with answering some of the questions senators may have.

As the regulator, it is our job to ensure a protected offshore workforce and environment. One of the many ways we do this is through approving plans that govern offshore projects and facilities, such as environment plans. By law, a petroleum or greenhouse gas activity cannot begin before NOPSEMA has assessed and accepted an environment plan for that activity. NOPSEMA will only accept an environment plan once it has determined the plan meets all the requirements of the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009, including consultation requirements.

As the complexity and volume of consultation has grown, so too have our assessment timeframes. However, thanks to good work on both sides (industry and NOPSEMA), I am pleased to report the average assessment timeframe for EPs completed in 2024 was reduced by 42 days. Since December 2024, NOPSEMA has completed assessments of 13 environment plans.

It is important to note that NOPSEMA assesses a range of other plans that help keep offshore workers and the environment safe. These include offshore project plans (OPP), well operations management plans (WOMP) and safety cases. In 2024 we accepted 91 safety cases, 39 WOMPs and three OPPs. So far this year (as of 10 February 2025) we have accepted 11 safety cases, 8 WOMPs and one OPP.

This kind of data is part of the bigger picture at NOPSEMA. We are continually working to add to, refine and improve our data to better understand safety trends across the industry, predict future trends, inform our regulatory approach and improve our own performance.

As you can see, there is a lot of work going on behind scenes at NOPSEMA, and this extends to the inspections and investigations that are undertaken by our inspectors throughout the year. Sometimes, these inspections can lead to regulatory action if it is found that the regulations have been breached. While regulatory action is not taken lightly, it can be necessary to ensure action is taken when needed. It can also lead to positive change, which we have seen recently as titleholders continue to comply with their notices and directions.

Another way we are working to foster positive change is through industry education, such as our Better Practice Forums. We received good feedback on our last forum "Decommissioning now and into the future"

which was held in November 2024. We will be holding another forum in April which will focus on the environment plan and offshore petroleum plan process.

NOPSEMA will also hold several information sessions in the coming months to help educate industry on the changes to the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (OPPGS Act), which were passed by Parliament in May 2024. As the regulator, NOPSEMA will administer the new requirements when they come into force on 12 June 2025, and we are committed to helping our stakeholders understand what to expect from us.

With that, I welcome questions from the committee.