

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2015-16 Supplementary Budget Estimates Hearing
22 October 2015

AGENCY: NOPSEMA

TOPIC: Assessment process

REFERENCE: Written Question – Senator Xenophon

QUESTION No.: SI-75

Amendments to section 571(2) of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act) became effective on 29 November 2013. These amendments require titleholders to maintain sufficient financial assurance to meet the costs, expenses and liabilities that may arise in connection with carrying out petroleum activities among other things. As of 1 January 2015, titleholders are required to demonstrate to NOPSEMA that they meet the financial assurance requirements of section 571(2) of the OPGGS Act as a prior condition of acceptance of an environment plan (EP).

Have NOPSEMA been satisfied of financial assurance requirements from BP and how are these estimated?

ANSWER

Since 1 January 2015, regulation 5G of the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 require NOPSEMA to be satisfied of a titleholder's compliance with financial assurance requirements as a prior condition of acceptance of an environment plan.

The assessment of BP's environment plan is yet to reach this point.