

## Response to submissions Draft Guideline for the Development of Petroleum, Geothermal and Pipeline Environment Plans in Western Australia

The purpose of the <u>Guideline for the Development of Petroleum, Geothermal and Pipeline Environment Plans in Western Australia</u> (EP Guideline) is to assist petroleum, geothermal and pipeline operators in developing an Environment Plan in accordance with the requirements of the Petroleum and Geothermal Energy Resources (Environment) Regulations 2012, the Petroleum (Submerged Lands) (Environment) Regulations 2012, and the Petroleum Pipelines (Environment) Regulations 2012 (the Environment Regulations).

The EP Guideline was revised by the Department of Mines, Industry Regulation and Safety (DMIRS) to provide greater clarity for operators regarding DMIRS expectations. This includes planning and preparing for site decommissioning, rehabilitation and closure as early as possible, and identifying appropriate post-activity land use(s), closure objectives, and rehabilitation criteria.

Additionally, the EP Guideline was updated to amalgamate the following existing guidance material:

- <u>Guidance Note Environmental Performance Objectives, Environmental Performance Standards and Measurement Criteria for</u> <u>Petroleum Environment Plans.</u>
- Proposed Stakeholder Engagement and Consultation Guide Public Consultation Paper.
- Guidance Note Decommissioning, Rehabilitation and Closure of Petroleum Activities.

#### **Stakeholder Comments**

The Draft EP Guideline was released on the DMIRS website for public comment from 13 July 2021 to 5 October 2021, with four stakeholders providing feedback.

The review process notified respondents that their submissions would be made publicly available on the DMIRS website. For the purposes of more easily grouping and responding to feedback from stakeholders, the submissions have been sorted by theme. The text of submissions are included verbatim.

#### **Key Themes of Feedback Received**

The key themes of this feedback were related to:

- Administrative amendments to the EP Guideline, including terminology use throughout the document.
- · Stakeholder engagement and consultation requirements.
- Care and maintenance.
- · Decommissioning.
- Rehabilitation and closure.
- Oil Spill Contingency Plans and associated revision requirements.
- · Compliance monitoring and transparency of information.
- Government policy and processes relating to the Implementation Plan <u>Implementation of the Government's Response to the</u> <u>Independent Scientific Panel Inquiry into Hydraulic Fracture Stimulation in Western Australia</u> (Implementation Plan).

DMIRS thanks all stakeholders for their considered input into the process.

Ref #	Stakeholder	Comment	DMIRS Response/Action
		Administrative and use of Termino	logy
1.	APPEA	<ul> <li>APPEA would like to acknowledge the Department of Mines, Industry Regulation and Safety (DMIRS) for consulting on the Guideline and its willingness to receive industry comment. APPEA has grouped its comments on the Guideline into themes below, however, we would first like to make several general comments on the Guideline.</li> <li>First, the Guideline includes details that go beyond, or are in addition to, the existing legislative requirements. APPEA is very concerned that a guideline, the purpose of which is to assist in explaining the legislative requirements, is being used as a tool to make regulatory changes that should only be made via the appropriate Act and/or regulations. Examples of this point, which are explained in more detail below, include the inclusion of care and maintenance as a "petroleum activity", and further stakeholder consultation requirements such as a Stakeholder Engagement Strategy and the requirement for stakeholders to "agree" before an activity is approved.</li> <li>The second general comment on the Guideline is that in parts it details requirements that duplicate other regulatory processes, adding unnecessary regulatory burden to industry and therefore increased costs to undertaking a development in WA.</li> <li>A final overarching comment is that there is also a concern that in parts, the Guideline is overly prescriptive and therefore strays away from an objective-based regulatory system that is key to regulatory efficiency.</li> </ul>	The intention of the Guideline is to provide greater understanding of the D when preparing an Environment Plan. The Guideline is designed to suppo level of detail to meet the requirements in the Petroleum and Geothermal Regulations 2012, Petroleum Pipelines (Environment) Regulations 2012 a (Environment) Regulations 2012 (the Environment Regulations). The level commensurate to the nature and scale of the proposed activities. Please the specific examples provided.
2.	ΑΡΡΕΑ	Throughout the Guideline, the term "expectations" in relation to the expectations of DMIRS has been used. APPEA is concerned that these "expectations" are wholly subjective and are not provided for in the regulations and the Petroleum and Geothermal Energy Resources Act 1967 Act (the Act). To include this terminology raises the risk that this Guideline goes beyond legislative requirements as it will depend on individual interpretation. As a comparison, under the Commonwealth regime a Ministerial Statement of Expectations sets out the responsible Minister's expectations of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA). This sets clear objectives for the offshore regulator and guides NOPSEMA's functions under the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth) (OPGGSA). However, there is no provision under the Act and the Regulations for the WA Minister to provide a similar Statement of Expectations for regulation of the industry on WA land and in WA waters.	DMIRS have reviewed the use of the term 'expectations' and determined i that it has been used throughout the EP Guideline. The term has been use requirements, as distinct to the expectations of the type or level of inform requirements.
3.	ΑΡΡΕΑ	In section 2.2 the Guideline states "changes to the EP may be required from time to time to maintain best practice, resulting in the submission of a revised EP to DMIRS". This paragraph refers to Regulation 9 of the Regulations however, Regulation 9 is for the submission of an EP and does not speak to revisions. APPEA requests clarification on this point as we believe revisions relate only to Regulation 18 and not Regulation 9. It should be noted that industry maintains best practice as standard, which APPEA strongly supports, however there is no requirement in the Regulations for maintenance of best practice. This is an example of where the Guideline is going further than the legislative requirements.	For clarity, this statement has been removed from Section 2.2. Section 2.3 (Requirement for Revisions and Change Management) of the for revisions and change management in accordance with regulations 18, Regulations.

ne Department's expectation for operators oport operators in providing an adequate mal Energy Resources (Environment) 12 and Petroleum (Submerged Lands) evel of detail provided is intended to be ase see further comments below regarding

ed it to be appropriate in the context used to distinguish between legislative ormation to be provided to meet these

he EP Guideline outlines the requirements 18, 19, 20 and 23 of the Environment

Ref #	Stakeholder	Comment	DMIRS Response/Action
4.	Environs Kimberley (EK) and Lock the Gate Alliance (LTGA)	<ul> <li>EK and LTGA supports:</li> <li>"The objective of an EP is to ensure petroleum activities are carried out in a manner consistent with the principles of ecologically sustainable development (ESD) It is an object of the Regulations (regulation 3(a)) that petroleum activities be undertaken in a manner consistent with the principles of ESD"</li> <li>"Under regulation 8, a petroleum activity must not continue if any significant, new or increased environmental impacts or risks are identified. In these circumstances a revised EP must be submitted to DMIRS, and approved prior to continuing the activity."</li> <li>Whilst we support these provisions, we do not believe they have been or are being implemented.</li> </ul>	Objective based regulation (rather than prescriptive) places responsibility requirements and objectives of the legislative framework. It also encoura aspects of an operator's environmental performance, and allows operator practices as new information, new technology, and improved industry sta the relevance, currency and ongoing appropriateness of the environmental implemented. Under the Petroleum and Geothermal Energy Resources (Environment) Re (Environment) Regulations 2012 and Petroleum (Submerged Lands) (Envi Environment Regulations), operators are required to submit a revised Env and approval where any significant, new or increased environmental impa- so would make the operator subject to compliance action. In addition, DMIRS Inspectors conduct routine site (field) inspections of p environmental management, and the level of compliance with the approve monitors environmental performance via numerous other compliance act limited to: desktop inspections; assessment of Annual Environmental Rep routine incident and emissions and discharges information.
5.	ΑΡΡΕΑ	In section 2.2.1 the Guideline should accurately list the principles that are relevant to Regulation 3(a) of the <i>Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act)</i> . The Guideline currently lists the guiding principles of Australia's National Strategy for Ecologically Sustainable Development, which are different to the Principles of Ecologically Sustainable Development as they are defined in the EPBC Act.	Section 2.2.1 (Ecologically Sustainable Development) of the EP Guideline Principles of <i>Ecologically Sustainable Development as defined in the Envir</i> <i>Conservation Act 1999.</i>

lity on the operator to meet the urages continuous improvement in all ators to adapt environmental management standards become available. This ensures ental performance standards and practices

) Regulations 2012, Petroleum Pipelines Environment) Regulations 2012 (the Environment Plan to DMIRS for assessment npacts or risks are identified. Failure to do

of petroleum activities to evaluate roved Environment Plan. DMIRS also activities and reviews, including but not Reports; and monitoring of routine and non-

ine has been revised to refer to the vironment Protection and Biodiversity

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6.	Environs	Confusion: 'Best practice'; 'ALARP'; 'practicable'; 'possible'; 'acceptable'; 'tolerable'; 'grossly disproportionate'	The 'ALARP and acceptable' concepts are provided for in the Petroleum and
	Kimberley and Lock the Gate Alliance	The draft EP guideline is hopelessly compromised due to the conflicting, confused and confusing position in relation to 'ALARP'.	(Environment) Regulations 2012, Petroleum Pipelines (Environment) Regul Lands) (Environment) Regulations 2012 (the Environment Regulations), to approach to regulation and management of activities under the scope of the
		"Operators should ensure that best practice environmental management standards are implemented at all times." "The objective of the Regulations is to ensure that any petroleum activity carried out in the State is	Objective based regulation (rather than prescriptive) places responsibility of requirements and objectives of the legislative framework. It also encourage
		Carried out in accordance with an EP that:	aspects of an operator's environmental performance, and allows operators practices as new information, new technology, and improved industry stan
		• Demonstrates the environmental impacts and risks of the petroleum activity will be reduced to 'as low as is reasonably practicable' (ALARP)."	the relevance, currency and ongoing appropriateness of the environmental implemented.
		"For an EP to be approved, it must demonstrate that the environmental impacts and risks of the petroleum activity will continuously be reduced to ALARP, in accordance with regulation 11(1)(b)."	
		"It is the operator's responsibility to conduct an ERA and demonstrate that all environmental impacts and risks arising from the petroleum activity have been identified, and can be reduced to ALARP and acceptable levels (see section 3.3.3)."	
		"For an EP to be approved, it must demonstrate that the environmental impacts and risks of the petroleum activity will be of an acceptable level, in accordance with regulation 11(1)(c)."	
		"The concept of "acceptability" or "acceptable level" is described in HB 203:2012 Managing Environment- related Risk. There are two other related concepts that should also be considered when demonstrating the acceptability of a level of environmental impact or risk; "unacceptable level" and "tolerable level"."	
		"A comprehensive EP will facilitate the assessment process by providing sufficient information to determine the level of environmental impact and risk, and ensure that adequate EPSs are in place to reduce these to 'as low as reasonably possible' (ALARP)."	
		"ALARP can be defined as the point where the cost involved in further reducing the environmental impacts and risks of the activity would be grossly disproportionate to the environmental benefit gained. This principle arises from the reality that resources are finite and should focus on reducing the environmental impacts and/ or risks that will deliver the best environmental outcomes possible."	
		"An acceptable level of impact or risk is described as the level at which further action is not worthwhile because it will not result in significant reductions in impact or risk levels."	
		"It should be noted that cost is not a consideration as to whether a risk is "tolerable" or "acceptable". It is an analysis of the treatment options that currently exist to reduce risks."	
		"Although an operator may reduce the environmental impacts and risks to ALARP, these may not be acceptable due to the impacts or risks to environmental values or sensitivities that may be ecologically unsustainable."	
		DMIRS should replace its reliance on the 'ALARP' (or 'ALARP and acceptable') concept, given it is effectively and explicitly left up to individual companies to determine what it means for each of them according to their own non-transparent estimations and self-interest. The public interest, including in relation to protecting the environment and actually implementing ECOLOGICALLY SUSTAINABLE DEVELOPMENT, requires a much more transparent, rigorous and reliable standard.	

and Geothermal Energy Resources egulations 2012 and Petroleum (Submerged , to enable a risk and objective based of the legislation.

ity on the operator to meet the rages continuous improvement in all tors to adapt environmental management standards become available. This ensures ntal performance standards and practices

Ref #	Stakeholder	Comment	DMIRS Response/Action
		Stakeholder Engagement and Consu	Itation
7.	ΑΡΡΕΑ	In section 3.8.1, the Potential Stakeholder section, APPEA notes a stakeholder consultation report is a content requirement of the EP as per the Regulations. In general this section is prescriptive and whilst it is useful to provide examples of processes for titleholders to use for the development of their consultation report, the term "expectation" and "beyond the statutory stakeholder requirements" means that the Guideline is going beyond what is required in the legislation. APPEA notes that in line with DMIRS existing Guideline in section 3.9, companies already undertake a process of identifying relevant stakeholders and then engaging with them to ensure that the consultation is conducted in a way in which communication is open, two-way, and appropriate; is transparent; is collaborative to obtain mutually-beneficial outcomes wherever possible; is inclusive through involving all stakeholders and respect. An ongoing commitment to stakeholders is also made through EPOs, EPSs and measurement criteria which are all requirements as per the Regulations.	The inclusion of section 3.8 (Stakeholder Engagement) into the revised E amalgamation of the <i>Proposed Stakeholder Engagement and Consultation</i> <i>Paper</i> ) into the EP Guideline. This has been included to address Action 4 of the Implementation Plan – response to the Independent Scientific Panel Inquiry into Hydraulic Fractu DMIRS acknowledges that depending on the nature and scale of propose engagement may vary. This is supported by Section 3.8 (Stakeholder Eng that not all petroleum activities will require the same level of engagement for hydraulic fracture stimulation activities would require significantly more than an airborne gravity survey, or the drilling of an exploration well in remu sensitivities present. The level of stakeholder engagement required is there of the petroleum activity proposed.'
8.	APPEA	In section 3.8.1, and the Stakeholder Engagement Strategy, the Guideline provides a list of discussion topics to raise with stakeholders. While the Guideline states that the topics are intended to be a guide only, this is prescriptive and APPEA notes that the onus is already on the operator to meet their stakeholder consultation requirements as per content requirements of an EP in the Regulations. In addition to this point, a strategy is subjective and if this were to be required during the assessment stage of an EP, could DMIRS please advise how this would be measured and against what criteria. APPEA notes that one of the discussion topics listed is "Requirements for any specific Aboriginal Heritage Management Plans". This topic is not required to be included as part of an EP given this would duplicate other regulatory processes already in place, including those of other agencies. In addition, prior to the grant of a title engagement with native title holders and obtaining consent has already taken place. APPEA notes that there may be commitments to stakeholders made through EPOs and EPSs.	See DMIRS response to comment 7 above. The discussion topics listed in Strategy) of the EP Guideline are intended as a guide only. These topics r proposed activity, or to the particular stage of the project.
9.	ΑΡΡΕΑ	In section 3.8.2 the Guideline describes an expectation on operators to use a clear process, system or method to identify relevant stakeholders with this process to be documented in the EP to support the case that appropriate consultation has been undertaken. The Guideline also provides for a nested approach to stakeholder consultation which goes beyond the Regulations. Stakeholder engagement is the operators responsibility and given this is an objective-based regime, the onus is on the operator to engage with stakeholders as they see fit to meet the requirements of the Regulations which provides for a report of all consultation. APPEA suggests DMIRS consider removing section 3.8 from the Guideline and pursue this section as a standalone document more closely guided by the Regulations.	See DMIRS response to comment 7 above. Under the Environment Regularequirement of an Environment Plan. The information provided in this sec support operators in preparing an Environment Plan to meet DMIRS' requ
10.	ΑΡΡΕΑ	In section 3.1.4.2.1 of the Guideline it states: "Post-activity land use(s) should be identified and agreed upon through consultation with relevant stakeholders before approval of new projects". This statement is another example of the Guideline going beyond legislative requirements for two reasons; 1, there is no reference to "post-activity land use(s)" in the Act or Regulations, and 2, there is no requirement for stakeholders to "agree" with the titleholder in order for the activity to be approved. As per the Act and the Regulations, stakeholder consultation is required as part of the approval process for an activity. It is not a pre-requisite that stakeholders must agree as is stated in this section and it is the Minister who is responsible for approvals. In addition, agreement for post activity land use at a cessation stage is a Minister's responsibility and a stakeholder does not need to agree for the activity to be approved. The titleholder/operator must demonstrate that they have undertaken a stakeholder consultation process as part of the approval process for their EP.	<ul> <li>Planning for closure should commence as early as possible including in t best opportunity for the agreed end state to be achieved. This includes the use(s) through consultation with relevant and impacted stakeholders price Environment Plan.</li> <li>The Environment Regulations require that adequate consultation is under authorities, interested persons and organisations. The purpose of the EP information and guidance to support operators in meeting this requirement</li> </ul>

d EP Guideline is the result of the tion Guide - Public Consultation Paper (the

n – Implementation of the Government's acture Stimulation in Western Australia. osed activities, the level of stakeholder Engagement) stating 'DMIRS acknowledges ent with stakeholders. For example, proposals nore engagement with relevant stakeholders emote locations with no environmental herefore dependent on the nature and scale

l in section 3.8.1 (Stakeholder Engagement s may or may not be relevant to the

gulations, stakeholder engagement is a section of the EP Guideline is intended to equirements.

in the project planning phase to enable the s the identification of the post-activity land prior to and during the development of an

dertaken between the operator and relevant EP Guideline is to provide additional ment.

Ref #	Stakeholder	Comment	DMIRS Response/Action
		Care and Maintenance	
11.	ΑΡΡΕΑ	In Table 1, there is a list of petroleum activities, however these do not match the petroleum activity types listed in the Regulations. Could DMIRS please remove "care and maintenance" from the petroleum activity list in this table and clarify that this is a phase or stage of an activity that may need to be described in an EP, rather than imply that this is a petroleum activity type as per the Regulations. APPEA recognises the need for a care and maintenance phase of an activity and supports description of this phase in an EP if applicable.	Section 2.2 (The Environment Plan) states 'Table 1 provides guidance to operators for typical stages of a petroleum activity and the inclusion of this information in an Environment Plan'. This table is provided as guidance only for typical stages of a petroleum activity. DMIRS recommends that titleholders provide detailed information and planning to address care and maintenance activities within their EP as notwithstanding the prospects of a project, care and maintenance forms a potential activity and stage in the life of a petroleum operation that ought to be accounted for. Providing this information upfront and in a detailed manner will assist in the overall assessment of an EP.
12.	ΑΡΡΕΑ	In Table 1, there is reference to hydraulic fracturing and the stages to be covered in an EP. The table states "All stages of the activity to be incorporated in an EP, including exploration, care and maintenance (if applicable), decommissioning, rehabilitation, and closure". Although DMIRS has stated "if applicable", care and maintenance for hydraulic fracturing is impractical due to the process of hydraulic fracturing which by its nature is not able to be suspended for a period of time. In line with the Proposed Stakeholder Engagement and Consultation Guideline released by DMIRS in December 2019 as part of implementation of recommendations from the Independent Scientific Panel Inquiry into Hydraulic Fracture Stimulation in Western Australia, the lifecycle of hydraulic fracturing projects does not include a care and maintenance phase. APPEA requests that reference to care and maintenance applies only to the drilling activity and that the table is amended accordingly.	This table is provided as guidance only for typical stages of a petroleum activity. In the context of hydraulic fracturing, the term 'care and maintenance' refers to the period of time after hydraulic fracturing has been undertaken while a decision is being made regarding commercial viability, and the next phase/stage associated with that well being determined/commenced i.e. appraisal (proof of concept), production or decommissioning (plug and abandonment).
13.	ΑΡΡΕΑ	In section 3.1.4.1 DMIRS is asking for a "care and maintenance" EP. There is already a requirement in the Regulations for an implementation strategy to form part of the content requirements of an EP which should describe any care and maintenance elements if applicable. Given there is already an implementation strategy as a legislated requirement, the Guideline is going beyond what is required. In addition, there are EPOs and EPSs that operators report against in performance reports to ensure that commitments made in the EP are being met. Furthermore, 5-year revision for activities will outline the implementation strategy and the Minister can compel a revision based on a significant change in risk.	DMIRS recommends that titleholders provide detailed information and planning to address care and maintenance activities within their EP as notwithstanding the prospects of a project, care and maintenance forms a potential activity and stage in the life of a petroleum operation that ought to be accounted for. Providing this information upfront and in a detailed manner will assist in the overall assessment of an EP. Section 3.1.4.1 (Care and Maintenance) states 'Depending on the petroleum activity, and period of care and maintenance, these activities may be included as a stage in the Environment Plan or submitted in a separate Environment Plan specific to this stage.'
			The purpose of this statement is to provide operators with flexibility, and aligns with the information presented in Table 1 (Example of Petroleum Activity Stages to be Included in an Environment Plan).
			In accordance with the requirements of the Regulations, the description of the petroleum activity and its associated environmental impacts and risks do not form part of the implementation strategy.
14.	ΑΡΡΕΑ	In section 3.1.4.1 the Guideline states that 'If care and maintenance is not adequately described in the EP approved by DMIRS, the Operator must include a commitment that a care and maintenance EP will be submitted to DMIRS prior to operational activities ceasing'. This sentence implies that the Operator must submit a care and maintenance EP, even if the Operator plans to submit a suitable alternative 'next stage' EP (e.g. decommissioning, rehabilitation) instead.	For clarity, this statement has been revised to 'If care and maintenance is not adequately described in the Environment Plan approved by DMIRS, the operator must include a commitment to have an approved Environment Plan in place which adequately addresses care and maintenance prior to any care and maintenance activities being undertaken.'
15.	ΑΡΡΕΑ	In reference to inclusion of plans for decommissioning and care and maintenance in an EP, APPEA notes that as per Schedule 1, Item 5 of the Petroleum and Geothermal Energy Resources (Resource Management and Administration) Regulations 2015 (RMA Regulations) the content requirements of a Well Management Plan (WMP) include the titleholder's proposed timetable for carrying out each well activity, including estimated commencement and cessation dates. This seems to be a duplication of effort for both industry to repeat this information and the regulator for assessment of this criteria in another permissioning document (the EP). APPEA suggests removing this from the Guideline or stating that this is a requirement as per the RMA Regulations.	It is a requirement of regulation 14(1)(c) of the Environment Regulations for the Environment Plan to include 'a description of the operational details of the petroleum activity and proposed timetables.' Additionally, it should be noted that the proposed timeframes may be relevant to the environmental risk assessment, and the management of environmental impacts and risks due to environmental constraints or considerations. This information is therefore of relevance to DMIRS assessment of the Environment Plan.

Ref #	Stakeholder	Comment	DMIRS Response/Action
		Decommissioning	
16.	APPEA	In Table 1, there is reference to "Seismic or other surveys" and stages covered in an EP. The table states in relation to "seismic or other surveys" that "All stages of the activity to be incorporated in an EP, including exploration, decommissioning, rehabilitation, and closure". Decommissioning in the Regulations is defined as the dismantling or removal of a facility. There will be few facilities, if any, in relation to a seismic survey that requires decommissioning as this activity type does not leave infrastructure or equipment at the site. If this is in reference to situations such as the removal of accommodation facilities in relation to the petroleum activity being carried out or having been carried out. APPEA also suggests that there would be few surveys that require any type of decommissioning, rehabilitation or closure, and therefore request that the phrase "if applicable" is added after reference to these stages of an activity to reflect this reality.	DMIRS acknowledges that reference to decommissioning in relation to 'seismic or other surveys' is referring to the decommissioning of facilities such as those required for accommodation purposes. For clarity, the corresponding statement (in relation to 'seismic and other surveys') has been revised to 'All stages of the activity to be incorporated in an Environment Plan, including exploration, decommissioning (if applicable), rehabilitation and closure.'
17.	Chevron	<b>Decommissioning and Alternatives</b> Chevron understands from the DMIRS webpage, that the intent of updating the EP Guideline was to provide clarity on decommissioning, rehabilitation and closure requirements. In relation to decommissioning, Section 3.1.4.2 describes that the base case is for <i>full decommissioning and removal of all infrastructure brought into the area, however exceptions to this requirement may be considered by the Minister on a case by case basis</i> . Chevron seeks further understanding from DMIRS as to how a titleholder would seek to have the Minister consider alternatives to full removal, including whether this is through an existing approvals process and related permissioning document or other process. It is understood that consideration would be on a case by case basis but clarification is sought as to whether DMIRS have any further guidance or criteria that are to be met for the consideration of alternatives. Chevron notes that the DMIRS Decommissioning Guideline references s.104(3) of the PSLA 82 and the potential for in situ decommissioning, along with the use comparative assessment, however it does not provide clarification on the process to seek acceptance of alternatives to full removal, other than stating that derogation is subject to approval by the Minister.	In relation to the Environment Regulations, an Environment Plan describing any proposed decommissioning activities must be submitted to DMIRS for consideration by the Minister. In order for an Environment Plan to be approved, the Minister must be reasonably satisfied that the criteria outlined in section 5.5 (Criteria for Approval) of the EP Guideline have been met. In accordance with the stakeholder consultation requirements of the Environment Regulations, operators must consult with relevant authorities and other relevant interested persons and organisations in the course of developing the Environment Plan. In cases where alternatives to full removal of infrastructure are being sought, it is specifically recommended that early engagement with DMIRS is undertaken. Alternatives to full removal should be included in the Environment Plan for consideration during the approvals process.
18.		<ul> <li>APPEA recognises that DMIRS is wanting to work with operators on decommissioning activities and planning for decommissioning, however it is unlikely an operator would be able to plan at the exploration phase for how financial viability may impact their activity. APPEA would like to reiterate that getting the policy settings right for decommissioning are important and the industry is committed to work with DMIRS to understand key components such as:</li> <li>Completion criteria;</li> <li>Residual risk</li> <li>Financial assurance; and</li> <li>Insurance in state jurisdiction.</li> </ul>	<ul> <li>Industry's commitment to working with DMIRS to develop and understand key components of the decommissioning framework is appreciated.</li> <li>For clarity, DMIRS key principles when planning and preparing for site decommissioning (including remediation), rehabilitation and closure have been revised in section 3.1.4.2 (Decommissioning, Rehabilitation and Closure) of the EP Guideline to include further information, including:</li> <li>Decommissioning, rehabilitation and closure activities are the responsibility of the titleholder.</li> <li>While case by case consideration is appropriate, the end goal should be the complete removal of property and infrastructure and returning the site to an agreed state.</li> <li>Decommissioning, rehabilitation and closure activities should be undertaken in a safe and environmentally responsible manner.</li> <li>Early and appropriate planning is critical to decommissioning, rehabilitation and closure success.</li> <li>Progressive decommissioning and rehabilitation should be undertaken as early as possible in the operational life of a project.</li> </ul>

Ref #	Stakeholder	Comment	DMIRS Response/Action
		Rehabilitation and Closure	
19.	APA	It is an expectation of DMIRS that decommissioning, rehabilitation and closure be considered in all EPs, rather than only at the end of a project's life.	Contractual agreements between operators and titleholders are outside the scope of the EP Guideline.
		In many cases, APA is the operator of the pipeline, not the instrument-holder.	In accordance with the Environment Regulations, the operator of the petroleum activity is responsible to instrument holder for the overall management and operation of the petroleum activity.
		APA has a contractual agreement with instrument-holder to undertake operation and maintenance (0&M) activities. APA does not have a contractual agreement with the instrument-holder for decommissioning, rehabilitation and closure activities.	The level of information required associated with decommissioning, rehabilitation and closure will be dep on the stage of the petroleum activity. The EP Guideline states 'the level of information required will be de on the stage of the petroleum activity (i.e. exploration, construction, operations, care and maintenance,
		Decommissioning, rehabilitation and closure commitments are the instrument-holders responsibility not the O&M Operators.	decommissioning, post-closure maintenance and monitoring), with detail increasing as the site moves to closure.'
		The operator of a pipeline activity commits an offence if the operator carries out the pipeline activity in a way that is contrary to the environment plan for the pipeline activity.	DMIRS recognises that closure planning is a progressive process and acknowledges that information pre to DMIRS may change over time through revisions of the Environment Plan. The purpose of including high
		It is unreasonable to expect the 0&M Operations to commit to decommissioning, rehabilitation and closure commitments in the Operations Environment Plan.	commitments at the stage of construction or operation of a project is to demonstrate a commitment to c out the activity in a manner consistent with the principles of ecologically sustainable development. Addit is recognised that effective, early planning is likely to minimise rehabilitation costs.
			It should be noted that a revised Environment Plan and Notification of Operator Form may be submitted to prior to the commencement of decommissioning, rehabilitation and closure activities in order to reflect the operator responsible for the overall management and operation of those activities where appropriate.
20.	ΑΡΡΕΑ	closure in all EPs as opposed to only at the end of a project's life. However, for activities approved under an exploration phase EP, the titleholder is not going to have the visibility of a potential future development to provide details of decommissioning, rehabilitation and closure activities, given exploration is too early in the project lifecycle and in any case may be unsuccessful in the discovery of commercial resources of petroleum	The level of information required associated with decommissioning, rehabilitation and closure will be dep on the stage of the petroleum activity.
			The EP Guideline states 'the level of information required will be dependent on the stage of the petroleum (i.e. exploration, construction, operations, care and maintenance, decommissioning, post-closure maintenance, monitoring), with detail increasing as the site moves towards closure.'
			In cases of exploration activities (i.e. exploration drilling) the purpose of identifying decommissioning, rehabilitation and closure information for that well site upfront is to ensure that these sites are not left in of 'care and maintenance' for extended periods of time.
			Where commercially viable resources at these sites are discovered, the decommissioning, rehabilitation a closure information can be revised in subsequent approval applications submitted to DMIRS.
			DMIRS recognises that closure planning is a progressive process and acknowledges that information pre may change over time through revisions of the Environment Plan (including the provision of completion of and the specific targets associated with these).
21.	ΑΡΡΕΑ	In section 3.1, APPEA notes that this 'expectation' is too broad and consideration of decommissioning too early in the life cycle of a project will mean there are limited opportunities to develop appropriate EPOs, EPSs and measurement criteria which are requirements as per the Regulations.	DMIRS recognises that closure planning is a progressive process, and acknowledges that post-activity la use(s), closure objectives, and completion criteria may be refined and/or changed over time. DMIRS also recognises that not all of the technical details will be available at the early stages of a petroleum project. Guideline states '. The information presented to DMIRS may therefore change in revisions of the Environme (see section 2.3) following ongoing review, development, and stakeholder engagement; and as more inform acquired (through progressive decommissioning and rehabilitation). Further refinement or amendments may documented, together with sufficient clarification, in subsequent revisions of the Environment Plan.'

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22.	Chevron	<ul> <li>Clarification on Detail Associated with Rehabilitation Completion Criteria</li> <li>Clarification is sought on DMIRS expectations on the level of information required in Environment Plans (EP/s) from construction onwards in relation to rehabilitation completion criteria. Section 2.2 sets out that the level of information required in an EP will be dependent on the nature, scale and stage of the petroleum activity, and the corresponding table details that for the activity phases of Construction and Installation through to Decommissioning there should be 'consideration of rehabilitation and closure'. Similar information is presented in 3.1.4.2 where this section sets out that detail will increase as the site moves towards closure. However, Section 3.1.4.2.3 Closure Objectives Completion Criteria requires that completion criteria are developed upfront for new petroleum activities, or as early as possible for existing activities and reviewed and refined throughout the development life.</li> <li>Can DMIRS clarify whether rehabilitation completion criteria developed as projects progress through operations and prior to decommissioning occurring? Development of completion criteria closer to the decommissioning and collect long-term, site specific data including from rehabilitation triteria being developed which require continual life may result in generic and unattainable completion criteria being developed which require continual update at each 5 yearly EP resubmission to incorporate short-term monitoring results. These criteria may not be implemented for decades and adjacent areas may undergo significant changes such as inconsistent or changed weather patterns, weed infestation etc. Completion criteria and closure objectives will also need to be updated closer to the decommissioning phase to take into account the final agreed land use and results of detailed sites investigations etc.</li> </ul>	<ul> <li>DMIRS recognises that closure planning is a progressive process, and act use(s), closure objectives, and completion criteria may be refined and/or recognises that not all of the technical details will be available at the early. The level of information to be provided in an Environment Plan regarding closure will be dependent on the stage of the petroleum activity.</li> <li>At the construction/installation phase of a project with an extended opera objectives would be deemed appropriate. DMIRS recognises that closure acknowledges that information presented may change over time through (including the provision of completion criteria and the specific targets ass</li> <li>Section 3.1.4.2 (Decommissioning, Rehabilitation and Closure) of the EP required will be dependent on the stage of the petroleum activity (i.e. explc maintenance, decommissioning, post-closure maintenance and monitoring towards closure.'</li> <li>Additionally, the EP Guideline states 'DMIRS recognises that closure planna acknowledges that post-activity land use(s), closure objectives, and completion (see section 2.3) following ongoing review, development, and stakehor information is acquired (through progressive decommissioning and rehabilitation is acquired (through progressive decommissioning and rehabilitation is acquired by progressive decommissioning and rehabilitation is acquired of the periode of the periode of a petroleum project. The information presented to DMIRS may therefore Plan (see section 2.3) following ongoing review, development, and stakehor information is acquired (through progressive decommissioning and rehabilitation is acquired objectives only may be appropriate for those projects with these cases, completion criteria should be developed as early as possible, site moves towards closure.'</li> </ul>
23.	ΑΡΡΕΑ	In section 3.1.4.2.5 the Guideline requests that post closure monitoring should continue until agreed completion criteria are demonstrated to have been met. This is a requirement beyond what is required in the legislation. In addition, there is no mention of how long this period will be. At this point, titleholders may still be holding a production licence which would therefore incur annual fees. For example, if production has ceased, yet post closure monitoring is occurring prior to the surrender of title, the operator would still be issued fees under this Guideline. Once again, this is going beyond legislative requirements and it is not acceptable to enforce additional fees through a Guideline. APPEA requests clarification on issuance of annual fees in this situation noting that consultation for Cost Recovery for Part IV activities is currently being reviewed by APPEA and is being read in conjunction with this consultation. We are therefore very mindful of duplication of fees and cost recovery across different government agencies.	The Government remains committed to avoiding duplication wherever po While the issuance of annual fees once production has ceased (prior to the is outside the scope of the EP Guideline, DMIRS encourages operators to rehabilitate (where possible) which is likely to minimise the nature and sco In accordance with the <i>Petroleum and Geothermal Energy Resources Act</i> <i>Lands</i> ) <i>Act 1982</i> and the <i>Petroleum Pipelines Act 1969</i> the Minister is una petroleum title unless the titleholder has met a number of criteria. Of rele and abandonment of wells, the decommissioning of property and infrastr conservation and protection of natural resources in the area, and the rem or seabed. DMIRS considers post closure monitoring results to be an imp with the confidence that these criteria (where relevant) have been met sa surrender consent being issued.

acknowledges that post-activity land or changed over time. DMIRS also arly stages of a petroleum project.

ng decommissioning, rehabilitation and

perational design life, high level closure ure planning is a progressive process and gh revisions of the Environment Plan associated with these).

EP Guideline states 'the level of information ploration, construction, operations, care and ring), with detail increasing as the site moves

anning is a progressive process, and npletion criteria may be refined and/or details will be available at the early stages fore change in revisions of the Environment sholder engagement; and as more abilitation).'

has been revised to state 'The inclusion of with an extended operational design life. In ole, with the level of detail increasing as the

oossible.

the surrender of the petroleum title) to progressively decommission and scale of post-closure monitoring required.

ct 1967, the Petroleum (Submerged inable to consent to the surrender of a elevance to the EP Guideline is the plug structure, making provisions for the emediation of any damage to the land and/ mportant element in providing the Minister satisfactorily prior to the petroleum title

Ref #	Stakeholder	Comment	DMIRS Response/Action
24.	Chevron	Requirement to Hold Title for Rehabilitation Monitoring Section 3.1.4.2.5 describes requirements for rehabilitation and closure monitoring including the requirement for post-closure monitoring results will be reported to DMIRS annually in an Annual Environmental Report for the activity' Whilst this may be a suitable process for exploration or production licences that are regulated under the petroleum regulations only, Chevron has concerns with the duplication of compliance requirements for projects that hold a production or pipeline licence and have also been assessed under Part IV of the Environmental Protection Act 1986 (EP Act) and are likely to have statutory conditions which require rehabilitation and associated long term monitoring and/or Projects that are located on lands managed by the Department of Biodiversity, Conservation and Attractions (DBCA) and whereby conditions of tenure such as a lease or licence, issued pursuant to the Conservation and Land Management Act 1984, require rehabilitation obligations to be met before tenure can be relinquished. Where there is a duplication of rehabilitation requirements and petroleum activities have been completed, including decommissioning, landform reinstatement and implementation of rehabilitation, the requirement to monitor rehabilitation and report to DMIRS until completion criteria are met results in a titleholder not being able to relinquish title for a significant period of time, potentially a number of decades. As the title would stilb be in place, titleholders would need to maintian an Environment Plan and Safety Case to undertake ongoing monitoring, an activity that carries extremely low HSE risk, has no petroleum related risks and one that is likely to be undertaken using a combination of ground surveys and remote sensing techniques over extended periods. Routine and ongoing compliance reporting associated with an EP would be required such as monthy, annual and emissions reports. Annual title fees would alos continue to apply. Chevron	The review of the regulatory framework for compliance across Governmer Guideline review, however Chevron's comments are noted for future consid
25.	ΑΡΡΕΑ	In section 3.1.4.2.4 the Guideline states that the operator must collect and analyse closure data with reference to closure monitoring. APPEA seeks DMIRS clarification as to what is meant by closure monitoring and whether this is before or after the surrender of title. Rather than naming this "closure data", APPEA suggests DMIRS amend the Guideline to reflect a broader type of data collection such as "Operator must collect and collate relevant data". APPEA notes that if the base case for decommissioning is full removal, then if closure data is required which includes monitoring the site, there may be little value in doing this if a project is planning for full removal. This is another example of where the Guideline is going beyond what is detailed in the legislative requirements as neither "closure data" nor "closure monitoring" are in the Regulations. DMIRS should be monitoring compliance with Environmental Performance Standards (EPSs) and Environmental Performance Objectives (EPOs) throughout the life of the project, including during the decommissioning phase. APPEA would like clarification as to why baseline data is being referred to in this section given that baseline data is collected prior to the commencement of an activity (that is, prior to exploration).	The term 'closure data' has been used to refer to the data collected during inform the development of appropriate and achievable closure objectives a monitoring; flora and fauna monitoring etc. The collection and analysis of t the surrender of the petroleum title and is also used to monitor progress to completion criteria. For clarity, the term 'closure data' has been revised to 'relevant data' and so now included in section 3.1.4.2.4 (Collection and Analysis of Closure Data) Section 3.1.4.2.4 (Collection and Analysis of Closure Data) of the EP Guide applicability of this information when collecting and analysing closure data this section states 'From a closure planning perspective, information from b the commencement of the petroleum activity, and from ongoing studies (wh section 3.2.1)' which is deemed to clarify the intent of its inclusion in this se
26.	APPEA	In section 3.1.4.2 APPEA requests clarification from DMIRS on what is meant by the phrase "principal closure objectives" and whether this should instead mean "completion criteria" which would be more appropriate, and consistent with other references in the regulatory framework.	Section 3.1.4.2 (Decommissioning, Rehabilitation and Closure) states 'DM are for rehabilitated petroleum sites to be (physically) safe to humans and a contaminating, and capable of sustaining an agreed post-activity land use.' This refers to DMIRS' key closure objective as a regulatory agency to ensu industry is developed in a sustainable and responsible manner.

nent is outside the scope of the EP nsideration.

ing environmental monitoring events to es and completion criteria e.g. groundwater of this data is undertaken in advance of s towards meeting closure objectives and

d some examples (as detailed above) are ata) of the EP Guideline.

uideline refers to baseline data due to the data. The reference to baseline data in *m baseline studies undertaken prior to (where relevant)*, may be necessary (see is section.

DMIRS' principal closure objectives nd animals, stable, non-polluting/nonse.'

nsure that Western Australia's resources

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27.	ΑΡΡΕΑ	In section 3.6.4.2 in relation to auditing, the Guideline states that operators must "ensure that all closure objectives and completion criteria have been met prior to the surrender/relinquishment of title". As per the point above, could DMIRS please clarify if the closure objectives are linked to the make good provisions as per the Act.	DMIRS confirms that the intent of meeting closure objectives and associa surrender/relinquishment of the petroleum title are related to the 'make go the <i>Petroleum and Geothermal Energy Resources Act 1967</i> .
28.	ΑΡΡΕΑ	APPEA is supportive of progressive decommissioning approach and would like to work with DMIRS to ensure that the Decommissioning Guideline published in 2017 is modernised to align more closely with this Guideline once finalised.	Comments noted. DMIRS will work with stakeholders on any future amend Guideline.
		Oil Spill Contingency Plans	
29.	ΑΡΑ	The Regulations require an operator to submit a proposed revision of the EP to DMIRS where an Oil Spill Contingency Plan (OSCP) has been in place for two and a half years.	Regulation 23 of the Environment Regulations specifies the timeframes in be revised and resubmitted to DMIRS. Legislative amendments are outsid
		Two and a half yearly renewals of Oil Spill Contingency Plans for pipelines which have no chemical storage is not risk based and is an unnecessary administrative burden on the operator.	
		Compliance Monitoring and Transparency of	fInformation
30.	Environs Kimberley and Lock the Gate Alliance	<ul> <li>Regulatory requirements in and surrounding EPs (with PGER Act, Pipeline Act or respective Regulations amendments as required) To ensure DMIRS stated standards and objectives and community expectations are met (and avoid repeating regulatory failures):</li> <li>Routine DMIRS site inspections – including regular, systematic well integrity inspections and rapid public reporting of any incidents of failures</li> <li>Requirement for monitoring under Environment Plans – not discretionary, e.g., Groundwater monitoring including baseline monitoring, Monitoring of flora and fauna, Monitoring of emissions and discharges, Monitoring of produced formation water</li> <li>Auditing of all EP compliance done by DMIRS, not self-auditing</li> <li>Management of non-conformance to be transparent and reported regularly to the public.</li> <li>We also recommend:</li> <li>A public comment period for Environmental Plans e.g. as per the EPA assessment process or clearing permit assessment process</li> <li>That Environmental Plans be made publicly available in their entirety given the public interest in the industry Environs Kimberley and Lock The Gate Alliance have seen at first hand the many failures, gaps and loopholes in the operation and regulation of the petroleum industry in WA over the past decade and more.</li> </ul>	<ul> <li>Pursuant to the provisions of sections 118 and 119 of the <i>Petroleum and C</i> sections 125 and 126 of the Petroleum (Submerged Lands) Act 1982, and <i>Pipelines Act 1969</i>, DMIRS Inspectors conduct routine site (field) inspection environmental management, and the level of compliance with the approver monitors environmental performance via numerous other compliance actilimited to: desktop inspections; assessment of Annual Environmental Reproutine incident and emissions and discharges information.</li> <li>The Environment Regulations also requires operators to provide for the mono-compliance with, and review of, the operator's environmental perform least annually to DMIRS (Annual Environmental Reports).</li> <li>Section 3.6.4.1 (Monitoring) of the EP Guideline outlines examples of envirundertaken which includes, but is not limited to routine site inspections; g flora and fauna; monitoring proposed by the operator is assessed on a the nature and scale of the petroleum activity. Please note that monitoring produced formation water (if applicable) are specific regulatory requirements Regulations.</li> <li>Legislative amendments to allow for the public release of information sub the EP Guideline.</li> </ul>
31.	Environs Kimberley and Lock the Gate Alliance	Company and industry self-regulation cannot be relied upon As we have seen time and time again (e.g., company names removed in confidence), DMIRS' almost complete reliance on industry self-regulation is a failed approach which the public can have no confidence in. Even these 'Guidelines' highlight DMIRS reluctance to actually require anything from petroleum companies. They should be Requirements, not mere Guidelines. Across the whole spectrum of key industry activities, DMIRS 'light touch' regulatory approach allows companies to more or less do as they wish with little or no oversight or intervention. When regulatory intervention does occur, usually because it is forced by the community, it's too late. All areas covered in these guidelines need to be subject to a much stronger regulatory regime, in line with DMIR's claim that it has 'one of the best regulatory systems in the world'. "The Government has competent and highly skilled teams that administer a robust regulatory regime under petroleum and environmental legislation to effectively regulate petroleum activities." (DMIRS, Capability and Capacity for Environmental Assessment and Compliance Activities. Position Paper. 25 March 2020)	The purpose of the EP Guideline is to assist petroleum, geothermal and pi Environment Plan in accordance with the Environment Regulations which monitors environmental performance via numerous compliance activities environmental compliance inspections (field); desktop inspections; assess and monitoring of routine and non-routine incident and emissions and dis It should be noted the operator of an activity commits an offence if the ac contrary to the approved Environment Plan. Penalties for these offences a Regulations. The Minister may also withdraw the approval of an Environment Plan in ac Environment Regulations.

ciated completion criteria prior to the good' provisions in sections 98 and 101 of

endments to the Decommissioning

in which Oil Spill Contingency Plans must side the scope of the EP Guideline.

and Geothermal Energy Resources Act 1967, and sections 62 and 63 of the Petroleum ctions of petroleum activities to evaluate oved Environment Plan. DMIRS also activities and reviews, including but not Reports; and monitoring of routine and non-

monitoring of, audit of, management of rmance. This information is reported at

nvironmental monitoring that may be s; groundwater monitoring; monitoring of ng of produced formation water.

applicable to all petroleum activities. In a case by case basis, relevant to ring of emissions and discharges and ments already outlined in the Environment

submitted to DMIRS is outside the scope of

I pipeline operators to develop an ch set the regulatory requirements. DMIRS es and reviews, including but not limited to: essment of Annual Environmental Reports; discharges information.

activity is carried out in a way that is are provided for in the Environment

accordance with regulation 25 of the

Ref #	Stakeholder	Comment	DMIRS Response/Action
		Government Policy and Processe	es
32.	Environs Kimberley (EK) and Lock the Gate Alliance (LTGA)	Pre-emptive 'Guidelines'? How do these Draft EP Guidelines interact with/incorporate the enforceable requirements proposed under the yet to-be enacted Fracking Code of Practice (Implementation Plan Action 11)? More generally, given that around half of the 20 Actions under the government's Fracking Implementation Plan relate directly or indirectly to matters relevant to these EP guidelines (i.e., Actions 5a, 5b, 6, 10, 11, 13, 14, 15,19) and given that NONE of those relevant actions have yet been implemented, EK/LTG question the timing, adequacy and relevance of these draft guidelines. We believe the EP guidelines should be re-drafted only AFTER all the relevant Implementation Plan Actions have been fully implemented.	The EP Guideline has been revised to provide greater clarity for operators regarding DMIRS' expectations which includes planning and preparing for site decommissioning, rehabilitation and closure. Additionally, the EP Guideline has been revised to amalgamate existing guidance material. Once the relevant action items from the Implementation Plan have been completed, the EP Guideline will be revised to reflect these as appropriate and relevant.
33.	Environs Kimberley (EK) and Lock the Gate Alliance	Time and again it is left up to the community to identify, report and publicise serious operational and regulatory failures in the petroleum industry. We have little confidence, especially in advance of the completion of the promised new regulatory regime under the Fracking Implementation Plan, that these new draft Guidelines, in their current form, will change this situation. Further, as the name suggests, the industry can choose to ignore the Guidelines anyway. Ultimately, DMIRS has to decide whether it is in fact a regulatory agency (as its name suggests) acting first and foremost in the public interest, or if it is instead prioritising the interests of an industry that demands minimal regulation and no consequences in pursuit of profit.	The EP Guideline has been revised to provide greater clarity for operators regarding DMIRS' expectations which includes planning and preparing for site decommissioning, rehabilitation and closure. Additionally, the EP Guideline has been revised to amalgamate existing guidance material. Once the relevant action items from the Implementation Plan have been completed, the EP Guideline will be revised to reflect these as appropriate and relevant.

### Government of Western Australia

# Department of Mines, Industry Regulation and Safety

8.30am - 4.30pm

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