Policy Framework
The Regulation of Offshore Petroleum and Greenhouse Gas Storage Wells

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1. Introduction

The exploration and production of hydrocarbons from under the seabed is susceptible to rare but potentially serious incidents. The blowout of hydrocarbons from a well in the Montara offshore oil and gas field in the Timor Sea in 2009 was one such example. This incident and the subsequent inquiry, the Montara Commission of Inquiry, in addition to the need to periodically review the regulatory system for controlling the inherent risks of oil and gas exploration and development, has led to the review of Part 5 of the *Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011* (Wells Regulations). The objective of the review is to ensure the regulation of the integrity of offshore petroleum and greenhouse gas storage wells and well activities in Australian waters reflects leading practice, objectives-based regulation.

The Wells Regulations represent one part of the Australian regulatory system for offshore petroleum and greenhouse gas storage. While currently located within the resource management and administration regulations, the Wells Regulations are concerned solely with the regulation of wells and well activities by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) (with respect to petroleum) and the responsible Commonwealth Minister (with respect to greenhouse gas).

The Australian Government Department of Industry (the department) released an Issues Paper on the review of the Wells Regulations in January 2014 for public consultation, and sought submissions by 28 March 2014. This Policy Framework has been developed in consideration of both the Issues Paper and submissions received and will form the basis of amendments to the Wells Regulations and other supporting documentation.

This Policy Framework articulates the Australian Government’s position and desired policy outcomes for the regulation of offshore petroleum and greenhouse gas storage wells. In summary the Framework:

1. Describes the objective of the Wells Regulations, and the role of the titleholder and third parties and their responsibility in managing risks associated with wells and well activities.
2. Outlines the purpose of the Well Operations Management Plan (WOMP) and its integral role in articulating the titleholder’s ability to demonstrate how risks to the integrity of wells and well activities will be reduced to as low as reasonably practicable (ALARP). This includes a set of revised WOMP content requirements to ensure the onus remains on the titleholder to demonstrate how risks will be controlled.

3. Clarifies the WOMP submission and assessment process to better align with existing processes within the Offshore Petroleum and Greenhouse Gas Storage (Safety) Regulations 2009 (Safety Regulations) and Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (Environment Regulations).

4. Supports a notification regime for well activities, in place of the current requirement for titleholders to seek approval from the Regulator for specific well activities. This change aligns the regulation of well activities to an objectives-based approach and consistently places responsibility on the titleholder to commence well activities only when risks have been reduced to ALARP.

5. Outlines the circumstances under which a WOMP requires revision, including the requirement to revise a WOMP every five years. It also describes circumstances under which a WOMP will be terminated or withdrawn, including the removal of the automatic termination of a WOMP after five years.

6. Clarifies the difference between inactive, suspended and abandoned wells for the purpose of determining whether a well should be subject to regulation and require an active WOMP.

7. Describes the process for titleholders reporting well accidents and dangerous occurrences to the Regulator.

2. **Objective of Wells Regulations**

The objective of the Wells Regulations is the maintenance of well integrity over the operational life of wells, from design to abandonment, to ensure that risks from offshore petroleum and greenhouse gas storage wells and well activities are reduced to ALARP.

The control of well-related risks is intrinsically linked to occupational health and safety and the prevention of the release of fluids from the well into the
environment. In this respect, the Wells Regulations will operate alongside, and be consistent with, the Safety Regulations and Environment Regulations.

The use of ALARP as part of the Wells Regulations’ objective reflects the nature of the ALARP principle as an international benchmark. The concept is well established under the Act and is central to the Safety and Environment Regulations. For oil and gas industry activities, ALARP requires a titleholder to show through reasoned and supported arguments that there are no other practical measures that can reasonably be taken to reduce risks further. The use of the concept of ‘good oilfield practice’ within the current objects of the RMAR requires that titleholders ensure their activities are good and safe; however, ‘good oilfield practice’ is at least partially directed towards the optimisation of recovery of resources and does not necessarily imply everything reasonably practicable will be done to reduce risks that relate to wells and well activities. It is therefore not an appropriate concept for adoption as the objective of the Wells Regulations.

3. Duties of parties involved in well activities

Health and safety duty in relation to wells

Under Schedule 3 to the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (the Act), titleholders are subject to an occupational health and safety (OHS) duty, which requires them to ensure that a well is designed, constructed, commissioned, altered, equipped, maintained, operated, suspended, and abandoned or closed-off so that risks to the health and safety of persons at or near a facility from the well or connected with the well are ALARP. This duty is well understood by titleholders and it is not necessary to repeat this within the Wells Regulations.

Traditionally from a regulatory perspective, a focus has been placed on either the facility operator or titleholder having primary responsibility for the control of OHS risks from well activities. This Framework recognises that other parties also have a substantial role in stages of the well lifecycle, such as the design, construction and equipping of wells, or in the direction and control of the workforce carrying out well activities. Clearly these third parties have an equally substantial direct or indirect effect on OHS outcomes for the workforce engaged in well activities.
Therefore, to ensure third parties associated with well activities also have a commensurate health and safety duty, it is proposed that the duties in clauses 13A and 13B of Schedule 3 to the Act be extended to include all other entities that have, or ought to have, control over any stage of the well lifecycle (including, for example, design, construction, equipping, and maintenance) or the carrying out of well activities. The expansion of the current duties under clauses 13A and 13B is comparable to the existing OHS duties imposed on third parties at a facility in Schedule 3 to the Act, such as duties of persons in control of parts of a facility or particular work.

**Well integrity duty**

In line with the proposed objective of the Wells Regulations that seeks to reduce risks to well integrity to ALARP, it is also proposed that a new separate duty be introduced which places a duty on all persons and entities that have, or ought to have, a degree of control over any stage of the well lifecycle, such as the design, construction, equipping and maintenance of wells, or the carrying out of well activities, to ensure that well integrity is maintained.

The duty will be commensurate with the level of control an entity or person has, or should have, the ability to exercise, to ensure risks to well integrity are ALARP. It will focus on preventing well integrity failures that result from acts or omissions of the particular entity (natural person or corporation). The duty will apply to risks to integrity throughout the life of a well, from design through to permanent abandonment.

This Framework does not propose defining classes of persons who will be subject to both the expansion of the clause 13A and 13B health and safety duties and the new well integrity duty. Instead a ‘control test’ approach is considered more appropriate to ensure the level of duty is commensurate with the degree of control a person has, or ought to have, in relation to reducing risks to the health and safety of persons at or near a facility and maintaining well integrity respectively.

Importantly, the new duties will not affect or reduce the titleholder’s existing duty in clauses 13A and 13B to ensure the risks to the health and safety of persons in connection with well activities is reduced to ALARP. The titleholder
also remains responsible for WOMP development, submission and other requirements under the WOMP regime.

Due to the complexity of these expanded duty proposals, further consideration and consultation may be required before a final position is adopted. Both will require amendment of Schedule 3 to the Act, which means that different legislative timeframes may be applicable. To ensure the finalisation of the remainder of the Wells Regulations’ amendments is not delayed, the general duty proposal may be handled separately. The department seeks feedback from industry and other relevant stakeholders on this proposal as part of this submission process.

4. **Purpose and scope of a WOMP**

Titleholders are required to demonstrate their ability to maintain well integrity and how they will reduce risks to ALARP through a WOMP. The WOMP, once accepted by the Regulator, will become the sole permissioning document for the conduct of well activities across the well lifecycle, from design to abandonment, in line with the WOMP’s scope. This reflects the approach taken in the Safety Regulations with respect to safety cases.

The WOMP may cover a single well or a group of wells with similar risk profiles belonging to that titleholder. Only one WOMP will apply to each well; that is, there should not be more than one accepted WOMP for a well at any one time. Grouping wells based on similar risk profiles allows the titleholder to adopt a consistent approach to the description and evaluation of the hazards and risks for well activities and the types of systems used to control these risks. It may create efficiencies for both the titleholder and the Regulator in preparing and assessing the WOMPs respectively. Wells of varying risk profiles should be contained in separate WOMPs as the approach taken by the titleholder to manage and control these risks will differ.

For the purpose of regulating offshore petroleum and greenhouse gas storage wells and determining whether a WOMP is required, a well is defined in line with Section 7 of the Act. Specific exclusions will be made in the Wells Regulations to exempt geotechnical drilling and drilling for the purpose of facility construction from the Wells Regulations requirements. These exclusions will be specified because the risks associated with the shallow
wells required for both activities are low relative to the scope and objective of the Wells Regulations. The definition of a well in the Wells Regulations will also be amended to include well-related equipment as defined in Section 7 of the Act.

Specifically, the Wells Regulations will require that a WOMP contains the following content requirements for assessment by the Regulator:

1. Intended purpose of the well(s).
2. Description and evaluation of the hazards and risks for the well lifecycle covered by the WOMP.
3. The basis of the design of the well to achieve the aforementioned purpose and to reduce hazards and risks to ALARP.
4. Description of the systems in place that will ensure well integrity is maintained throughout the lifecycle of the well covered by the WOMP. These systems may include planning, implementation, performance outcomes and measures, monitoring, audit, verification and review.
5. Description of systems for managing contractors and service providers and the process for identifying and verifying competence.
6. Description of a response plan designed to address possible emergencies, including an implementation plan that specifies all reasonably practicable steps to be taken to avoid injury and significant discharge of fluids from the well.

The content requirements are purposefully non-prescriptive to ensure the onus remains on the titleholder to demonstrate how risks from wells and well activities will be controlled.

In line with an objectives-based approach to regulation, an appropriate control measure is for titleholders to demonstrate that suitable and sufficient barriers will be in place, as part of an effective pressure containment system, to prevent an unplanned release of fluids. A barrier, defined as something that comes between the hazards and the surface, is only one part of the pressure containment system. An adequate pressure containment system is a precondition for the barrier to be effective. As such, legislating a prescriptive requirement for a minimum of two barriers, as recommended in the Montara
Commission of Inquiry, may not ensure appropriate control measures are in place to maintain well integrity.

An additional control measure is the process of verification as per content requirement 4, which titleholders may put in place to ensure well integrity has been maintained at the completion of each well activity. The purpose of a well verification scheme would be to assure the titleholder that arrangements are in place to ensure well activities throughout the entire lifecycle have been designed and constructed properly. The titleholder has the choice to use either an external organisation or internal resources to perform this function. Critical to the verification process is that the assessor’s role is adequately separated from day-to-day well design, execution and management activities; that is, it is sufficiently independent. If a titleholder provides for a process of verification in its WOMP, the Regulator may, by notice in writing, require the titleholder to obtain and provide to the Regulator a report from a suitably qualified assessor verifying that the well activity has been performed to a level that ensures well integrity will be maintained. This additional verification may be particularly useful for well plugging and abandonment, noting the potential for long term liability issues.

Verification for the purpose of well activities is distinct from the process of validation. Verification is the evaluation of whether or not an activity complies with a regulation, requirement or specification, and is used once the activity has been completed. In contrast, validation is the assurance that the design, construction and installation of an activity will meet the needs of a stakeholder, and is used for a proposed activity. For example, the validation process in safety cases under the Safety Regulations requires a statement in writing by the Validator in respect to the design, construction and installation of a proposed facility, or significant change to an existing facility, to the extent required by the scope of validation developed by the operator and agreed by NOPSEMA.

Content requirement 5 recognises that, while the titleholder is responsible for a WOMP, the role of third parties is inherently linked with well activities. There is an important relationship between contractors and specialists undertaking well activities and the titleholder, which has overall responsibility for ensuring that well activities are conducted with risks reduced to ALARP. A description of systems for managing contractors and service providers will be required,
which aims to demonstrate to the Regulator that the titleholder has adequate arrangements in place for managing hazards and risks where other parties are undertaking the activities.

Consistent with the Safety and Environment Regulations, the Wells Regulations will require titleholders to specify their arrangements for responding to an emergency in the contents of their WOMP. This will replace the current provision for the titleholder to be exempt from certain requirements in the case of an emergency, such as the requirement to undertake activities in accordance with an accepted WOMP, and realigns the onus of responsibility on the titleholder to demonstrate to the Regulator that it has planned contingencies in place for all emergency scenarios. Importantly, this change reflects the crucial need for titleholders to have control measures in place for timely response to an emergency and have identified arrangements and capabilities for monitoring and implementing these control measures.

5. Submission and assessment process for a WOMP

Consistent with the current submission process, titleholders will be required to submit a WOMP, for assessment by the Regulator, at least 30 days prior to the proposed commencement of activities included in that WOMP. The WOMP, as the primary framework document, will be comprehensive and freestanding. Consistent with the Safety and Environment Regulations, the Regulator may accept a WOMP in whole or in part for one or more stages of the life of a well, and acceptance of a WOMP may be subject to conditions. A WOMP is in force once it is accepted by the Regulator. As is currently the case, it will be an offence for a titleholder to undertake a well activity without an accepted WOMP for undertaking that well activity.

The Regulator must, within 30 days after the titleholder submits the WOMP, (a) accept the WOMP, (b) reject the WOMP, or (c) notify the titleholder in writing that it is unable to make a decision about the WOMP within the 30 days and set out a proposed timetable for its consideration of the WOMP. Consistent with the Safety and Environment Regulations, the Regulator must give the titleholder a reasonable opportunity to modify and resubmit the WOMP before making a final decision to reject the WOMP.
Also consistent with the Safety and Environment Regulations, the Wells Regulations will include a separate provision for the Regulator to request more information from the titleholder prior to making a decision whether to accept or reject a WOMP, which the Regulator must have regard to as if it had been included in the submitted WOMP.

The WOMP acceptance criteria will be clarified to reflect that the Regulator must accept a WOMP if the Regulator is reasonably satisfied that:

1. the plan is appropriate to the nature and scale of the well(s) and the specific well activities covered by that WOMP; and
2. if a group of wells are covered by that WOMP, the risk profiles of those wells are sufficiently similar; and
3. the plan shows how integrity risks arising from the well and/or well activities covered by that WOMP will be reduced and maintained to ALARP; and
4. the plan sets out appropriate performance objectives, standards and measurement criteria; and
5. the way that the well activities will be carried out complies with the titleholder’s duties and requirements under the Act and related regulations.

6. Notification of specified well activities

Currently titleholders are required to seek additional approval from the Regulator to carry out specific well activities. This requirement does not meet the policy intent of establishing the WOMP as the primary permissioning document for well activities. It is also inconsistent with the proposed Wells Regulations’ objective to ensure that the titleholder must manage all risks from well activities to ALARP.

To ensure the Regulator maintains oversight of well activities, the approval of specific activities will be replaced by a notification regime for specified well activities. The purpose of the notification is to inform the Regulator of the forthcoming activity and demonstrate that the planned activity will be carried out safely, in line with the WOMP requirements. The well notification regime is not part of the consent process, and written consent from the Regulator is not
required before the activity can commence. The acceptance of a WOMP demonstrates the Regulator’s satisfaction that the titleholder has appropriate mechanisms, systems and procedures in place to do this for all activities covered by that WOMP. Importantly, the onus remains on the titleholder to ensure that risks from well activities are reduced to ALARP and the activity should commence only if it is safe to do so.

In line with the UK’s approach to well activity notification, the following specified well activity parameters and notification timeframes may be adopted.

In the case of a production installation:

a) a well activity which involves
   - insertion of a hollow pipe in the well; or
   - altering the construction of the well;
will be notified by the titleholder to the Regulator at least 10 days before commencing the activity.

b) a well activity which involves drilling;
will be notified by the titleholder to the Regulator at least 21 days before commencing the activity.

In cases other than production installations, the Regulator must be notified at least 21 days before commencing a well activity that involves:

- the drilling of a well, including the recommencement of drilling after a well has been completed, suspended or abandoned by plugging at the sea-bed; or
- any activity in relation to a well during which there may be an accidental release of fluids from that well which could give rise to the risk of a major accident.

The notification will include the following information:

1. a reference to identify the relevant accepted WOMP; and
2. a summary description of the well including the proposed or existing well name and number, the location and the water depth; and

3. the name of the facility from which the notified well activities will be carried out and the name of the facility operator; and

4. a description of the activity(s) being notified including the objective of the activity(s), programmed depths, key elements and milestones, the current status of the well and the intended status of the well on completion of the activity(s) being notified; and

5. a list identifying any documents prepared specifically for the management, control or execution of the particular well activity(s); and

6. the titleholder’s proposed timetable for carrying out and completing the activity(s).

The titleholder will also be required to provide a subsequent notification to the Regulator on completion of that well activity.

If a deviation from the notification or a change in circumstances occurs, the titleholder will be required to advise the Regulator of that change within three days. The titleholder will commit an offence if it does not notify the Regulator within three days of the change.

Removing specific activity approvals and moving to a notification approach will remove a level of burden on industry and the Regulator while still ensuring sufficient information in relation to the status of the well is received by the Regulator.

7. **Revision of a WOMP**

Consistent with the Safety and Environment Regulations, WOMPs will be revised as opposed to varied. A revision means re-submitting the WOMP as an entire document or, if agreed by the Regulator, in relation to affected stages of the well lifecycle. A WOMP revision ensures all impacts of any changes are considered consistently across the WOMP in its entirety and hence reduces the possibility of an accepted WOMP containing contradictory information. A revision will be required under the following circumstances:
1. The WOMP no longer accurately describes the well activity or systems in place to reduce risks to ALARP, even if the risk has not changed (e.g. through error or omission, change in titleholder if it results in a change in the manner in which risks to well activities are managed, unexpected conditions in a drilling campaign).

2. There is a new or increased risk to well integrity.

3. The Regulator or Responsible Commonwealth Minister has issued a direction in relation to a well activity which is in contradiction to the WOMP.

4. The Regulator requires the titleholder to revise the WOMP.

5. At the end of each five years, as described below.

Revision at the end of each five years will be consistent with the Environment Regulations, and will require a WOMP revision to be submitted to the Regulator before the end of each five year period commencing on the latest of:

- The day on which the WOMP was first accepted by the Regulator; or
- The day on which a five-year revision of a WOMP was accepted by the Regulator; or
- For a revision of a WOMP triggered by any of the above circumstances 1-4, the day (if any) notified by the Regulator to the titleholder.

The revised WOMP will be assessed against the same criteria as an initial WOMP. While the revised WOMP is being assessed, the existing WOMP will continue to be in force until the revision is accepted. If the revised WOMP is not accepted by the Regulator, the WOMP in force immediately before the revised WOMP was submitted remains in force, subject to the Act and Wells Regulations, as if the revised WOMP had not been submitted.

8. **Termination and withdrawal of a WOMP**

An accepted WOMP will cease to be in force at the earliest of:

- When the titleholder completes all of the well lifecycle activities covered by the WOMP, which may include the permanent abandonment of the well,
and the Regulator is satisfied that these activities have taken place in line with the requirements of the WOMP and that risks arising from the well are ALARP.

- When the Regulator accepts a revised WOMP that replaces the existing WOMP.
- When the Regulator withdraws its acceptance of the WOMP if the titleholder has not complied with the Act, the Wells Regulations, a direction given under the Act, or the WOMP.

An accepted WOMP will no longer automatically cease to be in force at the end of five years starting when the WOMP was accepted. As discussed above, a WOMP revision will be required after five years, but the existing WOMP will remain in force unless or until the revised WOMP is accepted by the Regulator.

As is currently the case, if the Regulator believes it may be necessary to withdraw its acceptance of a WOMP, the Regulator must give at least 30 days’ notice in writing to the titleholder of its intention to withdraw acceptance of the WOMP. The withdrawal advice will include an explanation of the reasons for the consideration of withdrawal, a date by which the titleholder may submit information in writing to the Regulator that the Regulator may take into account before deciding whether to withdraw acceptance, and any other information the Regulator considers appropriate. Consistent with the Safety and Environment Regulations, the Regulator will be able to give a copy of the notice to such other persons as it considers fit. This would be in addition to the existing requirement for NOPSEMA to give a copy of any written notice given to a petroleum titleholder under the Wells Regulations to the National Offshore Petroleum Titles Administrator.

9. **WOMP requirements for inactive, suspended and abandoned wells**

In terms of managing inactive, suspended and abandoned wells from an Australian regulatory perspective, it is important to clarify the differences between each type. For the purpose of a WOMP, inactive wells are those where production, injection, disposal or workover activities have ceased, but permanent abandonment has not taken place. They may be ‘shut in’ or
‘temporarily abandoned’. As inactive wells are part of the well lifecycle they remain the titleholder’s responsibility and require an active WOMP.

For the purpose of a WOMP, suspended wells have been capped off temporarily and will be re-entered for further testing, production or injection purposes. They are also still covered by a WOMP as they have not been permanently abandoned. If a suspended well passes to another titleholder, it will trigger a revision to the WOMP.

The process for abandonment will be incorporated as a stage of the well lifecycle and titleholders will be expected to demonstrate how they will manage this process to ensure risks, both associated with the abandonment process itself and the ongoing integrity of the abandoned well, are reduced to ALARP as part of the WOMP content requirements. In addition to WOMP requirements, if a titleholder is seeking to surrender some or all of its title, the titleholder will need to plug or close off all wells in the area to be surrendered, to the satisfaction of the Regulator, in order for the Joint Authority to give consent to the surrender (see Section 270 of the Act for petroleum titles and Section 442 of the Act for greenhouse gas titles).

Permanently abandoned wells, having been subject to the requirements of a WOMP during the well lifecycle that aims to ensure the achievement of ongoing well integrity (including once the well has been abandoned), will not require an active WOMP. As part of the verification function in the content requirements of a WOMP, the titleholder may undertake a well examination to ensure a well has been appropriately abandoned and may be required to provide an independent report to the Regulator stating that the well has been plugged and abandoned to a level where well integrity has been maintained.

**10. Well accidents and dangerous occurrences**

Under the Act and Safety Regulations, operators (as opposed to titleholders) have a duty to notify and report to the Regulator accidents that result in death or serious injury, or cause a member of the workforce to be incapacitated for a period of at least three days, and dangerous occurrences (as defined in the Safety Regulations). Under the Environment Regulations, titleholders have a duty to notify and report reportable incidents, defined as those events that
caused or had the potential to cause moderate to significant environmental damage.

While titleholders have an overarching OHS duty in Schedule 3 to the Act in relation to wells, there is no general provision in the Act for titleholders to notify and report well-related accidents and dangerous occurrences which complement this duty. Current WOMP content requirements, whereby titleholders are allowed to determine their own arrangements for reporting the equivalent of accidents and dangerous occurrences in relation to well activities, do not provide a consistent approach to accident notification and reporting.

To ensure all events that compromise the integrity of a well are adequately captured, it is proposed that a duty be placed on titleholders to report well-related accidents and dangerous occurrences which mirrors an operator’s duty to notify and report under Clause 82 of Schedule 3 to the Act.

The notification and reporting of all well-related accidents and dangerous occurrences will be in line with Safety Regulations requirements, in that notice of a well accident or dangerous occurrence may be oral or written, must be provided as soon as practicable after the first occurrence of the accident or dangerous occurrence (or when detection of the occurrence is made by the titleholder), and must contain all material details concerning the accident or dangerous occurrence that are reasonably available to the titleholder at the time of the notification. The reporting of a well accident or dangerous occurrence must be written and, unless agreed by the Regulator, must be provided within three days after the first occurrence of the accident or dangerous occurrence (or when detection of the occurrence is made by the titleholder) and must contain material details determined by the Regulator.

For the purpose of recording incidents, as opposed to reporting, Clause 83 of Schedule 3 to the Act places a duty on operators to record accidents and dangerous occurrences. Recording well accidents and dangerous occurrences is necessary to determine potential precursors to major accidents, and may be a key indicator of asset integrity management. In line with the titleholder’s duty under Schedule 3 to the Act, it is proposed that a mirrored duty to Clause 83 be included to require titleholders to maintain a record of accidents and dangerous occurrences.
In addition to the regulatory requirements outlined above for the reporting and recording of accidents and dangerous occurrences, this Framework also proposes the recording of information supplementary to that required to be reported to the Regulator under the Act, such as records of incidents that are not classified as a well accident or dangerous occurrence under the Act and regulations. This may be a means for identifying emerging trends or specific risks and may be used to ensure that appropriate people, systems, processes and resources that deliver integrity are in place, in use and will perform on demand over the asset’s lifecycle. Such a scheme could be developed on a voluntary basis by industry with reporting parameters determined jointly by industry and the Regulator.

11. Role of Titles Administrator if NOPSEMA is Regulator

In line with existing arrangements within the Wells Regulations, the titleholder and the Regulator will be required to provide copies of specified documents relating to petroleum wells, including the notification of well activities, to the Titles Administrator.

Further to this requirement, an information sharing provision specific to well activities is proposed to facilitate information sharing between the Titles Administrator and NOPSEMA for the purpose of the administration of the Act and its regulations. This provision within the Wells Regulations would allow the Titles Administrator, under paragraph 712(2)(c) of the Act, to make technical information available to the Regulator, for the purpose of its function in relation to the structural integrity of wells.

12. Conclusion

The amended Wells Regulations will ultimately:

- reinforce the principle of ALARP which requires the titleholder to demonstrate, through reasoned and supported arguments, that it has undertaken all practical measures that can reasonably be taken to reduce risks to well integrity;
allow flexibility for industry on how it achieves compliance and ensure regulation can adapt to changing technology and innovation by maintaining an objectives-based approach to regulation;

- increase consistency between the process for regulating well activities under the Wells Regulations and the processes set out in the Safety and Environment Regulations, where appropriate, and reduce regulatory burden and provide greater clarity to industry in the legal requirements to conduct well activities.

13. Consultation Process

Interested parties are invited to make written submissions that address any major concerns with the proposed Policy Framework, including supporting information such as examples and evidence where relevant. Submissions should not duplicate information previously received in relation to the January 2014 Issues Paper on this topic.

Submissions may be lodged electronically or by post. Questions may also be submitted to the below email address.

Email: offshoreregulations@industry.gov.au

The Manager
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The closing date for submissions is close of business, 26 November 2014.

Submissions will be published on the department’s website unless advised and marked as confidential. Please indicate clearly if you would like your submission, or any part of it, to be treated as ‘confidential’. A request for a submission marked confidential to be made available will be determined in accordance with the Freedom of Information Act 1982 (Cth). Under this Act, agencies and ministers need to publish on their websites information that has
been released in response to freedom of information access requests. Further information is available on the Department of Industry website.

14. Next Steps

Following consideration of submissions on this Policy Framework, the department will commence drafting regulatory amendments. The department will also consult extensively on the draft regulatory amendments with relevant stakeholders, including NOPSEMA, industry representatives and non-government organisations. This consultation is expected to take place in the first quarter of 2015.