Proposed Petroleum Regulations 2021

Summary of issues raised in submissions on the Regulatory Impact Statement

Response and Statement of Reasons

Introduction

On 6 August 2021, the Department of Jobs, Precincts, and Regions (DJPR) released a Regulatory Impact Statement (RIS) and exposure draft of the proposed Petroleum Regulations 2021 (the proposed Regulations) for public consultation in accordance with section 11 of the *Subordinate Legislation Act 1994* (the SLA). The public submission period closed on 3 September 2021.

DJPR received 202 submissions on the Regulations and the RIS of which 170 were a campaign email, submitted through the Engage Vic website. The following is a breakdown of the submitters to the RIS:

- Petroleum Authority holders and industry Peak Bodies (6 submissions)
- Community members (18 submissions)
- Friends of the Earth
- Animal Justice Party
- Lock the Gate
- 'Do Good Campaign' (170 campaign emails)
- Victorian Farmers Federation
- Sustainable Agriculture and Communities Alliance
- Surf Coast Council
- Latrobe City Council
- Southern Rural Water.

A range of submissions were received with some relating to specific proposed regulatory requirements, including new community consultation requirements and assessment of broader social, economic and environmental risks introduced to support recent amendments to the *Petroleum Act 1998* (the Act) made by the *Petroleum Legislation Amendment Act 2020* (the Amendment Act); some submissions expressing views about gas development; and others requesting changes that are beyond scope of the Act and regulations.

All submissions have been considered. Despite the range of views, to the extent that the submissions related specifically to regulatory requirements, the proposed Regulations were in general positively received. The feedback reinforced the need for further guidance material to clarify how certain related regulatory requirements are intended to operate, and to provide further information about how the proposed Regulations fit within the broader legislative framework.

Overview of comments

As a group, the submissions commented on the following matters in relation to the proposed Regulations:

1. Consultation and notice requirements: in relation to authority applications and operation plans (for both preparation of an operation plan and ongoing consultation during the operation).
2. Environment management in relation to prescribed factors that the Minister must consider in relation to decisions under the Act, and in relation to the environment management plan under the operation plan. Some specific comments related to proposed groundwater and hydrocarbon gas emission requirements.
3. Well management and other technical operation plan and notification matters.
4. Reporting and notification requirements, including the interaction between different reporting requirements and the detail of certain new operational reporting matters.

A significant number of submissions challenged the Government's decision to restart the onshore petroleum industry, questioning why further fossil fuel development is occurring in the context of other Government commitments for climate change and reductions in greenhouse gas emissions. The Act establishes the restart from 1 July 2021 and the restart of the onshore petroleum industry is outside the scope of the proposed Regulations). In the context of these Regulations, the feedback highlights the need to clarify Government's expectations about the information to be provided by proponents, and decision-making considerations under the Act, with respect to legislated climate change commitments.

Scope of the proposed Regulations

The types of matters that can be included in the proposed Regulations are limited to the matters that the Act allows to be prescribed by regulation. Section 252 of the Act provides that the Governor in Council may make regulations in relation to the specified matters, including (for example) authority application requirements, fees, information to be submitted to the Minister, and the information to be contained in operation plans. The Act also limits the quantum of penalties that may be prescribed for an offence under the proposed Regulations to 20 penalty units.

The Regulations may also prescribe factors to support specific requirements under the Act. These include, for example, the factors the Minister must consider when deciding whether to grant an authority or accept an operation plan, and the details that must be included in notices for authority applications and preparation of operation plans.

Changes to the proposed Regulations

Following detailed consideration of each submission, the changes to the proposed Regulations are:

1. A definition of 'hydrocarbon gas emissions' is inserted under draft regulation 5 to clarify the meaning of this term, which appears in the environment management plan requirements under draft regulation 33(j);
2. References to "community" have been substituted with "relevant persons or organisations" for draft regulations 23(j), 26(i), 33(h)(ii), 34(d), and 35. Draft regulation 39(2)(j) has been amended by inserting "consultations with relevant persons or organisations," as a requirement. These changes are

to ensure consistent terminology between the Act and regulations with respect to consultation required during preparation of an operation plan, and over the life of the operation.

3. In relation to consent to conduct production tests or well tests, draft regulation 28(2)(e) has been amended and separated into two subparagraphs to clarify that the suitably qualified or experienced person who designed the well testing may be a different person to the suitably qualified or experienced person who will be onsite to supervise the testing;
4. In relation to consent to conduct production tests or well tests, draft regulation 28(2)(g) has been inserted to require notification to the owner and occupier of the land on which the proposed test to which the consent application relates;
5. In relation to consent to suspend or decommission a well, draft regulation 29(4)(g) has been amended and separated into two subparagraphs in a similar manner to regulation 28(2)(e) above;
6. Draft regulation 29(4)(i) has been amended in a similar manner to 28(2)(g) above;
7. In relation to groundwater impacts under the environment management plan, draft regulation 33(k) has been amended to limit the operation of (k) to the groundwater impacts of "a well activity during a petroleum operation", and draft regulations 33(k)(iii)-(v) have been amended so that they relate only to a well activity during petroleum *production*;
8. In relation to certain suitably qualified or experienced persons under the well operation management plan (draft regulations 36(2)(j)-(m)) amendments have been made so that only the contact details etc. of the relevant person responsible for the design of the well must be provided in the operation plan itself, while the contact details etc. of the person(s) responsible for the supervision of the construction and decommissioning must be provided at least 10 days prior to commencement of the relevant activity (new draft subregulations 36(3) and (4));
9. In relation to the annual report, draft regulations 39(3)(a)-(b) have been amended to extend the period for submission of an annual report to 60 days;
10. In relation to incident reporting, draft regulation 45 has been amended so that information pertaining to the 'root cause' of an incident is not required under the initial oral report (or related written report). An analysis of the root cause would remain as a requirement of the report provided 30 days after the incident;
11. In relation to the daily drilling report, draft regulation 46(2)(o) (now (n)) has been amended to clarify that the requirement is in relation to works undertaken in relation to "drilling activity" that was not within the scope of the operation plan;
12. In relation to the well completion report, draft regulation 47 has been amended to require two separate reports: an initial well completion report and data (draft regulation 47), and a final well completion report and data, which has been inserted as a new draft regulation (draft regulation 48); and
13. The following draft regulations have been deleted to remove unnecessary and/or duplicative provisions: 22(1)(a)(ii)(C) (description of 'care and maintenance' under the operation plan), 23(e) and 26(e) ('a statement in a form approved by the Minister' under notice of an operation plan and variation of an operation plan), 35(1)(g) (duplicative consultation requirements), 39(2)(c) (name of person who prepared annual report), 46(2)(p) (estimated expenditure under drilling report) and 47(4)(n) (water depth under the well completion report).

These changes are considered minor and technical in nature, and their purpose is predominantly to clarify and/or improve the operation of the proposed requirements. Many other detailed issues raised in consultation will be addressed, as appropriate, in guidance materials.

Comments and responses

The responses to the comments raised in the submissions are set out in the tables below. Tables 1-10 address general issues raised in the submissions, and Table 12 addresses matters relating to specific proposed regulations.

1. Community and Traditional Owner Engagement Requirements

Issue	*Submissions supported the engagement requirements of the Regulation broadly, with some noting that the requirements are reasonable, some requesting they go further and some suggesting they go too far and need to be clarified. This included:* • Community engagement is essential for social license; should be open and transparent and provide multiple opportunities for community to express concerns. • Early engagement to inform authority grants; include the climate change perspective. • Regulations should prescribe more detail about specific community engagement to be carried out (e.g., local newspaper and letterboxing of notices) and be more specific about who needs to be engaged. Others suggest guidelines should set out further detail. • The proposed Regulations present heightened requirements that will have regulatory burden implications; could be disincentive to development. • The proposed Regulations should allow for operators that have established robust models for engagement that are working well. • Consultation should be tailored to regulatory steps (e.g., acreage releases, title grants and operation plan approvals). • Audience should be tailored to the relevant phase (e.g., no need to consult with the broader public on technical operation plan matters). • Engagement requirements should be aligned to the level of community interest, which is generally highest during planning and decreases once activities commence. • Some suggested that the proposed Regulations could disproportionately empower the wider public compared to locals, others requested a greater role for the community in decision making. • Engagement should include organisations that have interest in the development across Victoria (not just landowners).
Response	The Amendment Act increased community engagement requirements considerably. The proposed Regulations support these Act reforms within the scope of the relevant regulation-making powers. Given the divergent views expressed in submissions and noting that the Act already provides strengthened consultation requirements, the proposed Regulations (as published with the RIS) are generally considered a suitable level of prescription for public consultation at the relevant stages of an authority (tender, application/authority grant, or operation as applicable). Some minor revisions have been adopted (outlined above), while others will be addressed in guidance material where appropriate to do so. The relevant legislative consultation provisions and provisions in the proposed Regulations which support this approach include: • Public notice and submissions process prior to a tender invitation for exploration permits (section 19A of the Act) and production licences (section 50A of the Act). • Public notice and submissions process in relation to a retention lease and production licence applications ((sections 39A and s48A of the Act). The notice must be published in a newspaper circulating generally in Victoria and on an Internet site maintained by the

	applicant, and a copy of the application made available for inspection by the Department Head. The proposed Regulations prescribe the submission period and the content of the notice. • In relation to preparation of an operation plan (or variation), the Act requires a notice and submissions process for consultation with relevant persons and organisations (section 161 of the Act). An authority holder must provide evidence that notice requirements have been complied with and submissions have been considered. The proposed Regulations prescribe the information that must be included in the notice and the operation plan. • The proposed Regulations require a work program submitted with an application for any authority to outline ongoing community engagement over the life of an authority. • An operation plan must include details of ongoing engagement with relevant persons and organisations during an operation. The Government will also publish an operation plan guideline that will include details about expectations with respect to engagement. • Specific consultation provisions apply for owners and occupiers of land on which petroleum operations take place, including consent and compensation provisions under Part 8 of the Act; and notice to owners and occupiers at least 21 days before activities commence (section 145 of the Act). The proposed Regulations have been amended to include notification to owners and occupiers prior to undertaking production tests, well tests, well suspensions and well decommissioning. These specific activities are deemed to require a higher level of regulatory oversight and therefore it is considered appropriate that owner and occupiers be kept informed. • Consultation by the Minister with the owner of the land and the relevant municipal council prior to discharging a rehabilitation bond (section 176(2) of the Act). • Annual report to include information about the community consultation activities undertaken during the year. • Earth Resources Regulation also provides a number of direct feedback channels that allow the public to highlight issues, make complaints or give feedback about authorities or operations. These are available via the Department's website at https://earthresources.vic.gov.au. The department's assessment is that this regulatory framework provides the most comprehensive community engagement requirements relative to other onshore regulatory frameworks in Australia. It is considered suitable for providing certainty to stakeholders as to the level of engagement that is to occur, while not being overly prescriptive to ensure some flexibility for authority holders to provide tailored approaches. The Government will monitor implementation of the new framework for community engagement closely and will make improvements as justified.

2. Risk, Benefits and Impact Assessments

Issue	*Submissions were generally supportive (or neutral) of the risk, benefit and impact assessment requirements of petroleum authorities, with some concerns that the methodology needs to be clarified and other concerns that assessment requirements should go further and list certain specific receptors (e.g., climate change, tourism, agricultural marketing, community health etc) as needing address. This included:* • Clarify how risk, impact and benefit is going to be assessed and by whom. • Clarify the methodology for the assessment, to ensure the information provided is adequate and reliable and to ensure appropriate investigation was undertaken. • Clarify what is meant by 'regional scale' and its relationship to Victorian Gas Program modelling etc. • Ensure consideration of impacts on specific receptors such as climate change, local gas supply, community health, water aquifer levels, tourism, livestock industries, agricultural marketing accreditations and trade, biosecurity on farms and fragmentation of rural/regional environments. • Ensure that industry demonstrates local community benefits including how Victorians will be given first opportunity for gas contracts. • Provide more clarity as to what level of risk is acceptable (with comments varying from those suggesting that operations should only be allowed to proceed where risks are eliminated, to those requesting that references to 'elimination' of risk be removed from the proposed Regulations).
Response	The Victorian Gas Program (the VGP) assessed the risks, benefits and impacts of onshore conventional gas development on various social, environmental and economic receptors at a State and Otway/Gippsland Basin scale. All of the findings are published online at https://earthresources.vic.gov.au/projects/victorian-gas-program. The specific concerns raised in the submissions were addressed by the VGP analysis, which showed the risks and impacts to be negligible. The findings of the VGP were independently verified and assessed by a Stakeholder Advisory Panel and Scientific Reference Group. The VGP findings signalled the importance of taking into consideration and balancing multiple competing interests when making decisions about the industry, seen as necessary for industry social license to operate. In response, the Amendment Act provided for improved consideration of social, economic and environmental factors in government decision-making under the Act. The Act requires the Minister to consider certain factors when granting authorities (exploration permits, retention leases and production licences). Without limiting the requirements of the Act, the Amendment Act provided for the Minister to consider further factors to be prescribed in the proposed Regulations. The Explanatory Memorandum to the Amendment Act confirmed these factors are intended to be relevant social, environmental and economic factors. To support the operation of the Act, the proposed Regulations have prescribed that the factors the Minister must consider in granting authorities include: (a) the likely regional economic, social and environmental risks and impacts of the work program; (b) the likely regional benefits of the work program relative to its likely risks; and (c) the extent to which these risks and impacts can be managed at the regional level and how the applicant proposes to do this.

	The proposed Regulations then require this same information to be provided in an authority application. These requirements have been drafted broadly so as to not limit the economic, social and environmental risks, benefits and impacts that can be considered. However, industry certainty is preserved by the Act itself, in that the Minister must renew exploration permits or grant retention leases or production licences if industry fulfils the requirements of the proposed Regulations. The proposed Regulations do not limit the types of risks, benefits and impacts that can be considered so long as they are social, environmental and economic factors. This provides scope for all of the factors (e.g., climate change, tourism, agricultural marketing, community health etc) raised in the RIS submissions to be considered in decision making. The proposed Regulations place the onus on industry to identify and assess the regional economic, social and environmental risks and impacts as part of the authority application. Earth Resources Regulation (as a delegate of the Minister) will consider the assessment for completeness against the findings of the Victorian Gas Program, against information within public submissions and against its own knowledge and expertise. Some comments queried the use of 'regional scale' and possible duplication with the Victorian Gas Program. This is not the case because the VGP assessment was undertaken at a very broad basin scale. The requirements that the proposed Regulations place on authorities are for the assessment to be done at a scale that covers the authority area and adjacent areas that may be directly impacted by the work program. This provides an intermediate level of assessment between the Victorian Gas Program and the more localised and detailed assessment of the risks and impacts at the operational level. The term 'regional' has not been defined to ensure sufficient flexibility. It is intended that the requirements will work to ensure that authority holders build on the findings of the Victorian Gas Program in a manner that demonstrates to the Minister they understand and take accountability of the regional risks, benefits and impacts that they may cause. With regard to comments about real and perceived risks, real risks must be identified and eliminated or minimised as far as reasonably practicable. Perceived risks will not necessarily require a mitigation, but to ensure social licence to operate these still need to be identified, taken seriously and explained to the community. The provisions are not intended to reproduce the extensive environmental assessments that are undertaken as part of an assessment under the *Environment Effects Act 1978*. The Government will develop a guideline to support these regional risk, benefit and impact assessment requirements and authority grant criteria. The guideline will relate to the information that needs to be in the application clarifying expectations around the receptors to be assessed, the assessment methodology, how it should be presented, what regional scale means, how VGP data should be used and how the notice and submissions process fits in. It will also clarify how the Minister will make decisions in respect of the information. This will bring consistency in applications and provide industry more certainty and the streamlining of authority approvals.

3. Gas supply and energy transition issues

Issue	*Submissions expressed views about the Government's decision to restart the conventional gas industry following a period under moratorium. Responses were mixed, ranging from the need to ensure secure gas supplies for Victorian users through to a call for the immediate cessation of the industry and a refocus onto renewable energy. This included:* • There is a need for more domestic and business gas supplies in Victoria and to ensure that local users benefit from the gas development. • Increasing gas prices will affect businesses and large employers within the regions. • There is a need to transition away from fossil fuels for Victoria's energy needs, including suggestions about electrification, increased use of renewable energy and reducing energy consumption overall. • The fossil fuel industry should be stopped or wound down by e.g., 2030 by either stopping all gas extraction generally or not supporting further exploration or development that goes beyond existing discovered reservoirs; all efforts should go to developing renewables. • There should be a limit on the number of drilling sites in the state, a quota should be set on production outcomes, and the quota should be based on domestic requirements.
Response	Following the consideration of the findings of the VGP, the Government decided to restart the onshore conventional gas industry from 1 July 2021. This was facilitated by the Amendment Act that provided for the lifting of the onshore gas moratorium as well as introducing new legislative provisions to enhance community confidence in the industry as it restarts. Any further decisions in relation to whether the onshore petroleum industry should restart, operate, be phased out (or otherwise) are not within the scope of the proposed Regulations. The proposed Regulations have been drafted to provide for risks, benefits and impacts assessments as part of authority applications and authority grant decision making (see above, Table 2). These provisions are drafted broadly and provide for issues such as regional gas supply to be considered in decisions to grant authorities. The Government supports further onshore conventional gas exploration and production because: • Over two million Victorian homes and many businesses use gas for their energy needs, with more than half of Victoria's energy needs currently being met by gas. • The transition to fully sustainable alternatives needs to be smooth, well-coordinated and continue to meet the reliability and affordability needs of all Victorian consumers. • Victoria's locally produced gas supply is declining and in future years will likely need to be supplemented from outside the state to meet its future needs. • Producing gas domestically would displace imports and would have the added benefits of exploration and production activity flowing into the Victorian economy as forecast by the Victorian Gas Program. • Producing gas domestically rather than importing it will have minimal impact on the environment and Victoria's greenhouse gas emissions as forecast by the Victorian Gas Program (see response below in Table 4 for further explanation on greenhouse gas emissions impacts).

	• Any new gas produced in Victoria would be prioritised to domestic consumers. • For as long as Victoria relies on gas it is better to produce it within the State to ensure strong regulatory oversight, including effective management of environmental and safety risks. Government's support for further onshore conventional gas exploration and production is within the context of the *Climate Change Act 2017* and the target of net-zero emissions by 2050. This includes the expectation that: • Victoria's natural gas use will reduce over time under the guidance of Victoria's Gas Substitution Roadmap, which will provide a strategic framework for how Victoria will decarbonise its gas use and transition to fully sustainable energy sources. • While Victoria's future gas demand is uncertain, it is not expected that any new domestic production will be large enough to impact on gas consumption in the State. • Any new gas production will likely only supplement Victoria's short to medium term needs and can be expected to wind down before 2050. • Industry's investment decision making will be undertaken within the context of Victoria's emission reduction policies and declining demand. Going forward, the Government will work with authority holders to ensure they understand these policy objectives and will be making authority grant decisions in line with these to the extent possible under the Act and proposed Regulations. The guideline that will be developed to support the operation of the regional risk, benefit and impact assessment requirements (see above, Table 2) will provide more information on this.

4. Climate Change and Greenhouse Gas Emissions

Issue	*Submissions expressed concern about further gas development in a climate change context. Some expressed extreme concern and called for a stop to the industry, others called for stronger regulatory measures to mitigate impacts and others requested clarification as to what the Regulations require of authority holders. This included:* • Varying degrees of concern, from mild to extreme, about oil and gas development due to greenhouse gas emissions and climate change concerns. • The need to take account of certain information and reports, including the IPCC Sixth Assessment Report and recent reports from the International Energy Agency that warn against further fossil fuel development. • That the consequences of climate change far outweigh the need for continued gas extraction. • That climate change impacts, targets, commitments, international agreements, conventions etc. should be referenced within and integrated into risk assessments, environmental impact statements, decision making and the proposed Regulations. • That cumulative impacts, and not just stand alone impacts, on climate change should be considered. • That industry needs to do more in demonstrating how their emissions fit in with emissions reduction targets, and to measure, monitor and publicly report on their emissions. • That the Victorian Gas Program has provided regional level modelling and data and that the proposed Regulations should make it clear to industry what additional measurements it needs to make. • That the Regulations should not be made and all legislation that supports fossil fuel development should be revoked and repealed.

Response	The VGP considered the implications of further onshore conventional gas development on Victoria's greenhouse gas emissions. All of the findings are published online at https://earthresources.vic.gov.au/projects/victorian-gas-program. The findings showed that onshore conventional gas development would have a very small impact on Victoria's greenhouse gas emissions. Its findings estimated that the additional emissions from producing the gas domestically onshore would be between 122,000 to 329,000 tonnes CO2-e annually. This was equivalent to 0.1–0.3% of Victoria's greenhouse gas emissions in 2017. The VGP analysis showed that the onshore conventional gas resources would not be at a scale large enough to increase or extend gas consumption, but rather would likely displace imports while Victoria continues to use natural gas. As a result, the greenhouse gas emissions relate to exploring for and producing the gas but is not anticipated to increase emissions associated with the use of the gas. The *Climate Change Act 2017* provides Victoria with the legislative foundation to manage climate change risks and to meet net-zero emissions by 2050. All petroleum decisions and activities must comply with these requirements. It is outside of the scope of the proposed Regulations to stop, slow down or phase out petroleum production, whether on the basis of greenhouse gases or climate change or for any other reason. New petroleum exploration permits can only be issued via a tender invitation under the provisions of the Act. Following amendments last year, section 19A of the Act requires public consultation before a tender invitation can be made (a similar process applies in relation to a tender for production licences - section 50A of the Act). Any tender invitation decision will be informed by the matters raised as part of this public consultation process. The proposed Regulations have been drafted to provide for risks, benefits and impacts assessments as part of authority applications and authority grant decision making (see above, Table 2). These provisions are drafted broadly and provide for issues such as climate change to be considered in decisions to grant authorities. The proposed Regulations also directly provide for the management of hydrocarbon emissions from petroleum operations in accordance with the operation plan. Specifically, the environment management plan under the operation plan provides new provisions for the estimation, management and reporting of the hydrocarbon emissions from leaks, venting and flaring (see draft regulation 33(j)). The annual report requirements of the proposed Regulations also require the reporting of hydrocarbon gas emissions and how they were managed. In relation to why 'climate' is not specifically referenced, the proposed Regulations are focused on eliminating and minimising as far as reasonably practicable any hazards or risks to the environment. It is anticipated in the term 'environment' would ordinarily include climate. Using the broad term 'environment' ensures flexibility and avoids any risk of elevating one aspect of the environment or environmental impact over others. A Code of Practice for the construction, operation and decommissioning of petroleum wells in Victoria is being developed. It is intended that this will include standards and expectations for ongoing monitoring, detecting and managing leaks. The Government will also publish an operation plan guideline that will provide further detail on expectations with regards to estimating, managing and reporting hydrocarbon emissions. Earth Resources Regulation will monitor operations for hydrocarbon gas emissions to ensure that requirements and standards are being adhered to.

	The information on emissions to be provided in accordance with these proposed Regulations will provide valuable data to support Government in its understanding of greenhouse gas emissions from the Victorian gas sector. This will build on the Victorian Gas Program data that has made estimates from potential development scenarios in the Otway and Gippsland sedimentary basins. It will also provide data specific to Victorian operations that builds on the data reported as part of the National Greenhouse and Energy Reporting (NGER) scheme. Hydrocarbon emissions management from the industry is already considered as part of other Victorian environmental legislative frameworks. These include assessments conducted under the *Environment Effects Act 1978* and the application of the general environmental duty under the *Environment Protection Act 2017.*

5. Landowner and land access requirements

Issue	*Submission noted that landowners and occupiers on whose land operations occur should be provided with a higher order of engagement requirements and protections specific to their needs, a greater say in regulatory decision making and strengthened land access and biosecurity arrangements. This included:* • Land access issues are of critical importance to agricultural land holders as it impacts on lives, livelihoods and business. • Land holders should be considered specifically in relation to engagement and notification provisions, and their specific interests (economic, social, and environmental) should be considered and met. • The proposed Regulations should be reviewed against the Victorian Farmers Federation 'Managing Entry to Farms Policy Statement'. • That biosecurity management should be mandatory in all operation plans. • That rehabilitation / decommissioning requirements should need landholder engagement and agreement. • That rent (as required for Crown land) should be considered for private land. • That title holders and government should be required to inform landholders of their rights and offer support in negotiations for compensation. • That contractual arrangements between the landowner and petroleum company should be transparent and non-disclosure agreements discouraged. • That land holders should be provided a power to veto companies entering their land. • The principle of fair notice, consultation, and compensation where property rights are impacted should be given due consideration in regulation.
Response	Arrangements for land access, consent (or power to veto entry), compensation, and rent for Crown land (or otherwise) are beyond the scope of the proposed Regulations. The proposed Regulations need to be read in conjunction with the Act to understand the regulatory provisions that protect the interests of owners and occupiers of land on which an operation occurs and to ensure adequate engagement. In addition to the provisions outlined in Table 1 above, these include:

	• Owners and occupiers of the land must be engaged directly in relation to all activities as part of the consent and compensation agreement provisions that apply under Part 8 of the Act. Landowner consent, or a compensation agreement must be in place before operations can commence (section 128 of the Act). • Owners and occupiers of the land must be given at least 21 days before petroleum operation activities commence (section 145 of the Act). For the purposes of operation plans (which include requirements for decommissioning and rehabilitation), owners and occupiers of the land are considered relevant persons and will be engaged during the development of the plan under the provisions of section 161(1A). In addition, the Minister must consult with the owners and occupiers of the land and the municipal council in whose municipal district the land is situated prior to discharging a rehabilitation bond (section 176(2) of the Act). Owners and occupiers of the land are also able to negotiate certain rehabilitation matters under a compensation agreement; as typically occurs in practice, they may negotiate for certain features such as fences and access tracks to be retained. Biosecurity management falls within the scope of the environment management plan requirements under the proposed Regulations (Part 7, Division 2) and is also commonly addressed as part of a compensation agreement. The VGP analysis found the arrangements for biosecurity management within the Petroleum Regulatory framework to be strong. While these protections for owners and occupiers of land are generally robust, following consideration of the submissions, the proposed Regulations have been amended to include a requirement for industry to inform the owners and occupiers of land prior to any proposed production tests, well tests, well suspensions and well decommissioning. These specific activities require the Minister's consent to be provided due to them being deemed to require a higher level of regulatory oversight. As such it is considered appropriate that owners and occupiers be kept informed when these activities occur. The Government will adapt the Commercial Consent Land Access tool that is being trialled for mineral exploration to the petroleum industry. With respect to human rights matters, the SLA establishes the process requirements for making regulations and legislative instruments. This includes, relevantly, that proposed regulations be considered with respect to the Charter of Human Rights, and a 'human rights certificate' issued by the relevant Minister to be provided to the Governor in Council for the purpose of making the proposed Regulations. The certificate must outline if the regulations limit any human rights under the Charter, including for example, a right to privacy and certain property rights. The proposed Regulations have been assessed against the Charter, and it is concluded that the draft Regulations do not limit human rights. The requirements under the proposed Regulations largely apply to corporate entities, in which case the aspects of the regulations that engage any human rights are limited.

6. Public access to and transparency of information

Issue	*Submissions requested that there be an increased level of public transparency of information, from Government and from industry, across a broad range of aspects including authorities and operation plans, on ground activities and industry reports. These included:* • Put in place measures for maximum accountability and transparency in each step of the petroleum approvals and industry activity, from Government and industry. • Publish online and provide public access to print of all applications, approved documents and reports related to authorities (exploration, retention and production) and operation plans. • Increase the direct reporting from the industry to the public (rather than to Government). • Ensure the Minister can refuse applications based on the lack of transparency. • Ensure all industry consultation activities are documented and made public. • That Government inform community about petroleum titles and applications and continue to use 'resource licences near me' type website.
Response	Part 12 of the Act sets out the requirements for release of information that is obtained or given under the Act. Prior to the Amendment Act, the level of transparency under the Act was primarily focused on certain information such as authorities and some authority decisions being made available in accordance with the petroleum register under Part 14, Division 1 of the Act. The Amendment Act together with the proposed Regulations have improved provisions for transparency significantly. This includes: • That the Department makes a copy of the authority application available for inspection by the public (under s39A(3) and s 48A(3) of the Act) • That that Minister (under s122 of the Act) publishes a notice in the Government gazette when s/he grants exploration permits and production licences, accepts operation plans and issues improvement or prohibition notices. This information must include various supporting details. The Act does not provide for full public disclosure of operation plans. These plans contain highly technical and sometimes commercially sensitive information. However, the Amendment Act has made it a requirement (under Part 11 of the Act) for the authority holder to provide notice to relevant persons and organisations during preparation of an operation plan. The Act requires that the notice contains 'sufficient information to allow the person or organisation to make an informed assessment of any impact that the petroleum operation may have on the activities or interests of that person or organisation'. The proposed Regulations (Regulation 23) outline the information that must be included in the notice to the operation plan. This information includes but is not limited to contact information, a description of the operation, the environment, public safety and well risks and impacts, the measures for mitigating these, the measures for rehabilitation of the land and the proposals for ongoing engagement about the operation. The information requirements in the notice are considered to be sufficient for ensuring that relevant persons or organisations have the information they need to make an informed assessment of the proposed operation.

	Where possible, the Department will continue to provide further online information via channels such as the 'resource licences near me' search tool (https://earthresources.vic.gov.au/licensing-approvals/location-of-licences) to ensure that information is accessible. The Department will also encourage industry to provide as much transparency to operation plans as possible.

7. Environment management issues

Issue	*Submissions queried the provisions of environment management plans, particularly with regards to groundwater and hydrocarbon emissions management, and called for more guidance around expectations. This included:* • There are a lot of new requirements and some may be too broad to be delivered, they need to be narrowed. • The ground water monitoring requirements, and particularly the requirement for monitoring bores, will introduce regulatory burden. • The hydrocarbon gas emissions reporting need further definition around expectations. • The requirements should disallow the use of synthetic mud programs and well stimulation.
Response	The environment management plan requirements under the proposed Regulations (as released for public comment), with minor modification, are considered appropriate for managing and mitigating the environmental risks and impacts of operations as far as reasonably practicable. The level of prescription is considered suitable for ensuring that authority holders address all relevant concerns, while providing sufficient flexibility to adapt to individual projects. An operation plan guideline will be developed and published to provide further detail with regards to expectations, including in relation to groundwater and hydrocarbon emissions requirements. Following consideration of submissions, the proposed Regulations have been updated to clarify that the groundwater monitoring requirements apply only in relation to well activities and that establishing a water baseline for water quality, establishing a groundwater monitoring system and a reporting schedule would be limited to petroleum production wells. This is further supported by Victorian Gas Program findings which confirmed that the likely impacts of onshore conventional gas development on groundwater would be negligible and that if groundwater impacts were to be observed, these would more likely be during the petroleum production rather than exploration phase. The requirements do not prescribe that a monitoring bore be established. If the authority holder can fulfil the requirements using an existing monitoring bore or can propose an alternative means for fulfilling this requirement, there is flexibility to do so. In addition, the Victorian Gas Program Environmental Studies have provided significant new baseline and modelling data, published at http://earthresources.efirst.com.au/ (Victorian Gas Program). This data can be used by authority holders to support them meeting the regulatory requirements. With regards to hydrocarbon gas emissions, the proposed Regulations are broad in their requirements for authority holders to manage hydrocarbon emissions as part of an operation. Following consideration of the submissions, a definition has been inserted (Regulation 5) for the term 'hydrocarbon gas emissions' to clarify it means leaks, flaring or venting of gases.

	In relation to comment(s) about disallowing synthetic mud programs and well stimulation, hydraulic fracture stimulation (fracking) is permanently banned under the Act and this ban has been entrenched in the Victorian Constitution. All other proposed operations will be subject to the general risk assessment requirements under the operation plan.

8. Oversight of operations and decision making

Issue	*Submissions queried the Ministers decision making powers, discretions and the 'as far as reasonably practicable' risk management principle as being inappropriate for managing petroleum risks, with some calling for more arms-length decision making and oversight of decisions and others requesting more surety about how decisions are made to support investor confidence. This included:* • Concerns expressing a distrust of industry and that industry may be bypassing some of the areas the proposed Regulations seek to address. • Concerns that risk management is becoming a 'tick and flick' exercise. • Concerns that the proposed Regulations favour gas development proponents. • Concerns about the level of discretion assigned to the Minister in decision making and suggestions for a greater role for the community and the public in decision making due to distrust of Ministerial decisions. • Suggestions for whole-of-department decision making, including arms-length decision making and appropriate concurrence provisions, with decisions publicly reported in an accessible format. • That the grounds for rejection of gas developments should be strengthened and that projects should be rejected if proponents fail to adequately address all valid community concerns or to fail to keep stakeholders updated on investigations, processes, and decisions. • That there should be provisions to allow for projects to be halted if regional communities withdraw their social license. • That the 'as far as reasonably practicable principle' for deciding on mitigations against risks and hazards needs to be strengthened to one where 'hazards and risks having to be negligible'. • That the proposed Regulations do not offer the surety industry needs to have investment confidence.
Response	The scope of the Minister's decision-making powers in relation to the grant of authorities is principally set out under the Act and outside the scope of regulations. To the extent that the proposed Regulations influence the relevant environmental, social and economic considerations, this is discussed above (see Table 2). The proposed Regulations have significantly strengthened the risk management requirements for petroleum operations. This includes the community engagement provisions (see Table 1). Strengthened and additional reporting requirements under the proposed Regulations will also assist Earth Resources Regulation in its ongoing monitoring and compliance functions.

9. 'Suitably qualified or experienced persons' requirements

Issue	*Submissions queried the suitably qualified and experienced persons requirements, some saying they are too onerous and others requesting for these requirements to go further to independent verification of documents and approvals and independent monitoring of activities. This included:* • That the 'suitable qualified and experienced persons' requirements throughout the operation plan provisions constitute the 'government pre-qualifying operators', that is onerous and interventionist. • These requirements introduce industry uncertainty as to what standards are expected and how it will be decided that they will have been met. • That independent verification should be required of documents and approvals, for inspection and oversight and there should be independent monitoring of operations. For example, a board including community, stakeholders, scientists, climate specialists and the relevant ministers should be in charge of all oversite and decisions.
Response	The proposed Regulations are considered appropriate for ensuring a minimum level of experience and qualification for certain aspects of operations. The provisions which create these experience and qualification requirements for persons who supervise, design, or otherwise oversee certain activities are intended to provide an added layer of integrity to higher risk activities such as production tests and well tests, and for ensuring that well design, well construction, well suspension and well decommissioning are carried out appropriately. The requirements are also applied to persons responsible for ensuring that community consultation under the operation plan is managed to a high standard. To maintain flexibility and allow for alignment with existing company processes, the proposed Regulations have not prescribed standards for qualifications and experience of operators, however expectations will be clarified in the operation plan guideline. Following consideration of the submissions, the proposed Regulations have been amended to clarify that the suitably qualified or experienced person who designed the well testing can be a different person to the suitably qualified or experienced person who will be onsite to supervise the testing. To improve functionality, the proposed Regulations have also been amended to clarify that only the contact details of the relevant person responsible for the design of the well must be provided in the operation plan itself, while the contact details etc. of the person(s) responsible for the construction and decommissioning must be provided at least 10 days prior to commencement of the relevant activity. This acknowledges that the persons involved in design and the persons involved in supervision can be different. There are no provisions in the Act to establish or fund an independent oversight body and this matter is outside the scope of the proposed Regulations. Any proposal to establish such a body would need to be considered as part of Act amendments. At this stage there is no evidence of regulatory failures that would support a need for such a body.

10. Rehabilitation and Post Closure Management Concerns

Issue	*Some submissions suggested that rehabilitation bond provisions should be strengthened and that post closure monitoring requirements should also be imposed on industry and abandoned wells should not be left unmanaged. Others suggested that existing rehabilitation bond settings were too onerous. These included:* • Rehabilitation bonds should be strengthened to reflect the risk and cost of full remediation. • Rehabilitation bonds should be made perpetual. • Post closure monitoring requirements should be imposed on industry; these should be included in the initial work program and industry should be liable and pay for all inspections into the future. • Abandoned wells require continued monitoring and maintenance. • The current assessment process for bond-setting is deeply flawed.
Response	The setting of rehabilitation bonds is a matter for the Act and is outside the scope of the proposed Regulations. It is also outside the scope of the proposed Regulations to set post-closure requirements that go beyond the life of the authority. It is Victorian Government policy for all resources industries that rehabilitation bonds reflect 100% of the estimated rehabilitation cost to ensure that rehabilitation can be undertaken by the Department should the operator be unable to meet its rehabilitation obligations. Earth Resources Regulation has a work program to determine the full costs of existing authority holders' rehabilitation obligations and to ensure that appropriate security is in place. The requirement under the proposed Regulations to provide information in a retention lease or production licence application about the existing rehabilitation bond is intended to assist the regulator in this process. Overall, the proposed Regulations strengthen the information that must be provided by an authority holder about its planned rehabilitation activities and any rehabilitation that has been undertaken. The operation plan requirements under the proposed Regulations have also been strengthened to include a specific rehabilitation plan. Requirements in relation to decommissioning of wells have also been made more explicit under the well operation management plan and consent for decommissioning a well. The proposed Regulations introduce new requirements that seek to enhance rehabilitation outcomes. These include: • Information must be provided at application stage for a retention lease or production licence that indicates the amount of rehabilitation bond that is in place and the sufficiency of that bond at the date of the application to cover any cost of rehabilitation work. • Rehabilitation has been explicitly established as a stage of a petroleum operation. • A rehabilitation plan is required under an operation plan. • The notice for preparation of an operation plan must include the proposed measures for rehabilitation. • The prescribed factors to be considered by the Minister when deciding whether to accept an operation plan include the Minister being satisfied that the holder of the authority will implement effective rehabilitation measures for the petroleum operation. • The annual report must include information on any rehabilitation undertaken during the year, as well as any changes that may have occurred during the year to the rehabilitation liability and the reasons for the change.

	The proposed requirements will support Earth Resources Regulation's compliance activities in relation to section 170 of the Act (which places an obligation on the holder of an authority to rehabilitate the land) and section 173 (ensuring that an authority holder does not carry out a petroleum operation unless it has obtained a rehabilitation bond that is acceptable to the Minister). The operation plan guideline will include further information to assist preparation of a rehabilitation plan.

11. Comments on specific proposed Regulations

The following table summarises the specific issues raised against the proposed regulations, sets out the department's responses and provides a statement of reasons for each. Only comments related to the proposed Regulations are included in this table.

Regulation	Comment / detail	DJPR Response
PRELIMINARY		
Objectives (reg 1)	Specific issues raised in the submissions about the Objectives included that: • the word 'elimination' (in relation to the elimination and minimisation of risks) is impracticable and not supported by the Act • there is no mention or consideration of landholder rights under the Objectives.	*Not Supported* The draft Objectives are assessed as consistent with the Act and are an appropriate outline of what is included in the proposed Regulations. The Objectives are limited by the scope of the regulation-making powers under the Act. The reference to 'elimination' is consistent with the Act, which requires that the operation plan must identify risks and specify what the holder of the authority will do to *eliminate or minimise* those risks (section 161 of the Act). A landowner or occupier would be captured under the definition of 'a relevant person or organisation' and 'community' where applicable under the proposed Regulations.
EXPLORATION PERMITS		
6 Assessment of risks, etc. **7 Prescribed factors in relation to an application for an exploration permit**	Various issues were raised in relation to the risk assessment, some seeking less prescription and others seeking greater prescription. The issues raised include: • each petroleum project will need to be considered on its merits, including the proposed project's social, economic and environmental factors, and that excessively prescriptive regulations will not	*Partially Supported* These comments are addressed generally in Table 2. Risk, Benefits and Impact Assessments. The regional risk assessments required as part of exploration permit applications are considered suitable. The exploration permit considers broader regional risks at this initial step. When an authority reaches the operation stage, that is when more localised risks would be considered

Regulation	Comment / detail	DJPR Response
	guarantee an optimal outcome but may negatively impact the prospect of a project proceeding • most of the risk assessment required for an exploration permit application has already been addressed by the Victorian Gas Program • the assessment should be at a local (rather than 'regional') scale • further details are required for the assessment of environmental, social and economic effects, including the methodology for the assessment, to ensure the information provided on risks / impacts and their management is adequate and reliable, and to ensure appropriate investigation was undertaken.	as part of the operation plan. The Minister will consider all information provided in support of an application and balance the various considerations. The applicant could use the Victorian Gas Program findings (and whatever further work the Government may do for the purposes of an acreage release) and build on those findings for the context of their work program. These requirements will also place the onus on the applicant to demonstrate that they understand and are planning for the risks, benefits and impacts of their work program.
RETENTION LEASES		
8 Assessment of risks etc. **9 Prescribed factors in relation to an application for a retention lease**	Similar issues were raised in relation to assessment of risks as set out above for exploration permits. For a retention lease (or production licence) application, there should be 'independent expert verification' of the extent to which the amount secured by a rehabilitation bond is adequate to cover any costs of rehabilitation work necessary as a result of the relevant petroleum operation.	*Partially Supported* Comments on assessments of risks are addressed generally in Table 2. Risk, Benefits and Impact Assessments. The comment regarding independent expert verification is addressed generally in Table 9. Suitably Qualified Persons Provisions. The comment regarding rehabilitation bonds is addressed generally in Table 10. Rehabilitation and Post Closure Management Concerns Independent verification in relation to rehabilitation bonds as part of authority applications has not been adopted in the proposed Regulations. The framework for setting rehabilitation bonds under the Act provides sufficient flexibility for the Minister (or delegate) to, at any time during the operation of an authority and following consultation with the authority holder, require an increased bond if the Minister considers the existing bond insufficient. If required, the Minister is able to require the authority holder to provide further information to support the assessment. There is no evidence to indicate that these provisions are inadequate for managing rehabilitation liability.
PRODUCTION LICENCES		

Regulation	Comment / detail	DJPR Response
10 Assessment of risks etc. **11 Prescribed factors – determining grant of application for a production licence** **12 Prescribed factors – granting of production licences following tender**	Similar issues were raised in relation to assessment of risks as set out above for exploration permits. Some submissions requested petroleum production licence applications to explain how the proposed extraction will contribute, or otherwise, to Victoria's legislated interim Emissions Reduction Targets, and that risk assessment included in the application should address climate change.	*Partially Supported* Comments on assessments of risks are addressed generally in Table 2. Risk, Benefits and Impact Assessments. Comments on consideration of Climate Change Impacts are addressed generally in Table 4. Climate Change and Greenhouse Gas Emissions.
PETROLEUM PRODUCTION DEVELOPMENT PLANS AND STORAGE DEVELOPMENT PLANS		
13 Matters to be included in petroleum production development plan **14 Storage development plan**	It should be specified that only a storage development plan is required for gas storage fields.	*Not Supported* This is addressed via regulatory practice and does not need to be included in the proposed Regulations. Earth Resources Regulation practice is to only require a storage development plan if storage activities are proposed (and not a production development plan also).
PROVISIONS APPLYING TO AUTHORITIES GENERALLY		
16 Other details in work program [*includes engagement with community]*	Applications should contain the prescribed information in relation to the proposed work program submitted with the application "over the life of the permit *and for the five years following the permit's retirement".*	*Not Supported* Requirements for authority holders that go beyond the life of the permit are beyond the scope of the Act and regulations.
	Impacts on land uses are not considered and landholders are not referenced in regulations dealing with engagement, including draft regulation 16 which relates to details about "proposed engagement with the community, and if relevant, Traditional Owners".	*Not Supported* Comments with relation to landowner engagement requirements are outlined in Table 5. Landowner and land access requirements. 'Landholders' are not specifically mentioned in the prescribed community engagement requirement because they would fall within the

Regulation	Comment / detail	DJPR Response
		term 'relevant person or organisation'. Owners and occupiers of land have specific rights under the Act, including for compensation and consent, and notice in relation to petroleum operations. Traditional Owners are specifically mentioned because the Government has a strong policy to increase Traditional Owner participation.
	Once activities have commenced then the community interest reduces. Provided the amount of consultation/ updates is reflective of the community interest, or lack of, then the requirement to include details of proposed engagement at the authority application stage is a constructive addition to the regulations.	*Partially Supported* Comments with relation to community engagement requirements have been addressed in Table 1. Community and Traditional Owner Engagement Requirements. The proposed Regulations support the requirements of the Petroleum Act to provide for engagement at key stages over the life of the authority and related petroleum operation. There is flexibility to ensure that the level and breadth of engagement is suited to the relevant stage.
19 Prescribed information for certain notices [*retention lease and production licence application notices*]	Submissions queried online access to applications and related information, in particular: • The information contained in a notice for a retention lease or petroleum licence application should include: "*The internet address at which a copy of the application can be inspected by members of the public*" • whether notices will be posted to a government website • whether submissions can be made to a government website.	*Partially Supported* Comments with relation to the community engagement have been addressed in Table 1. Community and Traditional Owner Engagement Requirements. The requirement to make applications available online is supported. Earth Resources Regulation intends to so implement this by adapting its already established website https://earthresources.vic.gov.au/licensing-approvals/have-your-say. The Department does not consider a change to the proposed Regulations necessary because sections 39A(3) and 48A(3) of the Act provide for the Minister to approve the '*place and form*' for inspection. A process provided for by the Act itself does not need to be prescribed by regulation.
	Require authority holder to take reasonable steps to bring the notice to the attention of local community members and mandate appropriate community engagement to be undertaken on the proposals. Advertising should also be undertaken in local newspapers.	*Partially Supported* Comments with relation to the community engagement have been addressed in Table 1. Community and Traditional Owner Engagement Requirements.

Regulation	Comment / detail	DJPR Response
		The Act sets out how the relevant notices are to be published, the relevant regulation-making power is related only to the content of the notice. An authority holder must provide evidence that notice requirements have been complied with and submissions have been considered.
	Standard template be prepared for notice of a retention lease or production licence application to ensure that all of the relevant regulation requirements are met and provide some consistency across industry.	*Not Supported* Regulation 19 prescribes detailed information with relation to what must be included in a Notice and this should sufficiently provide for consistency across the industry. In addition, application for retention and production licences are not expected to be of a high frequency to require further template material to support applications. Petroleum authority applicants are usually capable of meeting the regulatory requirements, and generally include more than the minimum required information.
ROYALTIES AND RENT		
20 Time of payment of royalties **21 Rent for occupancy of Crown Land**	The proposed Regulations should provide that if royalty or rent payments are deferred by more than 30 days, the company will need to cease their operations.	*Not Supported* The proposed change is outside the scope of the proposed Regulations. Section 159 of the Act already provides for a penalty interest rate in relation to late payment of royalties. This is considered a sufficient incentive as late payment of rent or royalties has emerged as a significant compliance issue to date.
	Royalties collected be spent in the area generally surrounding the relevant activity.	*Not Supported* The Act provides for the payment of royalties. The scope of the proposed Regulations is limited to prescribing the manner and time in which the royalties must be paid. Royalties are paid into consolidated revenue and it is beyond the scope of the Act to determine how this revenue is distributed.
	There is no consideration given to rent for private land (only Crown land).	*Not Supported* This is outside the scope of Regulations. Section 160 of the Act provides for the regulations to prescribe rent payable only in relation to the 'ongoing occupancy of Crown land'.

Regulation	Comment / detail	DJPR Response
		Landowner consent, or a compensation agreement must be in place before operations can commence (section 128 of the Act). These agreements provide for and typically include a rental agreement.
	One submission raised an issue with Government purportedly "charging rent and assuming ownership over land which they do not hold title to and that the Government has procured all our private title land in the boundary areas without sending Procurement of Land notifications to individual private title holders."	*Not Supported* This comment relates to delineation of private land and Crown land and is outside the scope of the regulations. Section 160 of the Act only allows for the amount of rent to be prescribed by regulations.
CONDUCT OF OPERATIONS ETC.		
22 Content of operation plan	Submissions raised queries in relation to the description of the operation, including: • use of 'comprehensive' is too open to interpretation (remove or add definition) • propose that the Regulations allow for activity specific plans at different stages as providing comprehensive information at initial operation plan stage can be difficult • 'petroleum operation' as defined in the Act suggests it is a smaller subset of larger activities (the regulations suggest otherwise). • it is unclear what is meant by 'construction' in the context of drilling an exploration well.	*Partially Supported* The terminology within the proposed Regulations is considered suitable. The reference to 'comprehensive' would be determined in accordance with common (dictionary) usage. It is included to make clear that the description should be detailed, and not just a high-level statement. It is not unreasonable to expect an authority holder to provide information about the different stages of the operation, noting that some flexibility is provided. The operation plan must include '*if appropriate*, details of the following stages…'. The Operation Plan Guideline will further assist in establishing expectations for this information, and it will only require information that can reasonably be expected of an authority holder at the relevant time. The Department accepts that reference to 'care and maintenance' (proposed regulation 22(1)(a)(ii)(C)) should be deleted as this information will be covered at the relevant time if consent is sought to suspend or decommission a well (proposed regulation 29). This amendment has been made to the proposed Regulations.
	Submission proposed review of all notification/ reporting requirements and rationalisation where there is overlap. The submission refers specifically to: • notify the Minister ahead of each "stage"	*Not Supported* The purpose of each of the notification and/or consent requirements under the proposed Regulations and the Act are considered distinct and necessary.

Regulation	Comment / detail	DJPR Response
	• provide a report to the Minister (proposed regulation 22(1)(b)) • sections 138 and 144 of the Act. Separately, a query was raised about what is the end result of submission of the operation plan review report and the timeframe for response from the regulator.	A consent under section 138 of the Act is to carry out the operations under the operation plan. It is broad, whereas the requirement under draft regulation 22(1)(ii) for the operation plan to provide for notification at each stage is more specific. Section 144 of the Act relates to specific consents from relevant Ministers in relation to unrestricted Crown land. The report under draft regulation 22(1)(b) relates specifically to a review of the operation plan. The review process will assist in ensuring the operation plan remains applicable and to identify if a variation to the plan may be necessary. The nature and timing of any response from Earth Resources Regulation will be dependent on the nature of the findings of the review.
	Some submissions queried the level of prescription, some suggesting additional matters should be prescribed, others seeking less prescription, for example: • a statement about the condition of the paddock surface and in relation to upkeep of roads • in relation to any facility, details of fugitive hydrocarbon gas emissions monitoring activities and reporting • requirements onerously prescriptive and not outcomes-based • risk management standards not appropriate (e.g., a project should not proceed unless it can be demonstrated that there are negligible hazards and risks)	*Partially Supported* The level of prescription in the proposed Regulations is considered appropriate and provides a balance between outlining the type of information that must be provided while remaining focused on risk-based regulation. Matters such as paddock surfaces do not need to be expressly referenced and would be addressed where relevant as part of the risk assessment and/or rehabilitation plan. Proposed regulation 33(j) addresses hydrocarbon gas emissions. In relation to the risk assessment standards, the proposed Regulations are consistent with general standards and the Act which, relevantly, requires an operation plan to include what the holder of the authority will do to 'eliminate or minimise risks' (section 161(1)(b) of the Act). Earth Resources Regulation is developing an operation plan guideline to assist interpretation and implementation of the requirements.
	One submission raised an issue with the operation plan (regulation 22), notice of an operation plan (regulation 23) and consent to conduct well tests (regulation 28) not providing for notice to and consent of the landholder.	*Partially Supported* Comments with relation to landowner engagement requirements are outlined in Table 5. Landowner and land access requirements.

Regulation	Comment / detail	DJPR Response
	It also stated that the environment management plan fails to consider impacts on landholders and land access considerations such as biosecurity.	In the Department's view, a landowner would certainly be included in the references to 'community' and 'relevant persons' as used in the proposed Regulations. This will be clarified in the Operation Plan Guideline. Landowners are specifically provided for under section 145 of the Act (Notice to be given before operation carried out on any land) and section 128 of the Act (Consent of, or compensation agreement with, owner etc. needed before operation on private land starts). In the interests of greater transparency, it is proposed that draft regulations 28 and 29, which relate to the undertaking well tests or suspending or decommissioning a well, be amended to provide for notification to the land owner or occupier of the intention that these activities be undertaken. Biosecurity arrangements are within the scope of the environment management plan risk assessments and a common feature of land access arrangements. The assessment of the Victorian Gas Program was that biosecurity arrangements in the regulatory framework were strong.
23 Notice of operation plan	In relation to the notice of an operation plan, clarification is sought in relation to "(e) a statement, in a form approved by the Minister, setting out the function and purpose of an operation plan" – i.e., what is the form, and when does the Minister approve.	*Supported* The intention of this provision is to allow for standard words about the function and purpose of an operation plan to be determined by the Minister. A member of the public could access such information through other means if required by, for example, contacting the Department. In the interests of removing any uncertainty caused by the provision, draft regulation 23(e)) is deleted. Draft regulation 26(3)(e), in relation to variation of an operation plan, is also deleted for consistency.
	Submissions raised other issues, and sought clarification, around notice requirements including: • authority holders should countersign National Vendor's Declarations forms that a farmer must sign prior to selling their produce, in relation to chemicals etc	*Partially Supported* The nature of information and level of detail is considered suitable for the purposes of the notice. Requirements in the proposed Regulations operate in conjunction with the Petroleum Act, which includes "sufficient information to allow the person or organisation to make an informed

Regulation	Comment / detail	DJPR Response
	• that the notice includes "*A summary of the nature of community concerns raised during consultation prior to and during the life of the petroleum operation and the extent to which these concerns have been realised"* • more detailed information (rather than just a 'summary') be provided • clarification on whether the operation plan itself needs to be provided • who determines appropriate level of consultation; guidelines should be prepared about what 'appropriate consultation' is to ensure consistency.	assessment of any impact that the petroleum operation may have on the activities or interests of that person or organisation" (sections 161(1A) and (1B)). A copy of the operation plan itself is not required, though an authority holder may choose to provide a draft operation plan to assist consultation. An authority holder will have flexibility as to how it conducts the consultation process, though will need to provide sufficient evidence to the Minister (or delegate) that relevant persons and organisations have been consulted and that submissions have been considered. National Vendor's Declarations forms, are a specific matter and outside the scope of the proposed Regulations. This would be a matter to be negotiated directly between a landowner and the authority holder and would likely be a matter to be included in submissions on the operation plan. A Notice is required in relation to 'preparation' of an operation plan, so a summary of community concerns prior to and during the operation would not be available at this notice stage. Operation plan guidelines are being prepared by the Department that will include detailed guidance on community consultation.
	Clarification was sought whether a notice is required for every variation of an operation plan.	*Supported* Every variation of an operation plan under section 163 of the Act must follow the legislated consultation process.
24 Prescribed factors for accepting or varying an operation plan	Some submissions proposed additional detail in the prescribed factors that the Minister must consider, including: • in relation to rehabilitation and consultation, objective criteria for the Minister to be satisfied • adding '*whether the Minister is satisfied that Traditional Owners and the local community have been adequately consulted and their concerns*	*Not Supported* In relation to the factors to be considered by the Minister in deciding whether to accept an operation plan, the level of detail is considered appropriate and further prescription is not required. Prescriptive details about the operation plan, for example individual matters in the environment management plan, would be taken into account when considering whether the operation plan complies with the prescribed content requirements.

Regulation	Comment / detail	DJPR Response
	managed for the lifetime and post rehabilitation period of the petroleum operation' • remediation to be completed in a 'timely manner' • appropriateness of environmental performance objectives and standards, along with the related forms of measurement • whether the intended methods for monitoring, record keeping and reporting arrangements in the EMP are adequate impact on health of individuals and community	Proposed regulations 35 and 37 in relation to consultation and rehabilitation requirements under the operation plan provide objective criteria by specifying what must be included in an operation plan. Proposed regulation 24 includes that "the Minister is satisfied that the holder of the authority will consult effectively with the relevant person or organisation over the life of the petroleum operation". This terminology is consistent with the Act. Consultation requirements that would go beyond the completion of the rehabilitation are outside the scope of the Act and Regulations. Health matters are generally regulated under other legislation and are outside the scope of the proposed Regulations.
25 Prescribed form for evidence regarding notice and submissions for operation plan or varied operation plan	In relation to the prescribed form for evidence regarding notice and submissions on operation plans or varied operation plans (proposed regulation 25) is not clear as to what is required to meet the obligation to "address" a matter. The submission seeks clearer language / definition for this provision.	*Not Supported* It is considered that this provision is sufficiently clear and provides a degree of flexibility for the authority holder to determine how it manages and assesses matters raised in submissions to notices. If an authority holder receives a submission that raises matters that go beyond the scope of the operation plan, it would be adequate to state this is the case.
26 Notice regarding variation to operation plan	'Reference to 'form approved by the Minister' (draft regulation 26(e)) is unclear (see also above draft regulation 23).	*Supported* Draft regulation 26(e) is deleted (see also response for draft regulation 23).
28 Consent to conduct production tests or well tests **29 Consent to suspend or decommission a well**	Submissions queried the requirements in relation to 'suitably qualified or experienced persons', for example: • draft regulation 28(e) "details regarding the suitably qualified or experienced person who designed the well testing and will be onsite to supervise the testing" should be deleted as the person who designed the well testing may not be the same person who supervises the testing	*Supported* These issues are addressed in Table 9. Suitably Qualified Persons Provisions. Draft regulation 28 is amended to clarify that the person who designs and the person who supervises the well do not have to be the same

Regulation	Comment / detail	DJPR Response
	• clarification on whether the Department intends to pre-qualify people.	person. Draft regulation 29 in relation to consent to suspend or decommission a well is amended in similar terms for consistency. See also above response to proposed regulation 22, which proposes adding in an additional notification requirement to landowners and occupiers in relation to draft regulations 28 and 29. The proposed Regulations have not been drafted to pre-qualify people. The requirement is not intended to be onerous or a significant departure from current industry practice. An authority holder will need to make a reasonable judgment and provide justification in their application for consent.
	The penalty for draft regulations 28 and 29 should be increased to 2400 penalty units.	*Not Supported* The maximum penalty that can be prescribed for an offence under the proposed Regulations is 20 penalty units (section 252(2)(g) of the Act).
	In relation to consent to suspend a well, clarification was sought whether it includes 'cased and suspended' of an exploration well; response time is usually a matter of a few hours. The submission proposes that suspension of new wells, exploration, appraisal or development is excluded from draft regulation 29 and instead handled in the drilling program approval process.	*Not Supported* The authority holder may choose to include all details related to the suspension program for the drilling of the well in the operation plan itself, so a decision can be streamlined. Earth Resources Regulation has increased its governance around decisions such that only consent decisions related to emergencies would be made in a few hours.
30 Description of the environment	The proposed Regulations should contain strengthened and stringent specifications and requirements, including details for processes around environment plan requirements and content, and processes for acceptance, variation and withdrawal of acceptance of environment plans.	*Not Supported* The Act sets out the processes and decision-making powers in relation to acceptance, variation etc of operation plans (the environment management plan is part of the operation plan).
33 Implementation strategy for the environment management plan	Implementation plan should include requirement to undertake a health review of local communities every 3 years.	*Not Supported* Community health impacts are within the scope of an Environment Management Plan and must be mitigated. A review of this nature is outside the scope of the proposed Regulations. The Victorian Gas Program assessed the potential impact of onshore conventional gas development scenarios on community

Regulation	Comment / detail	DJPR Response
		health. The key impacts on community health were seen as potentially arising from visible flaring from site, from noise and vibration and from dust generation. However, the regulatory framework was assessed as strong for managing these and following mitigation the community health impacts were assessed as minimal.
	In relation to 'other measures that were considered but not adopted and the reasons why', further departmental guidance is sought as to application of this requirement; not all risk assessments will identify other measures.	*Supported* This relevant requirement is important in relation to the 'as far as is reasonably practicable' standard and to justify situations when minimisation may be implemented in place of elimination of risk (i.e., other mitigations may be available but were not adopted because they are not reasonably practicable). It would be an unusual circumstance where no other measures are available. The operation plan guideline can provide clarification around the regulator's expectations regarding consideration of other measures.
	Submissions raised queries and issues in relation to groundwater quality (draft regulation 33(k)): • if there are no existing water bores in the area, regulations 33(k)(iii), (iv) & (v) will be difficult and costly to comply with (guidance paper is suggested to clarify expectations) • groundwater monitoring should form part of general risk assessment; bores should not be standard requirement in every case • add requirement to monitor groundwater annually for five years after the petroleum operation • require pre-impact, baseline analyses of underground aquifer and surface water used for stock watering	*Partially Supported* These comments have been addressed in Table 7. Environment management plans. Community concern has been very strong in relation to groundwater management and specific measures in the proposed Regulations are essential to providing ongoing community confidence that groundwater impacts are not occurring. Monitoring bores are not prescribed. If a baseline can be established and monitoring reasonably undertaken without bore(s), there is flexibility within the proposed Regulation to allow for this. Groundwater assessments are intended to be related to aquifers used for such things as agriculture and irrigation, Traditional Owner cultural values, domestic and geothermal purposes. This means that any required monitoring bores are not likely to be deep. These expectations will be clarified in the Operation Plan Guideline and will be aligned to definitions in the Victorian Aquifer Framework developed by the Department of Environment, Land, Water and Planning.

Regulation	Comment / detail	DJPR Response
		It is agreed that the requirements are not relevant to all petroleum operations, or even all wells. Draft regulation 33(k) is amended to clarify it only applies to well activities, and further that the requirements in (iii), (iv) and (v) apply only to production wells (not exploration). In relation to the proposal to monitor for 5 years after cessation, it is outside the scope of the proposed Regulations to impose a requirement for such a period after the operation and rehabilitation has concluded. In relation to surface water used for stock watering, there has not been any evidence that the conventional petroleum industry is likely to impact on farm dams. Nevertheless, any relevant risks would need to be addressed in the broader risk assessment of the environment management plan.
	In relation to consultation, draft regulation 33(h)(ii) Introduces a new class of undefined persons: "other relevant *interested* persons and organisations' ('interested' should be deleted).	*Supported* Draft regulation 33(h)(ii) is amended to remove "interested". The terminology is now consistent with the Act i.e., 'relevant persons and organisations'.
	Submissions raised queries and issues in relation to hydrocarbon gas emission requirements (draft regulation 33(j)) • it is unclear what is intended by 'hydrocarbon gas emissions' • compel operators to continuously track, report and publish in real time gas leaks occurring at well heads and along the production and transport chain to storage • Gas developers must be required to report regularly on environmental management plan compliance and on all gas emissions. These documents should be freely available to the public.	*Partially Supported* These comments have been addressed in Table 4. Climate Change and Greenhouse Gas Emissions and Table 7. Environment management plans. Hydrocarbon gas emissions is intended to cover emissions from leaks, flaring or venting of gases arising from the operation. The proposed Regulations have been amended to include a definition to clarify this. The requirements under draft regulation 33(j) are considered reasonable and are a major strengthening of requirements in relation to hydrocarbon gas emissions compared to the status quo. Real-time monitoring and reporting of emissions could be unnecessarily burdensome to industry. Release of any information obtained under the Act and regulations is governed by Part 12 of the Act and not the regulations.

Regulation	Comment / detail	DJPR Response
		The VGP and Earth Resources Regulation's recent methane detection monitoring program has not shown any evidence of gas leaking from existing or legacy wells.
34 Other information in the environment management plan	That a statement about links to other legislation be included e.g., an acknowledgment that an assessment of rare and threatened species will be required.	*Not Supported* Draft regulations 34(b) and (c) require that the environment management plan include a list of all environmental legislation of the Commonwealth or the State that may apply to the petroleum operation, and the strategy of the holder of the authority to ensure compliance with that legislation. This level of prescription is considered sufficient. It is ultimately the responsibility of the authority holder to ensure compliance with any other relevant legislative requirements. The Victorian Gas Program found that onshore conventional development would have a negligible impact on native flora and fauna, as the industry has a very small surface footprint.
35 Information on consultation with the community	Delete draft regulation 35(1)(g) as it duplicates draft regulation 33(h) e.g., both provisions relate to consultation with other agencies.	*Supported* Draft regulation 33(1)(g) is deleted to remove duplication.
	It is proposed that 'community' in the proposed Regulations be replaced throughout with 'relevant person or organisation' for consistency with the Act.	*Supported* Draft regulation 35 is amended to replace 'community' with 'relevant person or organisation'. Consequential amendments have also been made in draft regulation 34. In relation to the operation plan consultation requirements, the proposed Regulations now apply consistent terminology to that under section 161(4) of the Act. This will ensure a consistent approach is applied from preparation of the operation plan, through to the ongoing consultation in relation to the operation. The term 'community' is retained in relation to the authority application stage, as the extent of consultation at that point is intended to be broader.

Regulation	Comment / detail	DJPR Response
	Other general comments on the proposed consultation requirements varied, for example: • submissions questioned the need for the requirements, suggesting that the tender process is appropriate platform for consultation and that gauging community attitudes is more relevant at authority grant stage • others requested greater prescription about the consultation methods (e.g., mailouts, radio announcements, local newspaper notices on consecutive days, specified information to be included in notices, use of third parties to gather data on community attitudes, operations can only proceed where 60% community supports etc) • Consult directly with landholders • Traditional Owners should be expressly referenced • Publish all consultation etc reports on a government website • Information contained in operation plans should be guiding, but actual consultation should be localised on a case-by-case basis	*Partially Supported* These issues are discussed in Table 1. Community and Traditional Owner Engagement Requirements The requirements for community engagement in the Regulations are largely new and present a significant strengthening compared to the status quo, going beyond requirements in other jurisdictions. Such requirements are considered necessary to support industry's social license to operate. The proposed Regulations set broad requirements to allow flexibility for authority holders, including to allow for localised approaches. The requirements are generally consistent with the consultation plan provisions under the mineral resources framework. The requests to mandate particular consultation methods (e.g., local newspaper notices, mailouts etc) go beyond the scope of the proposed Regulations. These requests aimed to achieve a greater level of outreach around notices for operation plans. This will be considered during preparation of the Operation Plan guideline with a view to providing examples of potential consultation methods. References to 'community' will be replaced with 'relevant persons or organisations' to clarify that the scope of consultation in relation to the operation will generally be narrower than for the authority grant stage. The terminology is now consistent with the Act. Specific references to 'landholders' and 'Traditional Owners' (or any other specified category of persons) are not necessary. The operation plan guideline will provide guidance as to the types of groups that would usually be considered 'relevant'. It is considered that the existing proposed reporting requirements throughout the proposed Regulations provide a reasonable and robust framework.

Regulation	Comment / detail	DJPR Response
36 Well operation management plan	Regulation 36(1) should include guidelines for directional drilling, including for example, landowners must be informed about drilling from one property to another and have the right to veto the process and /or receive appropriate compensation.	*Not Supported* This issue is discussed in Table 5. Landowner and land access requirements. Land access rights are regulated by the Act and not regulations. All landowners are entitled to compensation if they suffer any loss or damage to their land in accordance with section 129 of the Act.
	Submissions raised issues and queries in relation to requirements for certain work to be undertaken by a "suitably qualified or experienced person", including: • whether the operator is to define 'suitably qualified or experienced' • the minimum qualifications required Contact details to be provided about such persons is too prescriptive and may be unworkable (more useful to require information about the pre-qualification processes and systems used)	*Partially Supported* While this information is still considered important, it is accepted that the requirement in relation to contact details in the proposed Regulations is more prescriptive than necessary. Draft regulation 36 is amended to not require the information in relation to the suitably qualified or experienced person(s) responsible for supervising the construction and decommissioning until at least 10 days before the relevant activity is undertaken. Whether a person is suitably qualified or experienced would be assessed by the authority holder in accordance with general industry standards and practice. The operation plan guideline will include additional guidance to assist.

Regulation	Comment / detail	DJPR Response
37 Rehabilitation plan	Rehabilitation plan fails to consider the need for the consultation and agreement to rehabilitation plans by the landholder (so does draft code of practice) Neither seeks to ensure that the land is returned to its previous condition – including soil profile and attributes and vegetation cover.	*Not Supported* The Act and proposed Regulations do provide for consultation with the landowner in relation to the rehabilitation plan and other matters. The rehabilitation plan forms part of the operation plan and an authority holder must consult with relevant persons and organisations in preparing the operation plan, which would include the landowner. A landowner's consent or a compensation agreement must be in place before operations commence (section 128 of the Act). A compensation agreement may address any loss or damage to land. Section 129 of the Act provides for what compensation is payable for, regarding private and native title land. Section 176(2) of the Act was recently amended to require the Minister to consult with the owner of the land and the municipal council before returning or discharging a rehabilitation bond. This will give the owner an opportunity to raise any concerns about the rehabilitation with the Minister. The landowner can also negotiate the expectations about final rehabilitation through the compensation agreement.
INFORMATION TO BE GIVEN TO THE MINISTER		
38 Notifying start and end of petroleum operation	Clarification was sought about how regulation 38 is intended to be applied.	*Supported* Draft Regulation 38 is a notification requirement only. The notification provision under draft regulation 38 is intended to inform Earth Resources Regulation that specific works are to commence and would not displace the operation plan requirements.
39 Annual report	Comments on the annual report requirements varied, including: • requirements are inadequate and more detail is required including in relation to hazard and risks. • there is a lot of detail in the requirements and timeframes for submission need to be extended (suggested 90 days).	*Partially Supported* The reporting requirements in the proposed Regulations, including the annual report, have been strengthened compared to the status quo. Other relevant reporting mechanisms include the requirement in the implementation strategy for the environment management plan (draft regulation 33(g)), to contain arrangements for reporting of information sufficient to enable the Minister to determine whether the holder of the authority is complying with the EMP. When considered in the context of

Regulation	Comment / detail	DJPR Response
	Requirement to provide name of the person who prepared the report is unnecessary (company logo should be adequate)	such other reporting requirements, the proposed level of prescription for the annual report is considered appropriate. A longer timeframe for submission is acceptable. Draft regulation 39(3)(a) and (b) is amended to require submission within 60 days of the end of the financial year or cessation of the authority as relevant. It is agreed that specifying the name of the person who prepared the report is unnecessary. Draft regulation 39(2)(c) is deleted.
40 Report by holder of production licence	The petroleum production report should be amended to include details of the amount of hydrocarbons, water and other substances produced from, or injected into, *or detected to have leaked from* each well in the licence area during the 6-month period to which the report relates.	*Not Supported* Draft regulation 40 is related specifically to production reporting. There are other mechanisms in the proposed Regulations to address the monitoring and reporting of hydrocarbon emissions, including draft regulation 33(j) which requires the operation plan to specify measures to identify, minimise and estimate hydrocarbon gas emissions, and draft regulation 39(2)(l) which requires the annual report to include "a summary of actions taken to monitor, measure, eliminate or minimise hydrocarbon gas emissions from petroleum operations as far as reasonably practicable".
	Submission(s) queried the application of the 'report by holder of production licence': • does it replace monthly production well report with 6-monthly report • is the definition of reserves consistent with the PRMS guidelines	*Supported* Draft regulation 40 replaces the monthly production reporting under the current *Petroleum (Interim) Regulations 2021* with a biannual report and it relies on the definitions in PRMS.
42 Requirement for survey acquisition report and data	The timeframe for submission of the acquisition and the processing reporting of seismic surveys has been queried (it is 12-18 months whereas all other surveys are 6 months).	*Not Supported* This timeframe is consistent with the equivalent requirement under the *Offshore Petroleum and Greenhouse Gas Storage Regulations 2011*. Seismic survey processing is time consuming and generally takes longer than 6 months.
44 Requirement for survey interpretation report and data	The timeframe for submission of the acquisition and interpretation reports for 3D seismic surveys has been queried in that they are due at the same time.	*Not Supported* The timeframe is consistent with the *Offshore Petroleum and Greenhouse Gas Storage Regulations 2011*. During processing, any

Regulation	Comment / detail	DJPR Response
		issues with acquisition data will be identified, so it is reasonable to expect the two reports around the same time.
45 Incident reporting	Initial report within 2 hours is not aligned with occupational health and safety requirements which allows for "without reasonable excuse". This requirement should be replaced with 'as soon as practicable' that applies under current Petroleum Regulations.	*Partially Supported* The proposed 2-hour timeframe is considered necessary to remove any ambiguity about the regulator's expectations and is consistent with the *Offshore Petroleum and Greenhouse Gas Storage Regulations 2011*. A reasonable clarification is provided to ensure that where the authority holder was not aware of the incident until some time later, the requirement to notify applies from the time the authority holder becomes aware of the incident.
	The requirement to provide a "root cause" within 2 hours is not practicable and has the potential to be misleading and possibly self-incriminate an individual or company.	*Supported* Draft regulation 45(3) is amended to remove the term "root cause".
	In relation to draft regulation 45(4) i.e., the written report that must be provided within 3 days – this should be changed to "submit a *preliminary* written report".	*Not Supported* This amendment is considered unnecessary, it is evident that the report is preliminary in nature on the basis of its timing (within 3 days) and the specified content (as was provided in the oral report).
	For draft regulation 45 increase all breaches to 1200 penalty units.	*Not Supported* The maximum penalty that can be prescribed for an offence under the regulations is 20 penalty units (section 252(2)(g) of the Act).
46 Requirement for daily drilling report	Draft regulation 46(1) (requirement for daily drilling report) requires the report to be provided before 12p.m. on the day after the day to which the report relates. This should be changed to before 12pm on the next business day after the day to which the report relates.	*Not Supported* Drilling activities are carried out on a 24hour/ 7day basis and Earth Resources Regulation has processes in place to monitor the activities 7 days per week, including monitoring and reviewing daily drilling reports on weekends and public holidays. The risks of not doing so are considered too high.

Regulation	Comment / detail	DJPR Response
	Draft regulation 46(2)(o) requires the daily drilling report to include "details of any changes from the operation plan that have been implemented setting out the reasons for it, what the risks were and how the risks were eliminated or minimised". This is not a daily drilling report item and should be removed.	*Partially Supported* Draft regulation 46 is amended to clarify that it relates to any changes in the operation plan during the drilling or associated with the drilling, arising from unforeseen circumstances.
	Draft regulation 46(2)(p) requires the daily drilling report to include the estimated daily and cumulative well costs. Remove this requirement (not relevant to include in daily drilling report).	*Supported* Draft regulation 46(2)(p) is deleted. It is agreed this information is not relevant to the daily drilling report and the expenditure requirements under the annual report are adequate.
47 Requirement for well completion report and data	There should be an initial (within 6 months) and final well completion report (within 12 months of rig release). The initial report would be made public 2 years after rig release date, and the final report, five years after rig release date.	*Supported* The proposed Regulations have been amended to provide an initial well completion report and data (draft regulation 47) and a final well completion report and data (draft regulation 48). The detail of the content of the proposed initial and final reports is modelled on the offshore regulations, with some minor modification to account for onshore rather than offshore petroleum. Any release of information will be determined in accordance with Part 12 of the Act.
	Draft regulation 47(4)(n) requires the well completion report to include 'the water depth at the well'. This should be removed as it is not relevant to onshore drilling.	*Supported* Draft regulation 47(4)(n) is deleted.
48 Well decommissioning report	In relation to the well decommissioning report, draft regulation 48(4) should be amended to ensure that directional well drilling does not occur.	*Not Supported* The Act establishes what activities can be undertaken in accordance with each authority type, the proposal is outside the scope of the proposed Regulations. Most recent petroleum well drilling has been directional drilling. The risks, impacts and mitigations for directional drilling are the same as vertical drilling however directional drilling provides the flexibility to minimise surface disturbances.

Regulation	Comment / detail	DJPR Response
	A comment stated that on decommissioning, 'wellheads may become unstable, breach or leak'. Independent monitoring and reviews reporting to government and published in accessible format for at yearly intervals for five years is proposed.	*Not Supported* It is highly unlikely that a wellhead would become unstable, breach or leak in the first 5 years post decommissioning. The existing framework under the Act for rehabilitation and rehabilitation bonds, together with strengthened requirements under the proposed Regulations for consent to decommission a well, a detailed well decommissioning report, well operation management plan requirements, and proposed development of a Code of Practice for the management of wells, provide a robust framework to manage any risks associated with decommissioning of wells.
49 Requirement to retain core, cutting or sample	A submission raises various queries about the requirements to retain core, cutting or sample, notably in relation to the quantities to be provided, what happens if the relevant quantity is not available, the 12-month timeframe (insufficient to properly assess the cores) and details about the process for submission.	*Not Supported* Generally, draft regulation 50(3) is relevant in addressing the queries: 'If the corresponding amount is not available for the core, cutting or sample before the corresponding day, the holder of the authority must provide to the Minister the reasons the corresponding amount was not available; and the amount of the core, cutting or sample collected before that day.'
50 Requirement to give core, cutting or sample	Submissions queried the timeframes set out in draft regulation 50 for submission of core, cutting or sample and proposed alternatives that purportedly 'improve practicality': if the core, cutting or sample is collected during the drilling of a well 6 months after the rig release date or if collected during a test on a completed well 2 months after the collection of the sample. Replace 12 months with 18 months (in relation to sidewall cores and palynological slides)	*Not Supported* Draft regulation 50(3) provides for situations where the relevant amount is not available. In the absence of strong rationale otherwise, the preference is to retain consistency with the timeframes under the *Offshore Petroleum and Greenhouse Gas Storage Regulations 2011*.

PART 9 - ADMINISTRATIVE MATTERS		
51 Duty of disclosure of pecuniary interest	MPs and their staff to disclose contacts with the gas industry executives etc	*Not Supported* This is outside the scope of the proposed Regulations. Section 243 of the Act limits the scope of the proposed Regulations to 'pecuniary interests' and applies only to 'a person employed in the administration of the Act'.
[No specific regulation] Penalties and compliance	The proposed regulations should recognise and address an applicant's previous breaches of environmental, petroleum and other relevant legislation.	*Not Supported* This is outside the scope of the proposed regulations. The Act (section 96(d)) requires applicants for an authority to provide evidence of their ability to comply with the act.
	Some submissions consider the proposed penalties (e.g., 20 penalty units) insufficient deterrent and propose much higher penalties for offences under the proposed Regulations (i.e., all offences at least 2400 penalty units), Also proposed increases to rehabilitation bonds.	*Not Supported* This is outside the scope of the Regulations. Under section 252(2)(g) of the Act, the maximum penalty that can be imposed for a contravention of the regulations is 20 penalty units. The offences under the proposed Regulations are generally of a low-level degree of harm (e.g., failure to comply with reporting requirements) in which case significantly higher penalties are unlikely to be considered suitable. Rehabilitation bonds are assessed on a case-by-case basis in accordance with the relevant Act provisions. The setting of bonds is outside the scope of the proposed Regulations.