DEVELOPMENT OF WA GREENHOUSE GAS STORAGE LEGISLATION

FEnEx CRC Workshop

13 March 2023

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OVERVIEW

- Background 2004 2010
- Greenhouse Gas Bill 2013
- Greenhouse Gas Storage and Transport Bill 2023

Background 2004 – 2010

2004 – 2010 Interim CCS Amendments

2004 – 2010 Petroleum Interim CO2 Amendments

- Minimalist CO2 amendments in Petroleum and Energy Legislation Amendment Bill 2010
- Parliamentary Committee review
- Using minimalist approach raised more questions and amendments dropped from 2010 Bill
- Minor part of a much larger Bill

- Lessons learned? no shortcuts
- Commonwealth 2008 legislation WA a stakeholder
- 3 options for developing legislation for State:
 - Project-specific legislation
 - Amend petroleum legislation
 - Stand-alone legislation

WA supported Option 2: Amend petroleum legislation

- Second option relates better to petroleum provisions
- Also enables:
 - Minister for Mines and Petroleum to be responsible Minister
 - Department to be responsible government agency
 - Consistent with Cwlth, Vic, South Aust and Qld jurisdictions

Greenhouse Gas Bill 2013

- Approval for drafting Bill given in 2010
- Bill amended State's petroleum legislation
- Provide comprehensive legislative framework for onshore geological storage of greenhouse gases
- Based on many of Commonwealth GHG provisions

- Amendments to Pipelines Act allow for transport
- Greenhouse gases predominantly CO2
- Greenhouse gas storage formations vested in Crown
- Greenhouse gas storage title structure:
 - GHG Exploration Permits
 - GHG Retention Leases
 - GHG Injection Licences

Acreage Release

- Mirrored petroleum provisions
- Minister <u>may</u> specify in release likely source, volume and composition of CO2 (to prevent warehousing)
- Acreage releases by Gazette notice
- Applications for work-bid GHG exploration permits have to provide:
 - proposals for work and expenditure
 - financial and technical expertise
 - likely source, volume and composition of CO2 (if required)

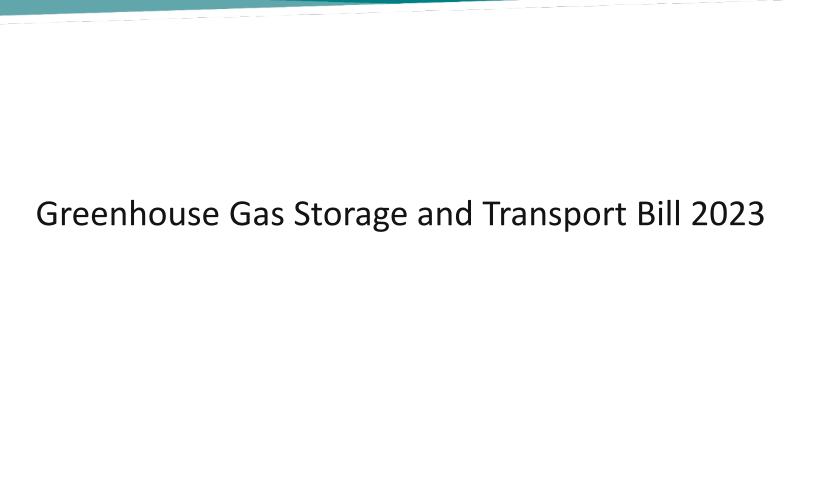
Long-Term Liability

- Crown (State) assumes 'long-term liability' post-closure after minimum 15 years
- WA adopts same approach as Commonwealth

Why?

- Reality (given long-term nature of CCS)
- Cross-jurisdictional issues State/Commonwealth
- Consistency for WA legislation onshore to offshore

- Bill introduced 2013 Passed Lower House
- Upper House sent to Committee review
- Lapsed with calling of 2017 State election



2023 Bill Background

2023 Bill

- Over last 2-3 years strong Government, resources sector and industrial interest in CCS:
 - as means to address emissions reduction, and
 - transition from fossil fuels to renewables
- 'Geological' storage separate from bio-sequestration CCS biological processes in soils, plants and forests

2023 Bill

Purpose - To provide:

- legislative framework for the transport and geological storage of greenhouse gases in Western Australia
- access opportunities for WA industrial, mining, LNG and natural gas industries to decarbonise through carbon capture and storage

2023 Bill

Bill re-introduces the 2013 Bill with updates to:

- Include Petroleum (Submerged Lands) Act 1982
- (Allows GHG transport through State waters)
- Remove redundant clauses following introduction of WHS Act
- Correct errors & updates drafting style
- Direct access to suitable storage sites in specific cases
- Barrow Island (Gorgon) excluded

Barrow Island Act 2003 Excluded

- Barrow Island (Gorgon) excluded from 2013/2023 Bills
- WA Government passed Barrow Island Act 2003
- Project-specific approach for Gorgon CCS activities
- A 'State Agreement'
- Barrow Island Act currently only WA legislation allowing CCS

Regulations

Following assent of the Bill, regulations required to allow commencement of amendments

These regulations will include:

- new injection and storage regulations following Commonwealth model (Greenhouse Gas Injection and Storage) Regs 2011, and
- Amendments to Petroleum Environment 2012 and Resource Management and Administration Regulations 2015 to include greenhouse gas storage and transport

2023 Bill

Consultation - Currently out for comment

Title of Bill:

Petroleum Legislation Amendment Bill (B) 2023

12 week consultation period: 20 January to 14 April 2023

Visit the DMIRS website:

www.dmirs.wa.gov.au/content/open-consultations