



Offshore Petroleum (Safety Levies) Amendment Regulations 2006 (No. 1)¹

Select Legislative Instrument 2006 No. 251

I, PROFESSOR MARIE BASHIR, AC, CVO, Administrator of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following Regulations under the *Offshore Petroleum (Safety Levies) Act 2003* and the *Petroleum (Submerged Lands) Act 1967*.

Dated 21 September 2006

MARIE BASHIR
Administrator

By Her Excellency's Command

IAN MACFARLANE
Minister for Industry, Tourism and Resources

1 Name of Regulations

These Regulations are the *Offshore Petroleum (Safety Levies) Amendment Regulations 2006 (No. 1)*.

2 Commencement

These Regulations commence on the day after they are registered.

3 Amendment of *Offshore Petroleum (Safety Levies) Regulations 2004*

Schedule 1 amends the *Offshore Petroleum (Safety Levies) Regulations 2004*.

Schedule 1 Amendments

(regulation 3)

[1] Regulation 4

substitute

4 Payment of levy for pipeline located both in Commonwealth waters and State/NT designated coastal waters

- (1) This regulation applies if a continuous pipeline is located partly in Commonwealth waters, and partly in the designated coastal waters of:
- (a) 1 or more States; or
 - (b) the Northern Territory; or
 - (c) 1 or more States and the Northern Territory.

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- (2) Despite any other provision of these Regulations:
- (a) if the total length of the segment or segments of the pipeline located in Commonwealth waters is greater than or equal to the total length of the segment or segments of the pipeline located in designated coastal waters:
 - (i) no pipeline safety management plan levy is payable in relation to any segment or segments of that pipeline located in designated coastal waters; and
 - (ii) the Safety Authority is not required to comply with a provision of these Regulations relating to notifying a person of when an amount of levy is due and payable in relation to any segment or segments of that pipeline located in designated coastal waters; and
 - (b) if the total length of the segment or segments of the pipeline located in designated coastal waters is greater than the total length of the segment or segments of the pipeline located in Commonwealth waters:
 - (i) no pipeline safety management plan levy is payable in relation to any segment or segments of that pipeline located in Commonwealth waters; and
 - (ii) the Safety Authority is not required to comply with a provision of these Regulations relating to notifying a person of when an amount of levy is due and payable in relation to any segment or segments of that pipeline located in Commonwealth waters.
- (3) In this regulation:
- pipeline*** has the meaning given by:
- (a) in relation to Commonwealth waters — section 9 of the OPSL Act; and
 - (b) in relation to designated coastal waters — section 10 of the OPSL Act.

Note Under the OPSL and PSL Acts, the imposition of levy in relation to a pipeline is based on where the pipeline is located.

Pipelines are often laid across a number of jurisdictions. This regulation ensures that levy is payable only in relation to Commonwealth waters, or designated coastal waters, depending on where the longest part of the pipeline is located.

[2] Regulation 5, including the note

omit

[3] Regulation 39, including the note

substitute

39 Amount of pipeline safety management plan levy

- (1) For subsections 9 (4) and (5) of the OPSL Act, and subject to subregulation (2), the amount of pipeline safety management plan levy for a pipeline safety management plan is the sum of:
- (a) the SMS amount; and
 - (b) the pipeline amount for each pipeline in relation to which the pipeline safety management plan is in force;
- as worked out using Schedule 3.

Note 1 Schedule 3 ensures that the licensee of a pipeline licence will pay only 1 SMS amount per pipeline safety management plan in any year, whether:

- (a) the licensee holds a licence for more than 1 pipeline; or
- (b) the licensee holds a licence for a pipeline or pipelines which are located in Commonwealth waters, designated coastal waters, or both.

Note 2 Regulation 4 ensures that levy in relation to a pipeline that is located in both designated coastal waters and Commonwealth waters is payable only in relation to 1 of those waters.

- (2) For subsections 9 (4) and (5) of the OPSL Act, if:
- (a) the pipeline safety management plan is in force at the start of a year; and
 - (b) no major revision of the pipeline safety management plan came into force during the previous year;
- the amount of pipeline safety management plan levy imposed on the pipeline safety management plan is zero.

[4] Regulation 45, including the note*substitute***45 Amount of pipeline safety management plan levy**

- (1) For subsections 10 (4) and (5) of the OPSL Act, and subject to subregulation (2), the amount of pipeline safety management plan levy for a pipeline safety management plan is the sum of:
- (a) the SMS amount; and
 - (b) the pipeline amount for each pipeline in relation to which the pipeline safety management plan is in force;
- as worked out using Schedule 3.

Note 1 Schedule 3 ensures that the licensee of a pipeline licence will pay only 1 SMS amount per pipeline safety management plan in any year, whether:

- (a) the licensee holds a license for more than 1 pipeline; or
- (b) the licensee holds a licence for a pipeline or pipelines which are located in Commonwealth waters, designated coastal waters, or both.

Note 2 Regulation 4 ensures that levy in relation to a pipeline that is located in both designated coastal waters and Commonwealth waters is payable only in relation to 1 of those waters.

- (2) For subsections 10 (4) and (5) of the OPSL Act, if:
- (a) the pipeline safety management plan is in force at the start of a year; and
 - (b) no major revision of the pipeline safety management plan came into force during the previous year;
- the amount of pipeline safety management plan levy imposed on the pipeline safety management plan is zero.

[5] Schedule 1, Part 2, Division 2, clause 2.3, table, item 5*substitute*

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|---|---|---|
| 5 | Vessel for laying pipes for petroleum, or vessel or structure used for the erection, dismantling or decommissioning of a facility or for the provision of accommodation for persons working on another facility | 5 |
|---|---|---|

[6] Schedule 2, items 2 and 3*substitute*

- 2 Vessel for laying pipes for petroleum, or vessel or structure used for the erection, dismantling or decommissioning of a facility
- 3 Accommodation facility used for persons working on another facility

[7] After Schedule 2*insert*

Schedule 3 Pipeline amount and SMS amount

(regulations 39 and 45)

Part 1 Pipeline amount**Division 1 Factors used to work out the pipeline amount**

- 1.1 To work out the pipeline amount for a pipeline, multiply:
 - (a) the pipeline's applicable pipeline rating; and
 - (b) the unit value.

Division 2 Applicable pipeline rating

- 1.2 The applicable pipeline rating for a pipeline described in an item in the following table is the number set out in the item.

Item	Description of sub-sea development	Pipeline rating
1	No sub-sea development or manifold connected to the pipeline	1
2	One or 2 sub-sea developments or manifolds connected to the pipeline	2

Item	Description of sub-sea development	Pipeline rating
3	More than 2 sub-sea developments or manifolds connected to the pipeline	3

Division 3 Unit value

- 1.3 The *unit value* is \$10 000 for each pipeline.

Part 2 SMS amount

- 2.1 The licensee of a pipeline licence is required to pay only 1 SMS amount in relation to a year.

- 2.2 The SMS amount is \$40 000.

Note Because the licensee of a pipeline licence will be required to pay only 1 SMS amount for a year under clause 2.1, the licensee will not be required to pay a second SMS amount if another pipeline is operated under the same pipeline management safety plan.

Note

1. All legislative instruments and compilations are registered on the Federal Register of Legislative Instruments kept under the *Legislative Instruments Act 2003*. See www.frli.gov.au.