

EXPLANATORY STATEMENT

Select Legislative Instrument 2009 No. 155

2009

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

**PETROLEUM (SUBMERGED LANDS) (REGISTRATION FEES) AMENDMENT
REGULATIONS 2009 (No. 1)**

(Circulated by authority of the Minister for Resources and Energy,
the Honourable Martin Ferguson AM, MP)

***PETROLEUM (SUBMERGED LANDS) (REGISTRATION FEES) AMENDMENT
REGULATIONS 2009 (No. 1)***

GENERAL OUTLINE

The regulations are made in accordance with section 781 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Principal Act) and section 7 of the *Offshore Petroleum and Greenhouse Gas Storage (Registration Fees) Act 2006* (the Registration Fees Act).

The purpose of these amendments is to increase fees set-out in the *Petroleum (Submerged Lands) (Registration Fees) Regulations 1990* for transfers and dealings for petroleum titles. The amendments also add fees for transfers and dealings for greenhouse gas titles.

The amendments also update the regulations to refer to and be consistent with the Registration Fees Act. The regulations currently refer to the earlier act, the *Petroleum (Submerged Lands) (Registration Fees) Act 1967*.

The regulations prescribe the fees payable under Sections 5, 6, 6A and 6B of the Registration Fees Act which set-out the different types of fees payable under sections 479, 494, 530 and 544 of the Principal Act for transferring titles and approving dealings.

The increase in fees is in line with the 13.65% increase in the consumer price index (CPI) since the fees were last adjusted on 1 January 2005. This increase has been agreed to by the Ministerial Council on Minerals and Petroleum Resources to account for rises in the costs of administering petroleum titles. The petroleum industry representative organisation, the Australian Petroleum Production and Exploration Association Limited, was advised by letter in February 2009 of proposed petroleum fee increases.

The amendments also prescribe fees for transfers and dealings for greenhouse gas titles which are set at the same amounts as transfers and dealings for petroleum titles. Matters relating to greenhouse gas storage were added to the Principal Act and the Registration Fees Act on 21 November 2008.

The Principal Act is administered jointly by Commonwealth, state and Northern Territory governments. The Commonwealth repays fees received for the day-to-day administration of the offshore petroleum regime to state and Northern Territory authorities, to offset their costs. This practice is provided for under Section 76 of the Principal Act.

FINANCIAL IMPACT STATEMENT

These amendments do not have any financial impact on the Australian Government budget.

REGULATORY IMPACT STATEMENT

These amendments do not pose any new regulatory burden on the petroleum or greenhouse gas storage industries.

NOTES ON INDIVIDUAL CLAUSES

Clause 1, Name of Regulations

This is a formal provision setting out the name of the regulations.

Clause 2, Commencement

The regulations will commence on 1 July 2009.

Clause 3, Schedule

This clause gives effect to the provisions in Schedule 1 of these regulations.

Schedule 1 - Amendments

Item 1 – Regulation 1

This item changes the name of the regulations to the *Offshore Petroleum and Greenhouse Gas Storage (Registration Fees) Regulations 1990*.

Item 2 – Regulation 2

This item updates the definition of the word Act to mean the *Offshore Petroleum and Greenhouse Gas Storage (Registration Fees) Act 2006* (the Registration Fees Act).

Item 3 – Schedule 1

This item amends the table of prescribed amounts to refer to the relevant provisions of the Registration Fees Act; increases the fees for transfers and dealings for petroleum titles and adds fees for transfers and dealings for greenhouse gas titles.

For petroleum titles items 1, 2 and 4 of the table are increased to \$920 and items 3 and 5 are increased to \$4590. For greenhouse gas titles the new items 6, 7 and 9 are set at \$920 and new items 8 and 10 are set at \$4590.