

## **EXPLANATORY STATEMENT**

Issued by the authority of the Minister for Resources

*Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Act 2003*

*Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Amendment (Annual Titles Administration Levy) Regulations 2026*

### **Purpose and Operation**

The purpose of the *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Amendment (Annual Titles Administration Levy) Regulations 2026* (the Regulations) is to implement the outcomes of the National Offshore Petroleum Titles Administrator's (NOPTA) cost recovery implementation statement (CRIS) for 2026. The CRIS proposed increases in the amounts for the annual titles administration levy, application fees and fees for service, and is publicly available on the NOPTA website.

The mechanism for setting levy and fee amounts is through the preparation of a CRIS that meets the requirements of the Australian Government Cost Recovery Policy. NOPTA conducts regular reviews of its CRIS. The CRIS for 2026 required levies and fees to be increased, to ensure that the cost recovery arrangements are adequate to enable NOPTA to continue to effectively discharge its regulatory functions.

The Regulations commence on the later of:

- a) 1 May 2026; and
- b) the day after the Regulations are registered.

Further details of the Regulations are outlined in Attachment A.

### **Background**

The *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Act 2003* (the Levies Act) provides for the imposition of levies including the annual titles administration levy in relation to offshore petroleum and greenhouse gas (GHG) titles. NOPTA is fully funded through cost recovery charges and manages the funds through an administered Special Account, in accordance with Division 3 of Part 6.10 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the OPGGS Act).

Levy amounts are prescribed in the *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Regulations 2022*.

NOPTA has functions and powers conferred on it by or under the OPGGS Act. The OPGGS Act provides that NOPTA is responsible for assisting and advising the Joint Authority and the responsible Commonwealth Minister, keeping registers of titles, and data and information management.

NOPTA's 2025 CRIS implemented revised charging arrangements to provide for a graduated transition to full cost recovery for greenhouse gas (GHG) activities. The next statutory review of the activities of NOPTA will be utilised to identify and address, where necessary, the cross subsidisation between GHG and petroleum activities. Accurate cost and activity estimates are challenging to forecast in an emerging industry with significant complexity and uncertainty. It is expected the accuracy of estimates will improve as the GHG industry matures.

It should be noted that complex activities in the later stages of the GHG lifecycle such as holding leases, injection licences and site plan assessments have not been undertaken by NOPTA yet, and the costs of which will be reviewed regularly. Once first injection commences, NOPTA will have an ongoing resource management function relating to GHG plume monitoring and reporting.

### **Authority**

Section 11 of the Levies Act provides that the Governor-General may make regulations for the purposes of various sections under the Levies Act, including section 10E (annual titles administration levy). Section 10E provides that the amount of the annual titles administration levy imposed by the Levies Act is the amount specified in, or worked out in accordance with, the regulations.

### **Consultation**

NOPTA held a public consultation process on the draft 2026 CRIS between 6 to 20 November 2025. NOPTA used the Department of Industry, Science and Resources' (the department) Consultation Hub, the NOPTA website, the department's website and approached stakeholders directly via email.

Two submissions were received during the consultation process. The feedback was considered in the finalisation of the CRIS, and NOPTA responded directly to the relevant parties. One submission indicated a preference for a standard increase across all fee types, for example 10 per cent per year. The second submission suggested NOPTA identify internal efficiencies prior to any further fee and levy increases being proposed. NOPTA decided to proceed with the proposed increases as outlined in the CRIS to ensure alignment with the Australian Government Charging Framework and enable appropriate resourcing to ensure NOPTA maintains competent capacity to administer titles and data management.

### **Impact Analysis**

The Office of Impact Analysis (OIA) has confirmed that a Regulatory Impact Statement is not required for the Regulations. The OIA reference is OIA24-07538.

### **Statement of Compatibility with Human Rights**

A Statement of Compatibility with Human Rights is set out at **Attachment B**.

**Details of the *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Amendment (Annual Titles Administration Levy) Regulations 2026***

**Section 1 – Name**

This section specifies the name of the instrument as the *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Amendment (Annual Titles Administration Levy) Regulations 2026*.

**Section 2 – Commencement**

This section provides that the instrument commences on the later of:

- a) 1 May 2026; and
- b) the day after the Regulations were registered.

**Section 3 – Authority**

This section sets out that the instrument is made under the *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Act 2003*.

**Section 4 – Schedules**

This section provides that each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

**SCHEDULE 1—AMENDMENTS**

**Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Regulations 2022**

**Item 1 – Section 59AA (table item 1, column 2)**

Item 1 of the table in section 59AA relates to a work-bid petroleum exploration permit.

This item increases the annual titles administration levy from \$12,000 to \$25,000.

**Item 2 – Section 59AA (table items 5 and 6, column 2)**

Items 5 and 6 of the table in section 59AA relate to a petroleum retention lease and petroleum production licence, respectively.

This item increases the annual titles administration levy for each from \$24,500 multiplied by the number of blocks that are the subject of the lease or licence, to \$29,000 multiplied by the number of blocks that are the subject of the lease or licence.

### **Item 3 – Section 59AA (table item 7, column 2)**

Item 7 of the table in section 59AA relates to an infrastructure licence.

This item increases the annual titles administration levy from \$30,500 to \$36,500.

### **Item 4 – Section 59AA (table item 8, column 2)**

Item 8 of the table in section 59AA relates to a pipeline licence.

This item increases the annual titles administration levy from \$122 to \$145 for each kilometre, or part of a kilometre, of the length of the pipeline covered by the licence.

### **Item 5 – Section 59AA (table items 9 and 10, column 2)**

Items 9 and 10 of the table in section 59AA relate to a work-bid greenhouse gas assessment permit and cross-boundary greenhouse gas assessment permit, respectively.

This item increases the annual titles administration levy for each from \$26,500 to \$29,150.

### **Item 6 – Section 59AA (table items 11 and 12, column 2)**

Items 11 and 12 of the table in section 59AA relate to a greenhouse gas holding lease and a greenhouse gas injection licence, respectively.

This item increases the annual titles administration levy for each from \$106,000 to \$116,600.

### **Item 7 – In the appropriate position in Part 10**

New Division 4 is added at the appropriate position in Part 10 for provisions relating to the commencement of the Regulations.

New section 72 is an application provision. It provides for the amendments of section 59AA of the *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Regulations 2022* (the Levies Regulations), made by the Regulations, to apply in relation to a year covered by section 59AA of the Levies Regulations beginning on a day that is on or after the day section 72 commences. Section 72 commences on the later of:

- a) 1 May 2026; and
- b) the day after the Regulations were registered.

This ensures the amendments made by the Regulations do not have retrospective effect.

## **Statement of Compatibility with Human Rights**

*Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011*

*Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Amendment (Annual Titles Administration Levy) Regulations 2026*

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*

### **Overview of the Legislative Instrument**

The *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Amendment (Annual Titles Administration Levy) Regulations 2026* (the Regulations) is a legislative instrument for the purposes of the *Legislation Act 2003*.

The Regulations increase the levy amounts for annual levies imposed on offshore petroleum and greenhouse gas titles. The increased levies implement the National Offshore Petroleum Titles Administrator's Cost Recovery Implementation Statement for 2026, ensuring that the cost recovery arrangements are adequate to enable them to continue to effectively discharge their regulatory functions.

The Regulations are made under the *Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Act 2003* (Regulatory Levies Act). The Regulatory Levies Act enables the prescription of the amounts of relevant levies in regulations made under that Act.

### **Human rights implications**

This Legislative Instrument does not engage any of the applicable rights or freedoms.

### **Conclusion**

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

**The Hon Madeleine King MP**

**Minister for Resources**