



Department of Energy, Environment and Climate Action

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SBR-251200497

Ryan Batchelor MLC
Chair
Environment and Planning Standing Committee
Parliament House
Spring St
EAST MELBOURNE VIC 3002

Dear Mr Batchelor

Thank you for your letter of 12 December 2025 seeking the department's assistance with the Legislative Council Environment and Planning Committee's inquiry into decommissioning oil and gas infrastructure.

The enclosed response provides an overview of the regulatory framework for oil and gas decommissioning in Victoria, along with a table of entities that have substantial regulatory responsibilities in relation to offshore petroleum operations or decommissioning. As requested, there is also a table listing information about oil and gas infrastructure in Victorian state jurisdiction and Commonwealth waters.

Representatives from the department are available to appear before the inquiry in 2026.

[REDACTED]

Yours sincerely

[REDACTED]

Carolyn Jackson
Acting Secretary

8/02/2026

Encl.



DEECA response to questions from the Legislative Council Environment and Planning Committee

1. Can you give an overview of the regulatory framework for oil and gas decommissioning in state jurisdiction, including, but not limited to, the roles and relevant legislation administered by the following agencies:

- *Resources Victoria*
- *The Department of Energy, Environment and Climate Action (DEECA)*
- *The Environment Protection Authority*
- *WorkSafe*
- *Energy Safe Victoria*
- *Recycling Victoria*
- *National Offshore Petroleum Safety and Environmental Management Authority*
- *National Offshore Petroleum Titles Administrator.*

Petroleum operations in and around Victoria

Victoria's two main petroleum provinces are the Otway basin in southwest Victoria and the Gippsland Basin in eastern Victoria.

- The Otway Basin spans both land and sea, covering about 155,000 km². Close to 80% of the basin is offshore. On land, it stretches along Australia's southern coast from Geelong to Lucindale in South Australia. Currently, gas is produced from offshore fields. Some depleted wells, near Port Campbell, are used for underground gas storage to provide supply during high demand periods.
- The Gippsland Basin spans both land and sea, covering 46,000 km². Two-thirds of it is offshore. Onshore, it stretches from Western Port Bay to Orbost. The Gippsland basin hosts both oil and gas reserves, and the region hosts gas processing facilities and pipelines.

Overview of regulatory framework for petroleum decommissioning

There are three separate regulatory frameworks for petroleum operations, including decommissioning, in Victoria. Regulatory requirements, roles and responsibility vary depending on the nature and location of the operations:

- Petroleum operations in **onshore Victoria** are regulated under the *Petroleum Act 1998* (Vic) and *Petroleum Regulations 2021* (Vic).
 - The Victorian Minister for Energy and Resources is responsible for administering this Act and regulations, and delegates certain functions and powers to positions within Resources Victoria in the Department of Energy, Environment and Climate Action.
 - Titleholders are required to:
 - Include a detailed decommissioning proposal together with a rehabilitation plan in the relevant operation plan submitted to Resources Victoria in the Department of Energy, Environment and Climate Action (DEECA) for acceptance
 - Request the Minister's consent to decommission petroleum infrastructure
 - Complete rehabilitation in accordance with the accepted operation plan and before the cessation of the title, and
 - Enter into a rehabilitation bond with the Minister to cover the cost of decommissioning, which is returned once decommissioning has been completed satisfactorily.
 - The *Code of Practice for the Construction, Operation and Decommissioning of Petroleum Wells in Victoria* supports compliance with the Petroleum Act and regulations.
- Petroleum operations offshore in **Victorian Coastal Waters** (within 3 nautical miles of the coast) are regulated under the *Offshore Petroleum and Greenhouse Gas Storage Act 2010* (Vic) (the Victorian OPGGSA) and the *Offshore Petroleum and Greenhouse Gas Storage Regulations 2021* (Vic).
 - Under this Act and Regulations, the Victorian Minister for Energy and Resources has responsibility for titles administration, resource management, data management and environmental regulation (i.e., the allocation and administration of permits, leases and licences relating to exploration, production and storage of petroleum, approvals of environment plans for operations and activities associated with petroleum operations). The Minister delegates certain functions and powers to Resources Victoria to carry out as allowed under the Act.
 - Responsibility for health and safety, and for structural (well) integrity has been conferred to the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) (see Table 1 for further information about

NOPSEMA). While possible under legislation, Victoria has not conferred regulation of environmental management to NOPSEMA.

- Titleholders must include a decommissioning proposal in each relevant environment plan submitted to DEECA for acceptance, complete rehabilitation in accordance with the accepted environment plan, and complete decommissioning before the end of the title. The level of detail included about decommissioning may range from conceptual to comprehensive, depending on the type of activity proposed in the environment plan.
- Petroleum operations offshore in the **Commonwealth Territorial Sea** (beyond 3 nautical miles of the coast) are regulated under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (Cth) (the Commonwealth OPGGSA) and subordinate regulations.
 - The Joint Authority, comprised of the Federal and relevant State Minister for Resources, is responsible for key petroleum title decisions including the granting of titles, imposition of conditions on a title and cancellation or surrender of a title in Commonwealth waters. Currently, the Commonwealth-Victoria Joint Authority is comprised of Minister Madeleine King, as Commonwealth Minister for Resources, and Minister Lily D'Ambrosio, as Victorian Minister for Energy and Resources.
 - The National Offshore Petroleum Titles Administrator (NOPTA) is responsible for titles administration, data management and resource management, and also provides technical advice to the Joint Authority.
 - NOPSEMA is responsible for health and safety, structural (well) integrity and environmental management.
 - Titleholders must include a decommissioning proposal in each relevant environment plan submitted to NOPSEMA for acceptance and complete decommissioning in accordance with the accepted environment plan. The level of detail included about decommissioning may range from conceptual to comprehensive depending on the type of activity proposed in the environment plan. Decommissioning must be completed before the end of the title.
 - The Commonwealth government publishes guidance to support compliance, including the *Offshore Petroleum: Decommissioning Guidelines*. These guidelines outline that decommissioning is the responsibility of titleholders, encourage early decommissioning planning, set out that removal of all

petroleum property is the “base case” and that decommissioning must be completed before the end of the petroleum title.

Along with the legislation and regulations outlined above, Australian and international standards, rules and specifications for designing and carrying out decommissioning may apply or provide guidance to titleholders on leading practice.

References to relevant standards may be directly cited and adopted in the legislation, regulations or Codes, or exist as industry accepted practice. Due to the volume of relevant standards, individual standards are not listed in this document. An example of standards relevant to the onshore regime can be found in Appendix 1 to the [*Code of practice for onshore petroleum wells*](#), issued by the Minister for Energy and Resources.

Australia is also a signatory to a range of international conventions and standards that are relevant, and apply, to decommissioning. These include:

- **London Convention and Protocol** which seeks to prevent pollution of the marine environment by prohibiting dumping of waste materials at sea.
- **United Nations Convention on the Law of the Sea** (UNCLOS) which establishes rules for all uses of the world’s oceans and sea and their resources.
- **IMO Resolution A.672** which sets out guidelines and standards for the removal of offshore installations and structures.
- **Basel Convention** which sets out rules for the control of the transboundary movement of hazardous and other wastes, and the **Minimata Convention** which sets out rules to reduce mercury, and which collectively form part of the global regime for managing and minimising impacts from hazardous materials.
- **International Convention for the Prevention of Pollution from Ships** (MARPOL) which includes regulations aimed at preventing and minimizing accidental and operational pollution from ships.

Mirroring requirement

The Victorian OPGGSA broadly mirrors the regulatory framework that applies to Commonwealth waters (outlined below), consistent with the Offshore Constitutional Settlement under which the Commonwealth and State Ministers have agreed to maintain regulatory alignment and compatibility of offshore legislation across jurisdictions. As part of this alignment and to support consistency of NOPSEMA’s functions in both Commonwealth and Victorian waters, Victoria also generally adopts NOPSEMA policies and guidelines on decommissioning for Victorian waters.

The Offshore Constitutional Settlement does not apply to onshore areas, however there is broad alignment across all three jurisdictions in terms of the requirements for allocating titles, managing risks relating to infrastructure and well integrity, health and safety, and the environment during operations, an expectation that property is removed prior to the end of a title, and for an application to surrender a title to be refused if decommissioning has not been completed.

Financial assurance for managing decommissioning liabilities

While all three frameworks share the same principle of ensuring operators cover all costs, key differences exist in relation to managing decommissioning liabilities:

- Unique to the onshore framework, there are specific rehabilitation planning obligations and a requirement for operators to enter into a rehabilitation bond held by the Victorian Minister for Energy and Resources.
- Specific to Commonwealth waters is a trailing liabilities regime, which ensures industry covers costs associated with operations, including decommissioning, by enabling the Commonwealth government to call back former titleholders, related corporate entities, or people related to current or former titleholders to undertake remedial work. Victoria has not yet mirrored these provisions in the Victorian OPGGSA due to the relatively low exposure to decommissioning liabilities in Victorian waters.

Other potentially relevant legislation

In addition to the main frameworks for regulating petroleum operations, depending on the location and type of activities that are proposed or are underway, Victorian and Commonwealth regulatory regimes may also apply in relation to: planning, environment impact assessment, cultural heritage protection, Native Title, environment protection, workplace health and safety, hazardous substances, pipelines regulation, marine and coastal management, and flora and fauna protection.

Table 1: Roles of agencies, relevant legislation and responsibilities relating to petroleum operations and decommissioning¹

Agency	Regulatory framework	Agency role and responsibilities		
		Commonwealth waters	Victorian waters	Onshore Victoria
Resources Victoria (within DEECA)	<p><i>Petroleum Act 1998</i></p> <p><i>Petroleum Regulations 2021</i></p> <p>Additional Codes and guidance: Code of practice for onshore petroleum wells, Operation plan guideline for onshore oil and gas activities, Guidance Note – Developing an onshore petroleum resource, Oil and gas permit conditions and administration guidelines</p>	N/A	N/A	<p>Petroleum titles administration (permits, leases, licences, authorisations), resource management, data management, and operational management that incorporates risk management, environmental management and rehabilitation planning.</p> <p>Resources Victoria carries out some functions under delegation from the Minister for Energy and Resources.</p>
	<p><i>Offshore Petroleum and Greenhouse Gas Storage Act 2010 (Vic)</i></p> <p><i>Offshore Petroleum and Greenhouse Gas Storage Regulations 2021 (Vic)</i></p> <p>Additional guidance: Guidance Note – Developing an offshore petroleum resource, Guidance Note - Financial Insurance Requirements under the Offshore Petroleum and Greenhouse Gas Storage Act 2010, NOPSEMA guidance adopted (see below)</p>	N/A	<p>Offshore petroleum titles administration (licences, leases, permits and authorities), resource management, data management and environmental regulation.</p> <p>Note: Resources Victoria carries out functions under delegation of the Minister.</p>	N/A

¹ Unless otherwise indicated, all references to Acts and regulations in Table 1 refer to Victorian legislation, regulations and regulatory responsibilities.

Agency	Regulatory framework	Agency role and responsibilities		
		Commonwealth waters	Victorian waters	Onshore Victoria
	<p><i>Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth)</i></p> <p><i>Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011² (Cth)</i></p> <p>Additional guidance: NOPSEMA Guidelines, NOPSEMA Guidance Notes, NOPSEMA Policies, NOPTA Guidelines</p>	Decisions regarding offshore petroleum titles (permits, leases, licenses) by the Victorian Minister for Energy and Resources, being the Victorian member of the Commonwealth-Victoria Offshore Petroleum Joint Authority. The Commonwealth member is the Federal Minister for Resources.	N/A	N/A
DEECA (excluding Resources Victoria)	<p><i>Pipelines Act 2005</i></p> <p><i>Pipelines Regulations 2017</i></p> <p>AS 2885</p>	N/A	N/A	The Energy Infrastructure Regulator (EIR) within DEECA is responsible for approvals and compliance of onshore pipelines decommissioning. The EIR requires compliance with AS 2885.
	<p><i>Circular Economy (Waste Reduction and Recycling) Act 2021</i></p> <p><i>Circular Economy (Waste Reduction and Recycling) (Risk, Consequence and Contingency Plans and Other Matters) Regulations 2023</i></p>		Circular Economy division within DEECA supports government to embed circular economy principles and practices into government operations and policies.	
	<i>Flora and Fauna Guarantee Act 1988</i>	N/A	Regulation of developments and activities to ensure consideration of biodiversity and protect threatened flora and fauna.	

² Correct January 2026. New (remade) *Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2025* come into effect 13 March 2026.

Agency	Regulatory framework	Agency role and responsibilities		
		Commonwealth waters	Victorian waters	Onshore Victoria
Victorian Environment Protection Authority (EPA)	<i>Flora and Fauna Guarantee Regulations 2020</i>			
	<i>Marine and Coastal Act 2018</i>	N/A	Strategic oversight for planning and management of the marine and coastal environment. Administration of Ministerial consent for the development or works on marine and coastal Crown land.	
	<i>Marine and Coastal (Prescribed Consents) Regulations 2025</i>			
WorkSafe	<i>Environment Protection Act 2017</i>	N/A	Regulation of the management, transport and disposal of industrial waste through statutory waste duties and regulation of any activities in Victoria's jurisdiction which may pose a risk of harm to Victorian waters and the environment through the general environmental duty. Licensing of oil and gas refining, and bulk storage, facilities and requirements for decommissioning plan.	
	<i>Environment Protection Regulations 2021</i>			
	<i>Pollution of Waters by Oil and Noxious Substances Act 1986 (Vic)</i>	N/A	Regulation of pollution from vessels applies to discharge into Victorian waters by ships involved in decommissioning operations.	N/A
	<i>Pollution of Waters by Oil and Noxious Substances Regulations 2022 (Vic)</i>			
Energy Safe Victoria	<i>Occupational Health and Safety Act 2004</i>	N/A	N/A The Victorian OPGGSA disapplies Victorian OHS laws in relation to petroleum facilities in Victorian waters.	Regulation of workplace health and safety, including in relation to Victorian onshore petroleum operations and decommissioning work.
	<i>Occupational Health and Safety Regulations 2017</i>			
	<i>Dangerous Goods Act 1985</i>	N/A	Regulation of health and safety for petroleum operations in Victorian waters is conferred to NOPSEMA.	Regulation of dangerous goods transport and handling, including in relation to Victorian onshore petroleum operations and decommissioning work.
	<i>Dangerous Goods (Storage and Handling) Regulations 2022</i>			
Energy Safe Victoria	<i>Gas Safety Act 1997</i>	N/A	N/A	Regulates gas safety aspects of onshore pipeline

Agency	Regulatory framework	Agency role and responsibilities		
		Commonwealth waters	Victorian waters	Onshore Victoria
	<i>Gas Safety (Safety Case) Regulations 2018</i>			decommissioning, and requires compliance with AS 2885.
Recycling Victoria	<i>Circular Economy (Waste Reduction and Recycling) Act 2021</i> <i>Circular Economy (Waste Reduction and Recycling) (Risk, Consequence and Contingency Plans and Other Matters) Regulations 2023</i>	N/A	Strategic oversight and regulation of the waste and recycling sector, regulation of service standard, strategic procurement, and data collection, analysis and reporting.	
National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)	<i>OPGGSA 2006 (Cth)</i> <i>Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011 (Cth)</i> <i>Offshore Petroleum and Greenhouse Gas (Safety) Regulations 2024 (Cth)</i> <i>Offshore Petroleum and Greenhouse Gas (Environment) Regulations 2023 (Cth)</i> <i>Offshore Petroleum and Greenhouse Gas (Regulatory Levies) Regulations 2022 (Cth)</i>	Regulation of health and safety, structural integrity, and environmental management of petroleum operations and decommissioning in Commonwealth waters.	N/A	N/A

Agency	Regulatory framework	Agency role and responsibilities		
		Commonwealth waters	Victorian waters	Onshore Victoria
<i>Office of Petroleum, Gas and Energy Safety (OPPGS)</i>	<i>OPGGSA 2010 (Vic)</i>	N/A	Regulation of health and safety, structural integrity in Victorian waters.	N/A
	<i>OPGGS Regulations 2021 (Vic)</i>		The Victorian OPPGSA confers regulation of health and safety and structural integrity for petroleum operations in Victorian waters to NOPSEMA. While possible under the legislation, Victoria has not conferred environmental management to NOPSEMA. Victoria is the only State that has used the State-Commonwealth conferral arrangement for its health and safety functions.	
National Offshore Petroleum Titles Administrator (NOPTA)	<i>OPGGSA 2006 (Cth)</i> <i>Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2023 (Cth)</i>	Strategic assessment of the environmental management authorisation process for offshore oil and gas activities, unless exclusion applies.	N/A	N/A The EPBC Act allows bilateral agreements between the Australian and State governments. Under the assessment bilateral agreement with Victoria (2014), the Commonwealth Minister can use Victorian environmental assessment processes to inform an assessment of the impacts of any eligible action (see below).

Agency	Regulatory framework	Agency role and responsibilities		
		Commonwealth waters	Victorian waters	Onshore Victoria
	<i>Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011 (Cth)</i>			
Commonwealth Department of Industry, Science and Resources	OPGGSA 2006 (Cth) <i>Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011 (Cth)</i>	Decisions regarding offshore petroleum titles (permits, leases, licenses) by the Commonwealth Minister for Resources, being part of the Commonwealth-Victoria Offshore Petroleum Joint Authority together with the Victorian Minister for Energy and Resources.	N/A	N/A
Department of Transport and Planning	<i>Environment Effects Act 1978</i> <i>Ministerial Guidelines for Assessment of Environmental Effects 2023</i>	N/A	<p>Environmental impact assessment of proposed projects that may pose a significant impact on the environment.</p> <p>Environmental impact assessment and approval may also be required under the <i>Environment Protection and Biodiversity Conservation Act 1999</i> (Cth). Victoria's impact assessment process is accredited for this purpose (see above).</p>	
	<i>Planning and Environment Act 1987</i> <i>Planning and Environment Regulations 2015</i>	N/A	<p>Shared responsibility with local councils for planning permission and controls (if required).</p>	
Safe Transport Victoria	<i>Marine Safety Act 2010</i> <i>Marine Safety Regulations 2023</i>	N/A	Permissions for and regulation of maritime transport, including for decommissioned materials.	N/A

2. Can you provide a table listing relevant information about oil and gas infrastructure that is due to be decommissioned in Victorian state jurisdiction and Commonwealth waters?

Most petroleum operations and associated infrastructure are in Commonwealth waters. Infrastructure in Victorian waters is limited to pipelines (including those connecting offshore infrastructure to the coast) that are mostly expected to be in active use for the foreseeable future.

There are no offshore platforms or drill rigs currently situated in Victorian waters. Gas from offshore gas fields in Victorian waters is produced via extended-reach directional wells that were drilled from onshore locations between Warrnambool and Port Campbell in western Victoria.

Table 2: Existing infrastructure, decommissioning status and responsibilities

	Commonwealth waters	Victorian waters (incl extended-reach wells)	Victoria onshore
Wells	400+ wells	5 wells (4 already decommissioned)	450 wells
Platforms	21 platforms	No platforms	N/A (8 gas plants)
Pipelines	2,000+km	78 km (14 pipeline licences)	5,400 km transmission lines (gas, petroleum and other products)
Timing of decommissioning works	12 platforms in Bass Strait are required to commence decommissioning by September 2027	Nothing imminent Completed – 4 wells Underway – 1 pipeline Planning – 7 pipelines	Nothing imminent Completed - 420 wells Underway – nil Planning – 1 well & 2 gas plants