2010-2011

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

As passed by both Houses

Offshore Petroleum (Royalty)
Amendment Bill 2011

No. , 2011

A Bill for an Act to amend the Offshore Petroleum
(Royalty) Act 2006, and for related purposes
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A Bill for an Act to amend the Offshore Petroleum (Royalty) Act 2006, and for related purposes

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the Offshore Petroleum (Royalty) Amendment Act 2011.

2 Commencement

(1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.
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Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

(2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

### 3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.
Schedule 1—Amendments

Offshore Petroleum (Royalty) Act 2006

1A Section 4

Insert:

State Minister means the responsible State Minister of Western Australia.

1 Paragraphs 6(4)(a) and (b)

Omit “Designated Authority”, substitute “State Minister”.

2 Paragraph 6(4)(c)

Omit “Designated Authority’s”, substitute “State Minister’s”.

3 Subsection 9(1)

Omit “Designated Authority”, substitute “State Minister”.

3A Paragraph 10(1)(a)

Omit “Designated Authority”, substitute “State Minister”.

3B Paragraphs 10(1)(b) and (c)

Repeal the paragraphs, substitute:

(b) is not payable in relation to petroleum if:

(i) the State Minister is satisfied that the petroleum was used by the registered holder of the petroleum exploration permit, petroleum retention lease or petroleum production licence for the purposes of petroleum exploration operations or operations for the recovery of petroleum; and

(ii) the use did not contravene the Offshore Petroleum and Greenhouse Gas Storage Act 2006 or regulations under that Act; and

(c) is not payable in relation to petroleum if:

(i) the State Minister is satisfied that the petroleum has been flared or vented in connection with operations for the recovery of petroleum; and
(ii) the flaring or venting did not contravene the Offshore Petroleum and Greenhouse Gas Storage Act 2006 or regulations under that Act.

3C Subsection 10(2)

Repeal the subsection, substitute:

(2) If petroleum has been recovered by the registered holder of:

(a) a petroleum exploration permit; or
(b) a petroleum retention lease; or
(c) a petroleum production licence;
royalty under this Act is not payable in relation to the petroleum because of that recovery if:
(d) the State Minister is satisfied that the petroleum has been returned to a natural reservoir; and
(e) the return of the petroleum to the reservoir did not contravene the Offshore Petroleum and Greenhouse Gas Storage Act 2006 or regulations under that Act.

3D Section 11

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

3E Section 12

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

3F Section 13

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

3G Section 14

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

3H Subsection 15(1)

Omit “Designated Authority”, substitute “State Minister”.

3J After section 16
16A Delegation by State Minister

The State Minister may, by written instrument, delegate to an employee of Western Australia any or all of the powers or functions of the State Minister under this Act.

4 Transitional—instruments

(1) This item applies to an instrument if:
   (a) the instrument was in force immediately before the commencement of this item; and
   (b) the instrument was made or given, by the Designated Authority for an offshore area, under, or for the purposes of, a particular provision of the Offshore Petroleum (Royalty) Act 2006 (other than paragraph 10(1)(b) or (c) or subsection 10(2)).

(2) The instrument has effect, after the commencement of this item, as if it had been made or given:
   (a) by the State Minister; and
   (b) under, or for the purposes of, the corresponding provision of that Act as amended by this Schedule.

5 Transitional—acts of Designated Authority to be attributed to the State Minister etc.

(1) This item applies to an act or thing (other than the making or giving of an instrument) that was done before the commencement of this item:
   (a) by, or in relation to, the Designated Authority for an offshore area; and
   (b) under, or for the purposes of, a particular provision of the Offshore Petroleum (Royalty) Act 2006 (other than paragraph 10(1)(b) or (c) or subsection 10(2)).

(2) The act or thing has effect, after the commencement of this item, as if it had been done:
   (a) by, or in relation to, the State Minister; and
   (b) under, or for the purposes of, the corresponding provision of that Act as amended by this Schedule.
6 Application of amendments—exemptions from royalty

(1) The amendments of section 10 of the *Offshore Petroleum (Royalty) Act 2006* made by this Schedule, in so far as the amendments relate to a use of petroleum, apply to a use that occurs after the commencement of this item.

(2) The amendments of section 10 of the *Offshore Petroleum (Royalty) Act 2006* made by this Schedule, in so far as the amendments relate to the flaring or venting of petroleum, apply to flaring or venting that occurs after the commencement of this item.

(3) The amendments of section 10 of the *Offshore Petroleum (Royalty) Act 2006* made by this Schedule, in so far as the amendments relate to the return of petroleum to a natural reservoir, apply to a return that occurs after the commencement of this item.