

Offshore Greenhouse Gas Storage

This page outlines the legislative framework for greenhouse gas injection and storage operations in Commonwealth offshore waters under the [Offshore Petroleum and Greenhouse Gas Storage Act 2006](#) (OPGGS Act).

The OPGGS Act provides a legal framework for a title system for pipeline transportation, injection and storage of greenhouse gas (GHG) substances in geological formations in the Commonwealth marine area. This area comprises Australia's offshore area, from three nautical miles from the coastline to the boundary of Australia's Exclusive Economic Zone (EEZ).

Major features of the legislation include:

- the provision of access and property rights through a title system, similar to that used for petroleum, for exploring and using GHG storage formations and sites
- ensuring safe and secure storage
- mechanisms for managing interactions with the petroleum industry
- requirements for site closure and the treatment of long-term liability.

The legislation provides the petroleum industry with additional options for the storage of any carbon dioxide that may be produced through petroleum operations. Petroleum producers' rights to use GHG substances for enhanced petroleum recovery remain unchanged and can be undertaken under a petroleum production licence.

Interaction with petroleum titles

The legislation also sets out requirements for the co-existence of the petroleum industry and the GHG storage industry. In some circumstances, one activity could impact on the other. To manage this, the legislation distinguishes between pre-commencement petroleum titles and post-commencement petroleum titles.

Pre-commencement titles

Petroleum titles awarded before November 2008, or directly derived from such titles, are pre-commencement titles. Rights under these titles are protected through a 'significant impact test'. Under this test, an activity under a GHG title cannot be approved unless the responsible Commonwealth Minister is satisfied:

- that the activity does not pose a significant risk of causing a significant adverse impact on a pre-commencement petroleum title, or
- that there is a commercial agreement between the two titleholders.

Post-commencement titles

All petroleum exploration permits awarded after November 2008, or directly derived from such titles, are post-commencement titles, including permits to be awarded from the 2017 Offshore Petroleum Exploration Acreage Release.

If there is no agreement between a petroleum titleholder and a GHG titleholder, and the two operations cannot coexist, the responsible Commonwealth Minister will make a decision on which operation should proceed in the public interest. Once granted, a post-commencement petroleum production licence is protected through the 'significant impact test'.

For further information please email petroleum.exploration@industry.gov.au.