

DRAFT POLICY STATEMENT: VENTING AND FLARING FROM OFFSHORE PETROLEUM FACILITIES | CONSULTATION

Australian Energy Producers | 22 May 2025

Australian Energy Producers welcomes the opportunity to provide feedback on the Department of Industry, Science and Resources (DISR) draft Policy Statement on Venting and Flaring from Offshore Petroleum Facilities.

Australian Energy Producers supports a strengthened and integrated regulatory approach to managing emissions from routine venting and flaring practices. Australian Energy Producers is a member of the international Methane Guiding Principles initiative which has a key principle; to continually reduce emissions from venting and fugitives. Australian Energy Producers members also participate in international initiatives such as the Oil and Gas Methane Partnership 2.0 (OGMP 2.0) and the Oil & Gas Decarbonization Charter (OGDC) which involve commitments around venting and flaring, including the ambition of zero routine flaring by 2030.

Australian's current offshore regulatory framework, based on the 'As Low as Reasonably Practicable' (ALARP) and Good Oilfield Practice (GOP) principles, meets the Future Gas Strategy (FGS) venting and flaring objectives without the need for additional legal amendments. The ALARP requirements under Offshore Petroleum and Greenhouse Gas Storage Act (OPGGSA) regulations are legally binding and compel titleholders to eliminate or reduce risks to health and safety and impacts to the environment to "acceptable levels". Further, the legislative and regulatory emphasis on GOP under the OPGGSA requires titleholders to undertake all "those things that are generally accepted as good and safe in carrying out exploration for petroleum or operations for the recovery of petroleum".

Key recommendations

- **Best-practice guidance on the application of the ALARP and GOP principles should be co-developed by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), the National Offshore Petroleum Titles Administrator (NOPTA), and the Clean Energy Regulator (CER) in collaboration with industry.** Guidance should clarify key legal terms and ensure stronger linkages in the development of Field Development Plans (FDP) with the Safeguard Mechanism and Flaring Management Plans (FMPs).
- **Venting and flaring policies should align with international best practices** and avoid mandating specific abatement outcomes or technologies, particularly on brownfield operations, that could impose unacceptable safety, cost, or shutdown risks on industry.
- **NOPSEMA and NOPTA reporting requirements must be aligned with existing industry reporting** to avoid duplication and maintain commercial sensitivities.
- **A more integrated approach is required between NOPSEMA, NOPTA and the CER** to ensure emissions from routine venting and flaring practices are efficiently minimised and reported in a manner that adheres to health and safety best practices.

Australian Energy Producers looks forward to providing further input on the management of routine venting and flaring of gas. Further comments and recommendations are provided below.

Head Office

GPO Box 2201 Canberra ACT 2601
+61 2 6247 0960 | contact@energyproducers.au

Australian Energy Producers Limited

energyproducers.au

ABN 44 000 292 713

COMMENTS AND RECOMMENDATIONS

Australia's current offshore regulatory framework meets the FGS venting and flaring objectives without additional legal amendments

Existing provisions in the OPGGS Act and associated regulations are fit for purpose and have proven to be sufficient in giving effect to the Government's policy objectives. The legally binding requirement of the ALARP principle, under both the OPGGS (Safety) Regulations 2024 and (Environment) Regulations 2023, are central to giving effect to FGS commitments. NOPSEMA oversees both of these regulations and the application of the ALARP principle, which compels titleholders to eliminate or reduce risks to health and safety and impacts to the environment to "acceptable levels".

In addition, the legislative and regulatory emphasis on GOP, under both Section 7 of the OPGGS Act and the OPGGS (Resource Management and Administration) Regulations 2011 (RMA), is sufficient and appropriate to minimise waste from unnecessary venting and flaring activities, while ensuring efficient and safe field development. NOPTA oversees RMA and the application of the GOP, which compels titleholders to undertake all "those things that are generally accepted as good and safe in carrying out exploration for petroleum or operations for the recovery of petroleum".

NOPSEMA considers venting and flaring system design under the 2024 Safety Regulations, and 2023 Environment Regulations, including requiring titleholders to apply ALARP control systems in their facility safety cases. These are outlined in FMPs and form part of NOPSEMA's assessments of Environment Plans (EPs) and Offshore Project Proposals (OPP). NOPTA ensures flaring and venting compatibility to the GOP principle under the RMA regulation by ensuring waste from flaring is minimised in line with FDPs.

With additional guidance, these existing provisions can be applied to venting and flaring to ensure alignment with FGS commitments.

Further guidance on the GOP and ALARP principles would be of benefit

NOPSEMA guidance¹ on the ALARP principle does not specifically consider routine venting and flaring. NOPSEMA defines ALARP as "a level where the time, trouble, cost and physical difficulty of further risk reduction measures becomes grossly disproportionate to the additional risk reduction gained". NOPSEMA safety regulations require operators to demonstrate ALARP by "showing, through reasoned and supported arguments, that there are no other practical measures that could reasonably be taken to reduce risks further". This is informed by a risk control hierarchy which prioritises 1) elimination, 2) substitution, 3) prevention, and 4) mitigation, in that order. The OPGGS Environment regulations require operators to demonstrate ALARP by "evaluating environmental impacts and risks to demonstrate that they will be reduced to ALARP and to an acceptable level."

There is no specific NOPTA guidance on the GOP principle, although the concept is integrated into a range of guidelines and fact sheets, and within a context of FDPs.² While GOP is an internationally accepted term, there is also no single international standard that defines how it applies in practice.

¹ NOPSEMA (Safety) ALARP ([N N-04300-GN01660166_A138249](#)), 24/6/20, (environment) Environment plan content requirement ([N-04750-GN1344_A339814](#)), 10/1/24, and Offshore project proposal content requirements ([N-04790-GN1663_A473026](#)), 10/1/24.

² NOPTA [Regulatory Performance Framework](#), February 2019; Factsheet [Developing a petroleum resource](#), 2 February 2023; Factsheet [An introduction to the titles framework](#), 21 February 2023.

NOPSEMA, NOPTA and CER should co-develop, with industry, best-practice guidance on the application of the ALARP and GOP principles, including clarification on legal terms such as “where possible” (environment regulations), “feasible alternatives” (RMA regulations) and “acceptable levels” (OPGGs Act), as they apply to both greenfield and brownfield operations. Guidance should also ensure stronger linkages in the development of Field Development Plans (FDP) – that already include data on venting and flaring – with the Safeguard Mechanism and Flaring Management Plans (FMPs).

Policies should align with international best practice

Venting and flaring policies should align with international best practices and avoid mandating specific abatement outcomes or technologies, particularly on brownfield operations, that could impose unacceptable safety, cost, or shutdown risks on industry. Initiatives such as OGMP 2.0, OGDC and the World Bank’s “Zero Routine Flaring by 2030” all demonstrate the importance of differentiating venting and flaring activities between routine and non-routine, safety-related and commercial, greenfield and brownfield assets, and intentional and unintentional. For example, operationalisation of the policy ambition needs to recognise the design constraints, safety concerns, and retrofitting feasibility for brownfield operations, and the potential of greenfield assets and infrastructure to include more progressive benchmarks; as well as safety-related exemptions for shutdowns, emergency depressurisation, startup, and relief systems.

In addition to the international references listed above, other benchmarks on GOP and ALARP providing de facto guidance to inform the development of a singular and harmonised national guidance may include the North Sea Transition Authority (UK) among many others.³

Reporting should be streamlined and avoid duplication

NOPSEMA and NOPTA’s offshore petroleum reporting requirements must be aligned with the National Greenhouse and Energy Reporting (NGER) scheme and the Safeguard Mechanism. NOPSEMA’s offshore safety and environment reporting requirements and NOPTA’s RMA requirements need to align with NGER and Safeguard Mechanism requirements, to avoid duplication and maintain commercial sensitivities. The aim for more granular reporting in ‘fuel, flare and vent’ (FFV) reporting on monthly and annualised basis needs to be harmonised and aggregated consistent with established NGER reporting formats.

The objectives of this draft policy may necessitate targeted amendments to the NGER Measurement Determination (Division 3.3 – Oil and Natural Gas – Fugitive Emissions) particularly to enable clearer distinctions between emission sources such as accidental, upset, or deliberate releases. It will also be important to preserve operators’ flexibility to report in a manner consistent with their operational context.

³ North Sea Transition Authority, [Guidance on NSTA’s requirements for ‘good oilfield practice’](#), International Association of Oil & Gas Producers (IOGP), API Standards (American Petroleum Institute), ISO Standards. World Bank [Global Flaring and Methane Reduction Partnership](#) and [Zero Routine Flaring by 2030](#) initiative, [ISO-31000: risk management guidelines](#), [ISO 14001: environmental management systems](#), [ISO 10418: process safety systems](#), [ISO 13702: fire safety and emergency response](#), [ISO 15544: emergency response](#), [ISO 17776: risk management for offshore installations](#), [UK Government Guidance on ALARP](#). Ipieca guidance on [venting](#) and [flaring](#).