

Accelerating WA's petroleum developments: Review of the State petroleum legislative framework

27 October 2025

Contents

xecutive summary		
Objective	3	
Introduction	4	
Existing legislative framework	4	
Original WA Domestic Gas Policy	5	
Parliamentary Inquiry into the WA Domestic Gas Policy	6	
State Government response and updated Domestic Gas Policy	6	
Current situation	7	
Stage 1 – Acreage Release and Special Prospecting Authorities with an Acreage Option	7	
Stage 2 - Exploration	8	
Stage 3 - Retention	8	
Stage 4 - Production	9	
Current state of affairs	10	
Reform options	12	
Policy proposal 1 – Limits on extensions of term for Exploration Permits (policy adjustment).	12	
Policy proposal 2 – Formalising the request for re-evaluation of commercial viability on Retention Leases (new policy)	13	
Legislative proposal 1 – Amendments to commerciality window for Retention Leases	14	
Legislative proposal 2 – Limiting the number of renewals available for Retention Leases	15	
Legislative proposal 3 – Strengthening the Minister's powers to terminate Production Licences if no operation has occurred	16	
Discussion points for consideration in consultation	17	
Consultation approach	17	

Executive summary

In 2023–24, the Economics and Industry Standing Committee (EISC) conducted an inquiry into the WA Domestic Gas Policy, '<u>Domestic Gas Security in a Changing World</u>'. On 15 August 2024, the final report was tabled in the Legislative Assembly and presented a number of findings and recommendations for the State Government's consideration.

The EISC inquiry found that Retention Leases could be granted if development of the gas field was not currently commercially viable but is likely to become commercially viable within 15 years. The report went on to state that it was difficult to see how a case could be made that developing a gas field, to supply the Western Australian market, could not be presently commercially viable but would be in 15 years. Finding 69 resulted in the formulation of Recommendation 27:

That the State Government use all measures at its disposal to ensure that no further Retention Leases or renewals are granted in Western Australia's offshore waters. If the current title holder is not willing or able to develop the resource now, it should be returned to the pool so that another business can exploit it.

This document seeks to address Recommendation 27 from the EISC report, and the Western Australian Government's commitment on 19 September 2024 to review and strengthen the 'use it or lose it' provisions within the *Petroleum and Geothermal Energy Resources Act 1967*, with consideration to the current situation and potential future state of the petroleum industry in Western Australia (WA).

This endeavour is an important contribution to ensuring sufficient gas supply for WA to meet the rising industrial demands over the coming years and, additionally, for its energy security into the future as the State progresses towards net zero by 2050.

Objective

The objective of this document is to review the existing 'use it or lose it' provisions within the State petroleum legislative framework, which refers to the Minister's powers to refuse or cancel leases, licences and permits if an operator is not meeting their obligations to progress their petroleum operations (as further explained on page seven of this document), present potential reform options to strengthen the provisions and invite stakeholders to consider the options and their potential impact. In addition, it invites stakeholders to provide any additional recommendations to address Recommendation 27 from the EISC report.

The State Government is looking to see the development of new petroleum projects in line with the updated <u>Domestic Gas Policy</u>, and is considering ways to promote timely progression of petroleum operations and optimised recovery rates of petroleum in production.

Introduction

The State Government is committed to working with all sectors of the economy to achieve net zero emissions by 2050. This transition sees the continued development and investment into new and renewable energy sources that will meet the needs of the community and industry, without contributing to increased emissions. Notwithstanding this, WA's petroleum industry will continue to play a critical role in meeting any shortfalls of energy supply for the State over the coming years and also in addressing the increased industrial and mineral processing demand.

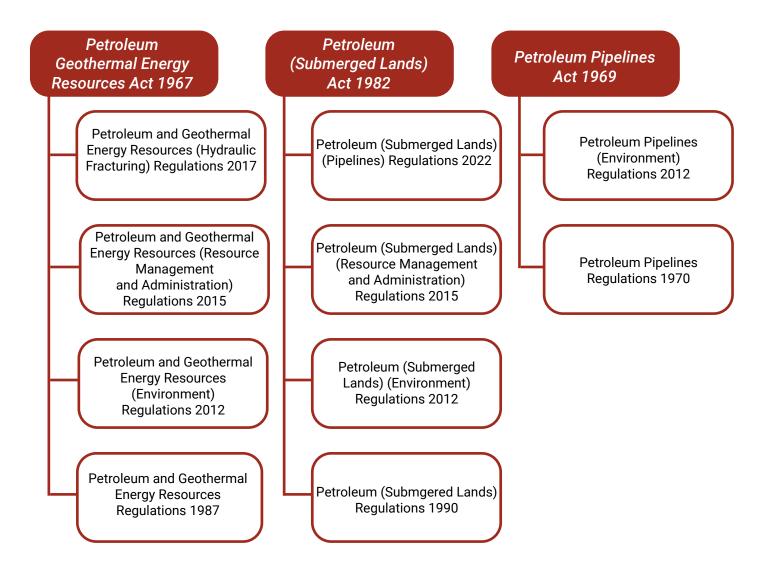
To ensure that WA can maintain a sufficient supply of gas and, in turn, support the energy security for the State during the energy transition, the State Government must ensure that existing petroleum operations are optimising recovery of petroleum for the domestic market, and new operations are being brought to market as timely as possible.

'Optimal recovery of petroleum' refers to achieving the maximum practical ultimate recovery of hydrocarbons from a reservoir over its entire producing life, through the application of sound engineering techniques and management practices that balance technical feasibility, economic viability, and environmental responsibility.¹

Existing legislative framework

Generally, all **onshore** state petroleum operations fall under the *Petroleum and Geothermal Energy Resources Act 1967* (PGERA), all **offshore** state petroleum operations fall under the *Petroleum (Submerged Lands) Act 1982* (PSLA), and all state **petroleum pipeline operations** fall under the *Petroleum Pipelines Act 1969* (PPA). These three key pieces of legislation are collectively referred to as the Petroleum Acts.

¹ Optimal recovery of petroleum means extracting petroleum in a manner that maximizes the overall recovery factor (the percentage of oil or gas in place that is ultimately produced) without avoidable waste of resources or unnecessary harm to the reservoir or environment. This concept aligns with the statutory principle that field operations should be compatible with the long-term exploitation of the resource, conducted safely, efficiently, and with due regard for conservation. An optimal recovery approach encourages use of enhanced recovery methods, prudent production rates, and lifecycle reservoir management to ensure that responsible and efficient reservoir management yields the greatest overall benefit from the petroleum resource in both the short and long term.



As at October 2025, there are 266 active petroleum titles and licences (223 onshore and 43 offshore) that fall within the State Government's jurisdiction and are governed by this petroleum legislative framework.

Original WA Domestic Gas Policy

Initially developed in 2006, the State Government has implemented a formal Domestic Gas Policy that has been given effect through domestic gas agreements struck between the State Government and Liquified Natural Gas (LNG) project developers. The domestic gas agreements are administered through the Department of Energy and Economic Diversification (DEED) on behalf of the State Government.

With the original policy seeking to make gas equivalent to 15 per cent of exports available for WA consumers, there have been observed ongoing benefits for WA consumers and businesses since its inception, including a degree of energy security and lower energy costs, particularly in comparison to other states in Australia.

Parliamentary Inquiry into the WA Domestic Gas Policy

In June 2023, the Economics and Industry Standing Committee (EISC) announced an inquiry into the WA Domestic Gas Policy, initiated in response to a tightening of the WA gas market and concerns from consumers that producers are withholding gas from the market and not meeting their commitments.

In August 2024, the EISC tabled its <u>final report in the Legislative Assembly</u>, which consisted of 77 findings across:

- policy implementation and compliance;
- · gas market reforms;
- · transparency and forecasting;
- · future gas requirements; and
- opportunities to maximise supply into the future.

The report also made 30 recommendations for the State Government to consider.

State Government response and updated Domestic Gas Policy

Following the tabling of this report, DEED provided a whole-of-government response to the EISC's report², and in September 2024, the State Government released an update to the State's Domestic Gas Policy looking to encourage new onshore gas development.

Under the updated policy, new onshore gas projects will be required to reserve 80 per cent of gas production for WA domestic use up until 31 December 2030, after which, 100 per cent will be required to be reserved for the local market. The Domestic Gas Policy is administered by DEED.

In response to the EISC's findings and recommendations, the State Government also committed to reviewing and strengthening the operation of the 'use it or lose it' provisions within the PGERA³. The EISC was particularly concerned about the potential for titleholders to seek Retention Leases, and recommended the State Government use all measures at its disposal to guard against this potential – to ensure no new Retention Leases or renewals are granted in WA's offshore waters.

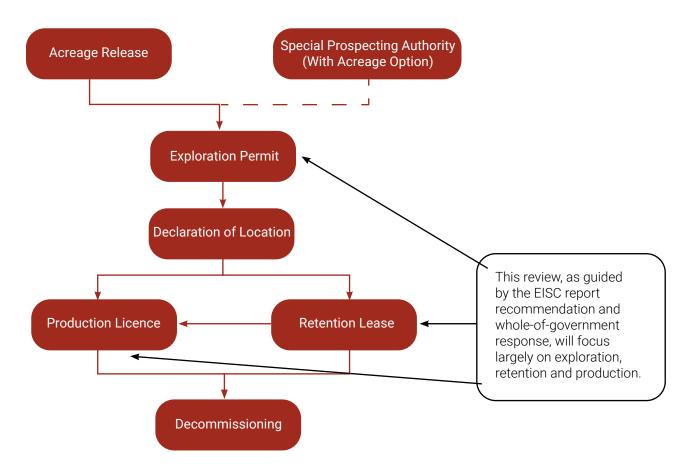
Following this, the State Government agreed to a scope for the review looking at the 'use it or lose it' provisions within the PGERA and PSLA. The terms of the review are guided by the key findings and recommendation of the EISC report, that is, to find proactive measures to strengthen the provisions within the PGERA and PSLA to ensure there are no extraneous delays in developing petroleum operations across WA.

² Government response to the Economics and Industry Standing Committee's 'Inquiry into the WA Domestic Gas Policy': www.wa.gov.au/system/files/2024-09/0172_domgas_itsi_submission_to_parliamentary_inquiry.pdf

³ State Government media statement – Updated domestic gas policy to secure WA's energy future: www.wa.gov.au/government/media-statements/Cook-La-bor-Government/Updated-domestic-gas-policy-to-secure-WA%27s-energy-future-20240919

Current situation

The current life-cycle of a petroleum operation and titling regime is outlined below and examines the existing framework that operators navigate in the pursuit of bringing a petroleum operation to market.



Stage 1 - Acreage Release and Special Prospecting Authorities with an Acreage Option

For the purposes of exploration and production, the State Government releases vacant petroleum exploration areas for the grant of Petroleum Exploration Permits through a competitive bidding system known as Acreage Release.

The Department of Mines, Petroleum and Exploration and Safety (DMPE) is responsible for administering the release of graticular blocks on behalf of the Minister for Mines and Petroleum.

DMPE will assess all proposed programs of exploration work received by applicants and will notify the preferred applicant of their successful bid. The applicant then may accept the offer from the Minister and commence the 'future act' process under the *Native Title Act 1993* (Cth).

Special Prospecting Authorities with an Acreage Option

Refers to titles granted for a six-month period to enable geophysical or geochemical surveys to be undertaken in areas not currently under title, the subject of competing applications or identified by DMPE for future Acreage Release. They are intended as a means of preliminary assessment of the prospectivity of areas where little or no exploration has been undertaken prior to a longerterm exploration title being applied for.

Stage 2 - Exploration

Petroleum Exploration Permits authorise the permittee to explore for petroleum, and to carry on such operations and execute such works as are necessary for that purpose, in a permit area. This may include airborne and/or on-ground surveys (including seismic surveys) and drilling petroleum exploration wells.

As per DMPE's published <u>Guideline for Exploration Permit Management</u>, Exploration Permits are granted for an initial period of six years and are subject to a condition requiring work to be carried out by the permittee in accordance with a work program.

A year of a work program is referred to as a 'permit year'. The first two permit years are referred to as the 'firm period'. This period is considered as a guaranteed commitment by the permittee, and work commitments in this period are not usually reduced or varied. Exploration Permit holders must complete the first two years of the work program before the Exploration Permit can be surrendered.

Years three to six are then collectively referred to as the 'secondary period'. In an ordinary setting, work program commitments in this period are usually committed to upon entry into each permit year on a year-by-year basis. The work program commitments must be met each year (or earlier).

In accordance with the provisions of the PGERA and PSLA, a permittee may apply to the Minister for a variation to, suspension of, or exemption from a work program commitment. Where the Minister suspends or exempts a permittee from compliance with a work program commitment, the Minister may also extend the term of the permit by a period not exceeding the period of the suspension.

Permittees also have the option the apply to the Minister for a renewal of their Exploration Permit. The PGERA and PSLA provide for a maximum of two renewals for a period of five years each, with 50 per cent relinquishment of the area at the end of each term. This allows for a potential total of 16 years.

Stage 3 - Retention

The petroleum legislative framework contains a regime that allows proponents to explore for petroleum and once located, and if not determined to be currently commercially viable, apply for a Retention Lease to retain the title with a view to develop commerciality.

Retention Leases are granted where recovery of petroleum resources is not currently commercially viable, but is likely to become so within the next 15 years (the commerciality window). The initial term of a Retention Lease is five years. A Retention Lease may be renewed for further periods of five years. There is currently no explicit limit to the number of renewals available for a Retention Lease, provided the commerciality criteria continues to be met.

The Minister may request a re-evaluation of the commercial viability of recovery of petroleum from the Retention Lease area at any point in time. Where the Minister requests a proponent to conduct a re-evaluation for commercial viability, a proponent is required to provide the information as outlined in the 'WA Petroleum and Geothermal Guideline for Grant and Administration of a Retention Lease'. Once recovery of the resource is deemed to be commercially viable, a Retention Lease may then be converted to a Production Licence.

Assessment for Retention Lease

To grant a Retention Lease, the Minister must be satisfied that the application meets the statutory criteria, in that:

PGERA	PSLA	Provision
s48B(1)(c)(i)	s38B(1)(c)(i)	the area comprised in the block, or any one or more of the blocks, specified in the application contains petroleum; and
s48B(1)(c)(ii)	s38B(1)(c)(ii)	the recovery of petroleum from that area is not, at the time of the application, commercially viable, but is likely to become commercially viable within the period of 15 years after that time.

DMPE is responsible for administering applications for retention and conducting assessments against the above criteria.

Stage 4 - Production

Where a commercial discovery is made, or a project has been deemed commercially viable, an operator may transition to a Production Licence. A Production Licence is granted for an indefinite term (subject to certain provisions) and provides the holder of the licence with an exclusive right to carry out operations for the recovery of petroleum within the licensed area.

As with any stage of a petroleum project, Production Licence holders must have the appropriate approvals in place, including an approved Field Management Plan and individual activity work approvals, etc.

Relevant provisions – promoting continuous development of operations

The PGERA and PSLA contain provisions that empower the Minister to refuse or cancel leases, licences and permits if an operator is not meeting their legislative obligations or lease, licence or permit conditions.

- Under section 48B of the PGERA and 38B of the PSLA, the Minister has the power to grant or refuse an application for retention, depending on the Minister's satisfaction of the above criteria being met.
- Section 48G of the PGERA and 38G of the PSLA provides that the Minister has the power to grant or
 refuse the renewal of a Retention Lease depending on the applicant continuing to satisfy the Minister
 of the criteria outlined above.
- Under section 48E of the PGERA and 38E of the PSLA, the Minister has the power to issue a notice
 of intent to cancel a Retention Lease if, after the operator conducts a re-evaluation of commercial
 viability at the Minister's request, the Minister is satisfied that recovery of petroleum is
 commercially viable.
- Under section 64A of the PGERA and 54A of the PSLA, the Minister has the power to terminate a Production Licence if the licensee has not carried on any operations for the recovery of petroleum under the licence at any time during a continuous period of at least five years.
- Additionally, section 68 of the PGERA and 58 of the PSLA empowers the Minister, where petroleum
 is not being recovered for reasons that the Minister thinks sufficient, to direct a licensee to take all
 practicable steps to recover the petroleum or to increase or reduce the rate at which petroleum is
 being recovered.

The intent of these provisions is to ensure that permittees are actively working to achieve commercial viability and bring their operations into production in the timeliest manner; and then work to recover petroleum at optimal rates during the term of their Production Licence, hence the colloquial term 'use it or lose it' with particular reference to Retention Leases.

Current state of affairs

Active titles over last 12 years

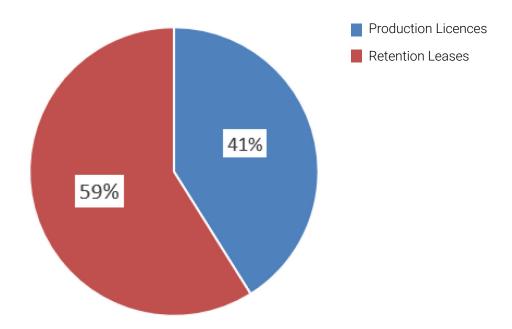


As at October 2025, there are 52 Exploration Permits, 30 Access Authorities, eight Retention Leases, and 33 Production Licences in WA.

A historical analysis of the existing titles indicates the average time for the eight current active Retention Leases in retention is approximately 16 years, and for the six expired or ceased Retention Leases, the average time in retention was approximately 10.75 years.

The EISC report highlights the ongoing need for petroleum in WA and the need for timely development of new gas fields and operations to meet gas requirements. The graph below showcases the volume of potentially recoverable gas within projects on current Retention Leases as compared to the volume of recoverable gas within projects on current Production Licences.

Volume of recoverable gas in Production Licences vs. gas held in Retention Lease (WA Jurisdiction, YE 2023)



Remaining recoverable Production Licences (2P+2C) = 45 Gm³ Potentially recoverable in Retention Leases (2C) = 64 Gm³

As illustrated in the above graph, as of year end 2023, there was approximately 45 Gm³ (1,710 PJ) of remaining recoverable gas held in Production Licences, compared with approximately 64 Gm³ (2,432 PJ) of potentially recoverable gas held in Retention Leases⁴.

While there is no clear statistical anomaly suggesting misuse of the framework to bring petroleum to market, the graph above demonstrates a significant volume of potentially recoverable petroleum that is currently held in Retention Leases. In a period where there is ongoing demand for petroleum, the State Government is committed to finding greater efficiencies to bring this petroleum to market.

With this in mind, DMPE has developed a number of proposals to strengthen provisions within the legislative framework, as outlined below.

⁴ For reference, page iv of the EISC report cites a forecast domestic gas shortfall from 2032 onwards in excess of 350 TJ/day.

Reform options

To ensure there is continued sufficient energy supply to meet increased industrial demand and domestic need in the coming years while the State continues on a pathway towards net zero, this discussion paper is seeking feedback on five proposed options for reforming the 'use it or lose it' provisions within the State petroleum legislative framework, outlined below.

Policy:

- · clarifying considerations of extensions of term for Exploration Permits; and
- formalising the request for re-evaluation of commerciality for Retention Leases.

Legislation:

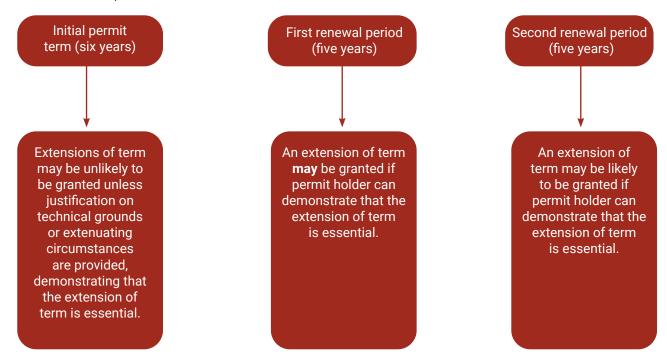
- amending the commerciality window for Retention Leases;
- limiting the number of renewals available for Retention Leases; and
- strengthening the Minister's powers to terminate a Production Licence if no operation has occurred.

Policy proposal 1 – Limits on extensions of term for Exploration Permits (policy adjustment)

In accordance with section 97 of the PGERA and 87 of the PSLA, a permittee may apply to the Minister for a variation to, suspension of, or exemption from a work program commitment during exploration. Where the Minister suspends or exempts a permittee from compliance with a work program commitment, the Minister may also extend the term of the permit by a period not exceeding the period of the suspension.

The State Government recognises that there are occasions where an extension of term may be required in order to carry out necessary works via a variation or suspension. Notwithstanding, the State Government is seeking to ensure that applications for extensions of term are only granted in circumstances where it is required in order to progress the exploration regime and prevent the potential for this to be exploited by permittees seeking to delay development of their operations via extending their Exploration Permit terms. This becomes increasingly important as the demand for petroleum increases to meet the needs of the community and industry over the future years.

Applications for extension of term will continue to be assessed on a case-by-case basis, but with a renewed emphasis on the demonstration of the necessity of the works for the progression of the exploration regime. The stage of an exploration regime and/or timing of the request for an extension of term will be influencing factors in the Minister's decision (or delegate) to grant or refuse, please see below as an example:



DMPE intends for this proposal to apply to new applications for extensions of term.

Option: To clarify the State Government's policy position that applications for extension of term will need to demonstrate that the additional works and/or time are essential to progress their petroleum operation. Applications will continue be assessed on a case-by-case basis but with reference to the stage of the exploration project, necessity of the proposed works, and timing of the application being influencing factors.

Policy proposal 2 – Formalising the request for re-evaluation of commercial viability on Retention Leases (new policy)

Section 48H(3) of the PGERA and 38H(3) of the PSLA provides for a deemed condition that the Minister may request a leaseholder conduct a reevaluation of commerciality at a point during the five-year term of a Retention Lease. Currently, this is not conducted across the board, but instead carried out intermittently.

The re-evaluation of commercial viability provides a good opportunity and incentive for leaseholders to engage with DMPE as to the progress of their operational and financial considerations with increased transparency. However, with re-evaluations currently being conducted through a risk-based approach, there is the potential for this process to be underutilised in encouraging industry to progress towards production.

The intent for effective use of this process will be to seek a re-evaluation for commercial viability at a point during the term that allows early engagement with DMPE and can, in turn, provide a clear direction for the leaseholder as to requirements to progress their operations, or if deemed not commercially viable, for appropriate actions to be taken to rehabilitate and decommission, and return the graticular blocks to the State Government.

To appropriately address this situation, the State Government is considering formalising a policy position that the Minister will seek a re-evaluation for commercial viability at a point during the term of all new Retention Leases and renewals. This will provide a degree of certainty to leaseholders of the Minister's expectations and give the State Government and the broader community confidence that projects are progressed as soon as they are commercially viable.

Section 48E of the PGERA and 38E of the PSLA empowers the Minister to issue a notice to a leaseholder of their intention to cancel a Retention Lease if, after the re-evaluation, the Minister is satisfied that the operation is commercially viable (thereby directing the proponent into a Production Licence). By formalising the request for re-evaluation for commercial viability, it provides the Minister with a reinforced opportunity to direct a proponent to progress their operations.

As the Minister's powers to request a re-evaluation are established within the PGERA and PSLA, the State Government will seek to reflect this amended policy position in updated guidance material.

This policy shift will work hand-in-hand with the following proposal for a shortened commerciality window, with the ultimate intent for proponents to demonstrate their capacity to move into production as early as possible. This will seek to encourage leaseholders to bring their operations to market as soon as possible.

DMPE intends for this proposal to apply to new Retention Leases.

Option: To establish a policy position that the Minister will seek a re-evaluation / assessment of commercial viability at a point during the term of all newly granted Retention Leases and renewals.

Legislative proposal 1 – Amendments to commerciality window for Retention Leases

As is currently legislated within the PGERA and PSLA, applicants for a Retention Lease must demonstrate that their petroleum discovery is not yet commercially viable but is likely to be within 15 years (commerciality window). In recognition of the EISC's report findings and recommendations, and to ensure continued sufficient supply of petroleum to meet demand, the State Government acknowledges that it is paramount for leaseholders on a Retention Lease to progress to a Production Licence as soon as is reasonably possible.

Currently, the average time that active leaseholders remain in retention is 16 years. When considered in the context of the EISC report citing a forecast domestic gas shortfall from 2032 onwards, the State Government should consider ways in which operations in retention can progress to production in a timely manner.

One mechanism to facilitate petroleum being brought to market as timely as possible, is to amend the commerciality window for Retention Leases from the current 15 years to 7 years. This will encourage leaseholders to actively progress their operations towards achieving commercial viability and submit an application for production within a more concise timeframe.

By shortening the commerciality window, proponents would be held accountable to enhanced regulatory requirements, to ensure financial and work programs are developed concisely, or alternatively – if a proponent is unable to demonstrate commercial viability – for DMPE to encourage additional efforts or relinquish the graticular blocks back to the State Government for a future Acreage Release.

The 'commerciality window' of 15 years is legislated within the PGERA under s48B(1)(c)(ii) and PSLA under s38B(1)(c)(ii). Any formalised amendment to reduce this commerciality window would require legislative change in the form of an Amendment Bill.

DMPE intends for this proposal to apply to new Retention Leases.

Option: Reduce the 'commerciality window' from 15 years to seven years via legislative amendment through an Amendment Bill.

Legislative proposal 2 – Limiting the number of renewals available for Retention Leases

Currently, the PGERA and PSLA do not provide a defined limit to the number of renewals available for a Retention Lease. The legislation provides that, as long as the criteria continues to be met, a leaseholder may continue to apply for, and be granted, a renewal of their Retention Lease. This presents a potential unintended consequence that a leaseholder may delay development of their operations for an extended period of time and not actively work to develop towards production in a timely manner. This means that the current framework is potentially misaligned with the State Government and EISC's recognition that petroleum operations must be developed and progressed in a timely manner in order to meet the growing demands from industry and domestic needs.

The State Government is considering an option to limit to the number of renewals available for a Retention Lease. This proposed limit would allow a leaseholder to enter into a Retention Lease for a term of five years with the option of two renewals, totalling 15 years.

The State Government recognises the volume of approvals and investment decisions required to develop a petroleum operation. However, based on assessment of the data available, considers the limit of two renewals (totalling 15 years) sufficient for leaseholders to progress their operations and develop commercial viability.

As there is currently no prescribed limit for Retention Lease renewals within the PGERA and PSLA, this proposal would need to seek a legislative amendment to implement this proposal in the form of an Amendment Bill.

DMPE intends for this proposal to apply to new Retention Leases.

Option: To establish a limit of two renewals available for Retention Leases via a legislative amendment through an Amendment Bill.

Legislative proposal 3 – Strengthening the Minister's powers to terminate Production Licences if no operation has occurred

Once a Production Licence is granted, there is an expectation that the licence holder will commence activities to bring their operation to market as soon as possible.

It is accepted that most operators will, once granted a Production Licence, commence activities immediately to advance the production and recovery of petroleum. Notwithstanding, the EISC report recognised a need for increased and continued supply of petroleum, and so DMPE is assessing options to prevent any potential for any operators to exploit their Production Licence by only satisfying the minimum requirements prescribed by the PGERA and PSLA, rather than actively working to optimally recover petroleum.

Currently under section 64A of the PGERA and 54A of the PSLA, the Minister has discretionary powers to take action to terminate a Production Licence if a licensee has not carried on any operations for the recovery of petroleum under the licence at any time during a continuous period of at least five years. However, the practical application of this power may be constrained by the way the provision is currently legislated.

While there is a definition of a 'petroleum operation' within the PGERA and PSLA, under its current construction, it may be open to interpretation or dispute as to the undertaking of minimum requirements for petroleum operations, i.e. the undertaking of minimum requirements does not inherently lend itself to active operations towards optimal production and recovery.

The State Government is considering a dual-faceted proposal to address this provision:

- 1. The State Government proposes to introduce a concept of a reasonableness/ significance test to this provision that ensures the concepts enshrined in this existing section cannot be undermined by minimal works being undertaken by a title holder, and to ensure that title holders are actively pursuing recovery of petroleum in a genuinely efficient manner.
 - The State Government will consider how this framework may be established, whether through thresholds set in supporting Regulations, or through the development of guidance material developed that informs industry of what constitutes reasonable/significant activities to carry out operations to recover petroleum.
- 2. Further, as highlighted in the EISC report, with the recognised need for continued sufficient supply of petroleum to the domestic market over the next number of years during the transition towards net zero, DMPE considers that the existing threshold of five years of no operations may be too long to be practical in operation, and proposes that it should be amended to three years.

As the existing powers are embedded within s64A of the PGERA and s54A of the PSLA, any amendments would require legislative changes through an Amendment Bill. For clarification, s64A of the PGERA and s54A of the PSLA provides a discretionary power to the Minister, which is only available after at least five years have elapsed where 'a licensee has not carried on any operations for the recovery of petroleum under the licence at any time...'. The State Government is proposing to shorten this timeframe from five years to three years, which means this power remains discretionary in nature, but only becomes available after at least three continuous years have elapsed under the same conditions outlined above.

DMPE intends for this proposal to apply to all Production Licences.

Option: To reduce the period of time of 'no operations for the recovery of petroleum...' from five years to three and introduce a concept of a reasonableness/significance test to bolster the Minister's powers within this provision.

Discussion points for consideration in consultation

To guide the consultation process we have prepared the following questions for consideration on the abovementioned reform options:

- 1. What potential impacts may the reform options have on existing or new petroleum developments?
- 2. Are there are any particular considerations or barriers that should be factored in to the application of the abovementioned proposals to existing titles (i.e. grandfathering/confining proposals to existing titles by way of equity)?
- 3. Are there any industry practices that could be changed to address the EISC report Finding 69 and Recommendation 27 in addition to or in lieu of legislative and policy reform?
- 4. Are there policy or legislative reforms, not canvassed in the discussion paper, that the State Government should consider to address or complement the EISC report Recommendation 27?
- 5. Are there any particular considerations that should be given to the timing for implementation of any supported reform options and/or any transitional arrangements that the State Government should consider during this period?

Please note that your feedback does not need to be limited to the above questions and we will review and consider all feedback provided during the consultation process.

Consultation approach

The State Government is seeking feedback from industry and interested stakeholders to understand the potential impact the abovementioned reform options may have and seek any additional options that may not have been canvassed in this discussion paper, that stakeholders think would appropriately address the EISC report recommendation.

All feedback provided during the consultation process will be reviewed, and following the closure of the public consultation, DMPE will compile all submissions received into a response to submissions document. Considered feedback provided by stakeholders will help inform the final recommendations put to the State Government for consideration.

If the proposals are endorsed, it is possible that the State Government may seek to prepare updated policy or guidance material and/or a suite of legislative reforms. The State Government welcomes any feedback from stakeholders on the potential timing for implementation and any transitional arrangements that may be required during this process.

Additionally, the State Government is aware of the Commonwealth Government's review of their offshore oil and gas policy settings in line with the Future Gas Strategy, which include proposed amendments to Retention Lease policies to encourage more timely development of existing gas discoveries and consideration of a firmer 'use it or lose it' policy. The State Government is reviewing the proposals and may consider adopting any recommendations that would benefit the State framework.

Government of Western Australia

Department of Mines, Petroleum and Exploration

8.30am - 4.30pm

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