

Energy Act 2008

2008 CHAPTER 32

PART 1

GAS IMPORTATION AND STORAGE

CHAPTER 1

GAS IMPORTATION AND STORAGE ZONES

1 Exploitation of areas outside the territorial sea for gas importation and storage

- (1) The rights to which this section applies have effect, by virtue of this section, as rights belonging to Her Majesty.
- (2) This section applies to the rights under Part V of the Convention that are exercisable by the United Kingdom in areas outside the territorial sea—
 - (a) with respect to any of the matters mentioned in subsection (3), or
 - (b) for any other purposes connected with any of those matters.
- (3) The matters are—
 - (a) the exploitation of those areas for the unloading of gas to installations or pipelines;
 - (b) the exploitation of those areas for the storing of gas (whether or not with a view to its being recovered), or the recovery of gas so stored;
 - (c) the exploration of those areas with a view to their exploitation as mentioned in paragraph (a) or (b).
- (4) For the purposes of subsection (3), references to gas include any substance which consists wholly or mainly of gas.
- [F1(5) The area within which the rights to which this section applies are exercisable (the "Gas Importation and Storage Zone")—

- (a) is any area for the time being designated under section 41(3) of the Marine and Coastal Access Act 2009 (exclusive economic zone), but
- (b) if Her Majesty by Order in Council declares that the Gas Importation and Storage Zone extends to such other area as may be specified in the Order, is the area resulting from the Order.]

(6) In this section—

"the Convention" means the United Nations Convention on the Law of the Sea 1982 (Cmnd 8941) and any modifications of that Convention agreed after the passing of this Act that have entered into force in relation to the United Kingdom;

"gas" means any substance which is gaseous at a temperature of 15°C and a pressure of 101.325 kPa (1013.25 mb);

"installation" includes any floating structure or device maintained on a station by whatever means.

Textual Amendments

F1 S. 1(5) substituted (12.11.2009 for specified purposes, 31.3.2014 in so far as not already in force) by Marine and Coastal Access Act 2009 (c. 23), s. 324(1)(c)(d), Sch. 4 para. 5(2); S.I. 2013/3055, art. 2

Commencement Information

II S. 1 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(i)

CHAPTER 2

IMPORTATION AND STORAGE OF COMBUSTIBLE GAS

Activities requiring a licence

2 Prohibition on unlicensed activities

- (1) No person may carry on an activity within subsection (3) except in accordance with a licence.
- (2) But subsection (1) is subject to [F2 sections 3 and 3A].
- (3) The activities are—
 - (a) the use of a controlled place for the unloading of gas to an installation or pipeline;
 - (b) the use of a controlled place for the storage of gas;
 - (c) the conversion of any natural feature in a controlled place for the purpose of storing gas;
 - (d) the recovery of gas stored in a controlled place;
 - (e) the exploration of a controlled place with a view to, or in connection with, the carrying on of activities within paragraphs (a) to (d);
 - (f) the establishment or maintenance in a controlled place of an installation for the purposes of activities within this subsection.
- (4) In this section—

"controlled place" means a place in, under or over—

- (a) the territorial sea, or
- (b) waters in a Gas Importation and Storage Zone (within the meaning of section 1(5));

"gas" means any combustible substance which is gaseous at a temperature of 15°C and a pressure of 101.325 kPa (1013.25 mb) and which consists wholly or mainly of—

- (a) methane,
- (b) ethane,
- (c) propane,
- (d) butane,
- (e) a substance designated for the purposes of this section by an order made by the Secretary of State, or
- (f) a mixture of two or more of the substances mentioned in paragraphs (a) to (e).

Textual Amendments

F2 Words in s. 2(2) substituted (26.5.2015) by Deregulation Act 2015 (c. 20), **ss. 14(2)**, 115(7); S.I. 2015/994, art. 6(d)

Commencement Information

I2 S. 2 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with arts. 3, 4)

3 Exception for activities carried on partly on land etc

- (1) This Chapter does not apply in relation to—
 - (a) the use of a controlled place for the unloading of gas to an installation which is connected with land by a permanent structure providing access at all times and for all purposes;
 - (b) the conversion of a natural feature of which part is in a controlled place and part under land, if the operations necessary for the conversion take place wholly or mainly on, over or under land;
 - (c) the use of a place for the storage of gas, or the recovery of gas so stored, where—
 - (i) the gas was, or is to be, introduced into the store by means of a well on land, and
 - (ii) part of the place is a controlled place and part is under land;
 - (d) the establishment or maintenance of an installation for the purposes of activities falling within paragraph (a).
- (2) In this section—

"land" means—

- (a) land in England;
- (b) land in Wales;
- (c) land in Scotland landward of the low water mark;

"well" includes a borehole.

Commencement Information

I3 S. 3 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

[F33A Exception for unloading to an installation in certain circumstances

The prohibition in section 2(1) does not apply to a person ("A") who uses a controlled place for the unloading of gas to an installation if—

- (a) the installation is maintained by another person ("B") who has a licence in respect of the maintenance of the installation and the use of a controlled place for the unloading of gas to it, and
- (b) B consents to the use by A of the controlled place for the unloading of gas to the installation.]

Textual Amendments

F3 S. 3A inserted (26.5.2015) by Deregulation Act 2015 (c. 20), ss. 14(1), 115(7); S.I. 2015/994, art. 6(d)

Licensing

4 Licences

- (1) The [F4OGA] may grant a person a licence in respect of one or more activities within section 2(3).
- (2) The controlled place in respect of which a licence is granted may be determined by reference to the provisions of a Crown lease which has been or may be granted.
- [F5(3) For this purpose "Crown lease" means (as the case may be)—
 - (a) a lease of property forming part of the Crown Estate, or an authorisation to exercise rights forming part of that Estate (whether by virtue of section 1 or otherwise), or
 - (b) a lease of property forming part of the Scottish assets, or an authorisation to exercise rights forming part of those assets (whether by virtue of section 1 or otherwise).]
- [F6(4) In subsection (3), "Scottish assets" means any property, rights and interests to which section 90B(5) of the Scotland Act 1998 applies.]

Textual Amendments

- **F4** Words in s. 4(1) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 42**; S.I. 2016/920, reg. 2(a)
- F5 S. 4(3) substituted (1.4.2017) by The Crown Estate Transfer Scheme 2017 (S.I. 2017/524), art. 1(2), Sch. 5 para. 39(2)(a)
- F6 S. 4(4) inserted (1.4.2017) by The Crown Estate Transfer Scheme 2017 (S.I. 2017/524), art. 1(2), Sch. 5 para. 39(2)(b)

Part 1 – Gas Importation and Storage

Chapter 2 - Importation and storage of combustible gas

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Changes to legislation: There are currently no known outstanding effects for the Energy Act 2008, Part 1. (See end of Document for details)

Commencement Information

I4 S. 4 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

5 Applications

[^{F7}(1)] The Secretary of State may by regulations—

- (a) prescribe the persons, or classes of persons, by whom an application for a licence may be made;
- (b) prescribe requirements which must be met by, or in relation to, a person who makes an application;
- (c) prescribe the manner in which an application must be made;
- (d) prescribe the information which an application must contain and any documents which must accompany it;
- ^{F8}(e)
- [^{F9}(2) Before making any regulations under this section, the Secretary of State must consult the OGA.]

Textual Amendments

- F7 S. 5 renumbered as s. 5(1) (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 43(2**); S.I. 2016/920, reg. 2(a)
- F8 S. 5(1)(e) omitted (1.10.2016) by virtue of Energy Act 2016 (c. 20), s. 84(3), Sch. 1 para. 43(3); S.I. 2016/920, reg. 2(a)
- F9 S. 5(2) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), Sch. 1 para. 43(4); S.I. 2016/920, reg. 2(a)

Commencement Information

I5 S. 5 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

6 Terms and conditions

- (1) A licence may be granted on such terms and subject to such conditions as the [F10OGA] considers appropriate.
- (2) The provisions of a licence may be expressed by reference to provision made in a Crown lease, and, in particular, may provide—
 - (a) for the commencement of the licence to be conditional upon the commencement of a Crown lease which has been or may be granted in respect of the controlled place to which the licence relates or any part of that place;
 - (b) for the period of the licence to be determined by reference to the period of such a Crown lease.
- (3) A licence may authorise, in such circumstances and subject to such conditions as are specified, the transfer of the licence to another person (or the inclusion of another person as a joint licence holder).
- (4) The provisions of a licence may include—
 - (a) provision requiring the licence holder to obtain the prior written consent of the [F10OGA] or another person for specified acts or omissions;

- (b) provision providing that any such consent may be given subject to conditions.
- (5) The conditions imposed on a consent by virtue of subsection (4)(b) may include conditions requiring, or otherwise providing for, the modification of the licence in such manner as the [F10OGA] considers appropriate.
- (6) In this section—
 - "Crown lease" has the same meaning as in section 4;
 - "specified", in relation to a licence, means specified in, or determined in accordance with, the licence.

Textual Amendments

F10 Word in s. 6 substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 44**; S.I. 2016/920, reg. 2(a)

Commencement Information

I6 S. 6 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

7 Model clauses

- (1) The Secretary of State may make regulations prescribing model clauses for licences.
- (2) Subject to subsection (3), the model clauses, as they have effect at the time a licence is granted, are deemed to be incorporated into the licence.
- (3) The [F11OGA] may decide to exclude or modify one or more of those model clauses in the case of a particular licence.
- [F12(4) Before making any regulations under this section, the Secretary of State must consult the OGA.]

Textual Amendments

- **F11** Word in s. 7(3) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 45(2**); S.I. 2016/920, reg. 2(a)
- **F12** S. 7(4) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 45(3**); S.I. 2016/920, reg. 2(a)

Commencement Information

I7 S. 7 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

Enforcement

8 Offence to carry on unlicensed activities

- (1) It is an offence for a person to carry on an activity within section 2(3) at a controlled place unless, at the time the activity is carried on, that person—
 - (a) has a licence for the carrying on of that activity at that place, or
 - (b) is carrying on the activity on behalf of a person who has such a licence.

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- (2) It is an offence for a person to cause or permit another person to commit an offence under subsection (1).
- (3) But subsections (1) and (2) are subject to section 3.
- (4) A person guilty of an offence under this section is liable—
 - (a) on summary conviction, to a fine not exceeding the statutory maximum, or
 - (b) on conviction on indictment, to a fine.

Commencement Information

I8 S. 8 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with arts. 3, 4)

9 Offences relating to licences

- (1) An offence is committed by a licence holder if—
 - (a) a thing is done for which the licence specifies that the prior consent of the [F13OGA] or any other person is required, without that consent first having been obtained;
 - (b) such a thing is done in circumstances where that consent was obtained subject to conditions and those conditions have not been satisfied;
 - (c) the licence holder fails to keep records, give a notice or make a return or report, in accordance with the provisions of the licence;
 - (d) the licence holder breaches any other provision of the licence which is specified, or of a description specified, in an order made by the Secretary of State.
- (2) In proceedings against a person for an offence under subsection (1), it is a defence for the person to prove that due diligence was exercised to avoid committing the offence.
- (3) It is an offence for a person to make a statement which the person knows to be false, or recklessly to make a statement which is false, in order to obtain—
 - (a) a licence, or
 - (b) the consent of the [F14OGA] or any other person for the purposes of any requirement imposed by virtue of section 6(4).
- (4) It is an offence for a person to fail to disclose information which the person knows, or ought to know, to be relevant to an application for—
 - (a) a licence, or
 - (b) the consent of the [F15OGA] or any other person for the purposes of any requirement imposed by virtue of section 6(4).
- (5) A person guilty of an offence under this section is liable—
 - (a) on summary conviction, to a fine not exceeding the statutory maximum, or
 - (b) on conviction on indictment, to a fine.

Textual Amendments

F13 Word in s. 9(1)(a) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 46(2)**; S.I. 2016/920, reg. 2(a)

- **F14** Word in s. 9(3)(b) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 46(3**); S.I. 2016/920, reg. 2(a)
- **F15** Word in s. 9(4)(b) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 46(4**); S.I. 2016/920, reg. 2(a)

Commencement Information

I9 S. 9 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

10 [F16OGA]'s power of direction

- (1) This section applies if a licence holder fails to comply with any provision of the licence.
- (2) The [F16OGA] may direct the licence holder to take steps which the [F16OGA] considers necessary or appropriate to comply with the provision within a period specified in the direction.
- (3) The [F16OGA] must consult the licence holder before giving a direction under subsection (2).
- (4) If the licence holder fails to comply with a direction under subsection (2), the [F16OGA] may—
 - (a) comply with the direction on behalf of the licence holder, or
 - (b) make arrangements for another person to do so.
- (5) A person taking action by virtue of subsection (4) may—
 - (a) do anything which the licence holder could have done, and
 - (b) recover from the licence holder any reasonable costs incurred in taking the action.
- (6) A person ("P") liable to pay any sum by virtue of subsection (5)(b) must also pay interest on that sum for the period beginning with the day on which the person taking action by virtue of subsection (4) notified P of the sum payable and ending with the date of payment.
- (7) The rate of interest payable in accordance with subsection (6) is a rate determined by the [F16OGA] as comparable with commercial rates.
- (8) The licence holder must provide a person taking action by virtue of subsection (4) with such assistance as the [F16OGA] may direct.
- (9) The power to give a direction under this section is without prejudice to any provision made in the licence with regard to the enforcement of any of its provisions.

Textual Amendments

F16 Word in s. 10 substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 47**; S.I. 2016/920, reg. 2(a)

Commencement Information

I10 S. 10 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

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11 Failure to comply with a direction under section 10

- (1) It is an offence for a person to fail to comply with a direction under section 10, unless the person proves that due diligence was exercised in order to avoid the failure.
- (2) A person guilty of an offence under subsection (1) is liable—
 - (a) on summary conviction, to a fine not exceeding the statutory maximum, or
 - (b) on conviction on indictment, to a fine.

Commencement Information

III S. 11 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

12 Injunctions restraining breaches of section 2(1)

- (1) Where the [F17OGA] considers it necessary or expedient to restrain any actual or apprehended breach of section 2(1), the [F17OGA] may apply to the court for an injunction or, in Scotland, an interdict.
- (2) An application may be made whether or not the [F17OGA] has exercised or is proposing to exercise any of the other powers under this Chapter.
- (3) On an application under subsection (1), the court may grant such an injunction or interdict as the court thinks appropriate for the purpose of restraining the breach.
- (4) Rules of court may provide for an injunction or interdict to be issued against a person whose identity is unknown.
- (5) In this section "the court" means—
 - (a) the High Court, or
 - (b) in Scotland, the Court of Session.

Textual Amendments

F17 Word in s. 12 substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 48**; S.I. 2016/920, reg. 2(a)

Commencement Information

I12 S. 12 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

13 Inspectors

(1) The [F18OGA] may appoint persons to act as inspectors to assist in carrying out the functions of the [F18OGA] under this Chapter.

- (3) The Secretary of State may make regulations about—
 - (a) the powers and duties of inspectors appointed under this section;
 - (b) the powers and duties of any other person acting on the directions of the [F20OGA] in connection with a function under this Chapter;

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- (c) the facilities and assistance to be accorded to persons mentioned in paragraph (a) or (b).
- (4) The powers conferred by virtue of subsection (3) may include powers of a kind specified in section 108(4) of the Environment Act 1995 (c. 25) (powers of entry, investigation, etc).
- (5) Any regulations under this section may provide for the creation of offences which are punishable—
 - (a) on summary conviction by a fine not exceeding the statutory maximum or such lesser amount as is specified in the regulations, and
 - (b) on conviction on indictment by a fine.
- [F21(6) Before making any regulations under this section, the Secretary of State must consult the OGA.]

Textual Amendments

- **F18** Word in s. 13(1) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 49(2)**; S.I. 2016/920, reg. 2(a)
- **F19** S. 13(2) omitted (1.10.2016) by virtue of Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 49(3**); S.I. 2016/920, reg. 2(a)
- **F20** Word in s. 13(3)(b) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 49(4**); S.I. 2016/920, reg. 2(a)
- **F21** S. 13(6) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 49(5)**; S.I. 2016/920, reg. 2(a)

Commencement Information

II3 S. 13 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

14 Criminal proceedings

- (1) Proceedings for a relevant offence may be taken, and the offence may for all incidental purposes be treated as having been committed, in any place in the United Kingdom.
- (2) Section 3 of the Territorial Waters Jurisdiction Act 1878 (c. 73) (restriction on prosecutions) does not apply to any proceedings for a relevant offence.
- (3) Proceedings for a relevant offence alleged to have been committed in a controlled place may not be instituted in England and Wales except—
 - (a) by the Secretary of State or a person authorised by the Secretary of State, or
 - (b) by or with the consent of the Director of Public Prosecutions.
- (4) Proceedings for a relevant offence alleged to have been committed in a controlled place may not be instituted in Northern Ireland except—
 - (a) by the Secretary of State or a person authorised by the Secretary of State, or
 - (b) by or with the consent of the Director of Public Prosecutions for Northern Ireland.
- (5) In the application of subsection (3) or (4) to an offence created by regulations under section 13—
 - (a) the words "alleged to have been committed in a controlled place" are to be omitted, F22...

Part 1 – Gas Importation and Storage

Chapter 2 – Importation and storage of combustible gas

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Changes to legislation: There are currently no known outstanding effects for the Energy Act 2008, Part 1. (See end of Document for details)

F22(b`)													_				

(6) In this section "relevant offence" means an offence under this Chapter or created by regulations under section 13.

Textual Amendments

F22 S. 14(5)(b) and word omitted (1.10.2016) by virtue of Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para.** 50; S.I. 2016/920, reg. 2(a)

Commencement Information

I14 S. 14 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

Supplementary

15 Interaction with the petroleum licensing requirements

- (1) This section applies where there is a licence for the recovery of gas stored in a controlled place.
- (2) The [F23OGA] may give a direction in respect of the place or any part of it ("the relevant stratum").
- (3) The effect of the direction is that any operations under the licence to recover gas from the relevant stratum are not to be regarded as resulting in the boring for or getting of petroleum for the purposes of Part 1 of the Petroleum Act 1998 (c. 17).
- (4) A direction may be given only if the [F23OGA] is satisfied that the amount of petroleum which exists in its natural condition in the relevant stratum is so small that it ought to be disregarded for the purposes of that Part.
- (5) Where a direction has effect, if the [F23OGA] ceases to be satisfied as mentioned in subsection (4), the [F23OGA] must give the licence holder a notice revoking the direction and specifying a time for the purposes of subsection (6).
- (6) Where a notice is given under subsection (5), the revocation of the direction takes effect—
 - (a) if an application for a petroleum licence in respect of the relevant stratum is made by the licence holder before the specified time, immediately before the time the application is determined or withdrawn, and
 - (b) in any other case, at the specified time.
- (7) Before giving or revoking a direction, the [F23OGA] must consult the licence holder.
- (8) In this section—

"petroleum" means petroleum to which section 3 of the Petroleum Act 1998 (c. 17) applies;

"petroleum licence" means a licence under that section authorising a person to bore for and get petroleum.

Textual Amendments

F23 Word in s. 15 substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 51**; S.I. 2016/920, reg. 2(a)

Commencement Information

I15 S. 15 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

Interpretation

16 Chapter 2: interpretation

In this Chapter—

"controlled place" has the meaning given by section 2(4);

"gas" has the meaning given by section 2(4);

"installation" includes any floating structure or device maintained on a station by whatever means;

"licence", except where the context otherwise requires, means a licence under section 4, and "licence holder" is to be construed accordingly.

[F24"the OGA" means the Oil and Gas Authority.]

Textual Amendments

F24 Words in s. 16 inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 52**; S.I. 2016/920, reg. 2(a)

Commencement Information

I16 S. 16 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

CHAPTER 3

STORAGE OF CARBON DIOXIDE

Activities requiring a licence

17 Prohibition on unlicensed activities

- (1) No person may carry on an activity within subsection (2) except in accordance with a licence.
- (2) The activities are—
 - (a) the use of a controlled place for the storage of carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal);
 - (b) the conversion of any natural feature in a controlled place for the purpose of storing carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal);

- (c) the exploration of a controlled place with a view to, or in connection with, the carrying on of activities within paragraph (a) or (b);
- (d) the establishment or maintenance in a controlled place of an installation for the purposes of activities within this subsection.
- (3) In this section, "controlled place" means a place in, under or over—
 - (a) the territorial sea, or
 - (b) waters in a Gas Importation and Storage Zone.

[F25(3A) In this section, "controlled place" also includes a place—

- (a) in England, Wales or Northern Ireland, or
- (b) in, under or over so much of the internal waters of the United Kingdom as are adjacent to England, Wales or Northern Ireland.]

[F26(4) In relation to Scotland, "controlled place" includes—

- (a) a place in Scotland, or
- (b) a place within the seaward limits of the territorial sea adjacent to Scotland.]

Textual Amendments

- F25 S. 17(3A) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 2
- F26 S. 17(4) inserted (S.) (1.4.2011) by The Energy Act 2008 (Storage of Carbon Dioxide) (Scotland) Regulations 2011 (S.S.I. 2011/224), regs. 1, 2(2)

Modifications etc. (not altering text)

C1 S. 17(1) restricted (16.9.2011) by The Storage of Carbon Dioxide (Access to Infrastructure) Regulations 2011 (S.I. 2011/2305), regs. 1, 16(1)(b)

Commencement Information

I17 S. 17 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

Licensing

18 Licences

- (1) The licensing authority may grant a licence to a person in respect of one or more activities within section 17(2).
- (2) The licensing authority is—
 - (a) in the case of a licence in respect of activities within section 17(2)(a) to (c) and [F27] an offshore controlled place which is not][F28] in, under or over the territorial sea adjacent to Scotland][F28] a Scottish controlled place][F29] (an "offshore UK-controlled place")], the [F30] OGA],
 - (b) in the case of a licence in respect of [F31 activities within section 17(2)(a) to (c)] and a [F32 controlled place which is in, under or over][F33 the territorial sea adjacent to Scotland][F32 Scottish controlled place], the Scottish Ministers,
 - (c) in the case of a licence in respect of [F34activities within section 17(2)(a) to (c)] and [F35an offshore controlled place] only part of which is in, under or over [F36the territorial sea adjacent to Scotland], either the [F30OGA] or the Scottish Ministers, F37...

- [F38(ca) in the case of a licence in respect of activities within section 17(2)(a) to (c) and an English controlled place, the [F30OGA],
 - (cb) in the case of a licence in respect of activities within section 17(2)(a) to (c) and a Welsh controlled place, the Welsh Ministers,
 - (cc) in the case of a licence in respect of activities within section 17(2)(a) to (c) and a Northern Ireland controlled place, the Department of Enterprise, Trade and Investment in Northern Ireland,
 - (cd) in the case of a licence in respect of activities within section 17(2)(a) to (c) and a controlled place part of which is a Welsh controlled place and the rest of which is an English controlled place or an offshore UK-controlled place (or a combination of such places), either the Welsh Ministers or the [F30OGA],
 - (ce) in the case of a licence in respect of activities within section 17(2)(a) to (c) and a controlled place part of which is a Northern Ireland controlled place and the rest of which is an offshore UK-controlled place, either the Department of Enterprise, Trade and Investment in Northern Ireland or the [F30OGA], and]
 - (d) in the case of a licence in respect of activities within section 17(2)(d), whichever of the [F30OGA][F39, the Welsh Ministers, the Department of Enterprise, Trade and Investment in Northern Ireland] or the Scottish Ministers licenses the activities for the purposes of which the installation is established or maintained;

and in this Chapter references to the licensing authority in relation to a licence falling within paragraph (c)[F40 , (cd) or (ce)] are references to the person who grants the licence or, if the licence has not yet been granted, to whom the application for the licence was made.

- (3) The controlled place in respect of which a licence is granted may be determined by reference to the provisions of a Crown lease which has been or may be granted.
- [^{F41}(4) For this purpose a "Crown lease" means (as the case may be)—
 - (a) a lease of property forming part of the Crown Estate, or an authorisation to exercise rights forming part of that Estate (whether by virtue of section 1 or otherwise), or
 - (b) a lease of property forming part of the Scottish assets, or an authorisation to exercise rights forming part of those assets (whether by virtue of section 1 or otherwise).]
- [F42(4ZA) In subsection (4), "Scottish assets" means any property, rights and interests to which section 90B(5) of the Scotland Act 1998 applies.]

[F43(4A) In this section—

"English controlled place" means a controlled place in England or in, under or over so much of the internal waters of the United Kingdom as are adjacent to England;

"Northern Ireland controlled place" means a controlled place in Northern Ireland or in, under or over so much of the internal waters of the United Kingdom as are adjacent to Northern Ireland;

"Welsh controlled place" means a controlled place in Wales or in, under or over so much of the internal waters of the United Kingdom as are adjacent to Wales.]

- [F44(5) In this section, "Scottish controlled place" means—
 - (a) a controlled place in Scotland, or

(b) a controlled place within the seaward limits of the territorial sea adjacent to Scotland.

Textual Amendments

- F27 Words in s. 18(2)(a) substituted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(a)(i)
- F28 Words in s. 18(2)(a) substituted (S.) (1.4.2011) by The Energy Act 2008 (Storage of Carbon Dioxide) (Scotland) Regulations 2011 (S.S.I. 2011/224), regs. 1, 2(3)(a)
- F29 Words in s. 18(2)(a) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(a)(ii)
- **F30** Word in s. 18(2) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 53**; S.I. 2016/920, reg. 2(a)
- F31 Words in s. 18(2)(b) substituted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(b)(i)
- F32 Words in s. 18(2)(b) substituted (S.) (1.4.2011) by The Energy Act 2008 (Storage of Carbon Dioxide) (Scotland) Regulations 2011 (S.S.I. 2011/224), regs. 1, 2(3)(b)
- **F33** Words in s. 18(2)(b) substituted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(b)(ii)
- F34 Words in s. 18(2)(c) substituted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(c)(i)
- F35 Words in s. 18(2)(c) substituted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(c)(ii)
- F36 Words in s. 18(2)(c) substituted (1.4.2011 for S. and 16.11.2011 for E.W. N.I.) by The Energy Act 2008 (Storage of Carbon Dioxide) (Scotland) Regulations 2011 (S.S.I. 2011/224), regs. 1, 2(3)(c); The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(c)(iii)
- F37 Word in s. 18(2) omitted (16.11.2011) by virtue of The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(d)
- F38 S. 18(2)(ca)-(ce) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(d)
- F39 Words in s. 18(2)(d) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(e)
- **F40** Words in s. 18(2)(d) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(1)(f)
- F41 S. 18(4) substituted (1.4.2017) by The Crown Estate Transfer Scheme 2017 (S.I. 2017/524), art. 1(2), Sch. 5 para. 39(3)(a)
- **F42** S. 18(4ZA) inserted (1.4.2017) by The Crown Estate Transfer Scheme 2017 (S.I. 2017/524), art. 1(2), **Sch. 5 para. 39(3)(b)**
- **F43** S. 18(4A) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 3(2)
- F44 S. 18(5) inserted (S.) (1.4.2011) by The Energy Act 2008 (Storage of Carbon Dioxide) (Scotland) Regulations 2011 (S.S.I. 2011/224), regs. 1, 2(3)(d)

Commencement Information

I18 S. 18 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

19 Requirements relating to grant of licences

(1) Each licensing authority may by regulations make provision about the circumstances in which it may grant licences, including—

- (a) provision about the requirements to be met by or in relation to an applicant, and
- (b) provision about any other requirements which must be met for a licence to be granted.
- (2) Regulations under subsection (1)(a) may, in particular—
 - (a) prescribe the persons, or classes of persons, by whom an application for a licence may be made;
 - (b) prescribe the manner in which an application must be made;
 - (c) prescribe the information which an application must contain and any documents which must accompany it;
 - (d) require an application to be accompanied by a fee of an amount prescribed by, or determined in accordance with, the regulations;
 - (e) require an applicant, before a licence is granted, to make arrangements (whether by way of trust or otherwise) to provide financial security in respect of the applicant's future obligations relating to the activities under the licence (whether those obligations will or may arise under the licence or otherwise).

[F45(2A) Where the licensing authority is the OGA—

- (a) regulations under subsection (1) are to be made by the Secretary of State (and not by the OGA),
- (b) the Secretary of State must consult the OGA before making the regulations, and
- (c) subsection (2)(d) does not apply.]
- [F46(3) In subsection (1) "licensing authority" does not include the Welsh Ministers or the Department of Enterprise, Trade and Investment in Northern Ireland.]

Textual Amendments

F45 S. 19(2A) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 54**; S.I. 2016/920, reg. 2(a)

F46 S. 19(3) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), **reg. 4**

Commencement Information

I19 S. 19 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

20 Terms and conditions

- (1) A licence may be granted on such terms and subject to such conditions as the licensing authority considers appropriate, subject to regulations under section 21.
- (2) Subject to such regulations, a licence may, in particular, include provision of a kind mentioned in subsections (3) to (7).
- (3) A licence may include—
 - (a) provision about the circumstances in which financial security (which may be provided by way of a trust or other arrangements) may be required in respect of the obligations mentioned in section 19(2)(e) (in addition to any security required by virtue of that section), and the form of any such security;

- (b) provision about the circumstances in which financial security may be released (in whole or in part);
- (c) provision enabling the licensing authority to review the licence in specified circumstances or at specified intervals;
- (d) provision enabling the licensing authority, after consulting the licence holder, to modify the licence in specified circumstances (with or without the consent of the licence holder);
- (e) provision preventing or enabling the licensing authority to prevent a licence holder, in specified circumstances, from carrying on an activity in respect of which the licence was granted;
- (f) provision about closure of a carbon storage facility;
- (g) provision about obligations of a licence holder between closure of a carbon storage facility and termination of the licence;
- (h) provision about termination of the licence (which may include provision about financial arrangements).
- (4) The provisions of a licence may be expressed by reference to provision made in a Crown lease and, in particular, may provide—
 - (a) for the commencement of the licence to be conditional upon the commencement of a Crown lease which has been or may be granted in respect of the controlled place to which the licence relates or any part of that place;
 - (b) for the period of the licence to be determined by reference to the period of such a Crown lease.
- (5) A licence may authorise, in such circumstances and subject to such conditions as are specified, the transfer of the licence to another person (or the inclusion of another person as a joint licence holder).
- (6) The provisions of a licence may include—
 - (a) provision requiring the licence holder to obtain the prior written consent of the licensing authority or another person for specified acts or omissions;
 - (b) provision providing that any such consent may be given subject to conditions.
- (7) The conditions imposed on a consent by virtue of subsection (6)(b) may include conditions requiring, or otherwise providing for, the modification of the licence in such manner as the licensing authority considers appropriate.
- (8) In this section—

"carbon storage facility" means a controlled place, or part of a controlled place, in which carbon dioxide has been stored pursuant to a licence;

"closure", in relation to a carbon storage facility, means the point at which carbon dioxide has ceased to be added to the facility and the licence holder intends, or the licensing authority directs in accordance with the licence, that the cessation should be permanent;

"Crown lease" has the same meaning as in section 18;

"specified", in relation to a licence, means specified in, or determined in accordance with, the licence.

Commencement Information

21 Content of licences: regulations

- (1) Each licensing authority may make regulations about the terms and conditions of licences granted by it.
- (2) Regulations under subsection (1) may specify that a licence must contain specified provisions or provisions of a specified description.

[F47(2A) Where the licensing authority is the OGA—

- (a) regulations under subsection (1) are to be made by the Secretary of State (and not by the OGA), and
- (b) the Secretary of State must consult the OGA before making the regulations.]
- [F48(3) In subsection (1) "licensing authority" does not include the Welsh Ministers or the Department of Enterprise, Trade and Investment in Northern Ireland.]

Textual Amendments

- **F47** S. 21(2A) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 55**; S.I. 2016/920, reg. 2(a)
- F48 S. 21(3) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 5

Commencement Information

I21 S. 21 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

Enforcement

22 Offence to carry on unlicensed activities

- (1) It is an offence for a person to carry on an activity within section 17(2) at a controlled place unless, at the time the activity is carried on, that person—
 - (a) has a licence for the carrying on of the activity at that place, or
 - (b) is carrying on the activity on behalf of a person who has such a licence.
- (2) It is an offence for a person to cause or permit another person to commit the offence in subsection (1).
- (3) A person guilty of an offence under this section is liable—
 - (a) on summary conviction, to [^{F49}a fine not exceeding £50,000][^{F49}a fine], or
 - (b) on conviction on indictment, to imprisonment for a term not exceeding 2 years or to a fine, or both.
- (4) If the activity constituting the offence falls within section 17(2)(c), or relates to the establishment or maintenance of an installation for the purposes of an activity mentioned in that provision, subsection (3) has effect as if—
 - [F50(a) the reference to £50,000 were a reference to the statutory maximum, and]
 - (b) the reference to imprisonment were omitted.
- [F51][F52](4A) If the activity constituting the offence is carried on at an English controlled place, a Welsh controlled place or a Northern Ireland controlled place, subsection (3) has effect as if the reference to £50,000 were a reference to the statutory maximum.]]

[F53(5)] If the activity constituting the offence is carried out in a Scottish controlled place other than a place within the area of the territorial sea, subsection (3)(a) has effect as if the reference to £50,000 were a reference to £5,000.]

Textual Amendments

- F49 Words in s. 22(3)(a) substituted (E.W.) (12.3.2015) by The Legal Aid, Sentencing and Punishment of Offenders Act 2012 (Fines on Summary Conviction) Regulations 2015 (S.I. 2015/664), reg. 1(1), Sch. 4 para. 42(2)(a) (with reg. 5(1))
- F50 S. 22(4)(a) omitted (E.W.) (12.3.2015) by virtue of The Legal Aid, Sentencing and Punishment of Offenders Act 2012 (Fines on Summary Conviction) Regulations 2015 (S.I. 2015/664), reg. 1(1), Sch. 4 para. 42(2)(b) (with reg. 5(1))
- F51 S. 22(4A) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 6
- F52 S. 22(4A) omitted (E.W.) (12.3.2015) by virtue of The Legal Aid, Sentencing and Punishment of Offenders Act 2012 (Fines on Summary Conviction) Regulations 2015 (S.I. 2015/664), reg. 1(1), Sch. 4 para. 42(2)(c) (with reg. 5(1))
- **F53** S. 22(5) inserted (1.4.2011) by The Energy Act 2008 (Storage of Carbon Dioxide) (Scotland) Regulations 2011 (S.S.I. 2011/224), regs. 1, 2(4)

Commencement Information

I22 S. 22 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

23 Offences relating to licences

- (1) An offence is committed by a licence holder if—
 - (a) a thing is done for which the licence specifies that the prior consent of the licensing authority or any other person is required, without that consent first having been obtained;
 - (b) such a thing is done in circumstances where that consent was obtained subject to conditions and those conditions have not been satisfied;
 - (c) the licence holder fails to keep records, give a notice or make a return or report, in accordance with the provisions of the licence;
 - (d) the licence holder breaches any other provision of the licence which is specified, or of a description specified, in an order made by the licensing authority.

[F54(1A) But a licence holder does not commit an offence under subsection (1)(a) or (b) if—

- (a) the licence holder is a company, or, where there are joint licence holders, any of them is a company, and
- (b) the thing mentioned in subsection (1)(a) or (b) is a change in the control of the company.]
- (2) In proceedings against a person for an offence under subsection (1), it is a defence for the person to prove that due diligence was exercised to avoid committing the offence.
- (3) A person guilty of an offence under subsection (1) is liable—
 - (a) on summary conviction, to [F55a fine not exceeding £50,000][F55a fine], or
 - (b) on conviction on indictment, to imprisonment for a term not exceeding 2 years or to a fine, or both.

- (4) If an offence under subsection (1) relates to an activity within section 17(2)(c), or relates to the establishment or maintenance of an installation for the purposes of an activity mentioned in that provision, subsection (3) has effect as if—
 - [F56(a) the reference to £50,000 were a reference to the statutory maximum, and]
 - (b) the reference to imprisonment were omitted.
- (5) It is an offence for a person to make a statement which the person knows to be false, or recklessly to make a statement which is false, in order to obtain—
 - (a) a licence, or
 - the consent of the licensing authority or any other person for the purposes of any requirement imposed by virtue of section 20(6).
- (6) It is an offence for a person to fail to disclose information which the person knows, or ought to know, to be relevant to an application for
 - a licence, or
 - the consent of the licensing authority or any other person for the purposes of (b) any requirement imposed by virtue of section 20(6).
- (7) A person guilty of an offence under subsection (5) or (6) is liable
 - on summary conviction, to a fine not exceeding the statutory maximum, or
 - on conviction on indictment, to a fine.
- [F57(8) In subsection (1)(d) "licensing authority" does not include the Welsh Ministers or the Department of Enterprise, Trade and Investment in Northern Ireland.]

Textual Amendments

- F54 S. 23(1A) inserted (11.1.2024) by Energy Act 2023 (c. 52), ss. 105, 334(1); S.I. 2024/32, reg. 2(a)(iii)
- F55 Words in s. 23(3)(a) substituted (E.W.) (12.3.2015) by The Legal Aid, Sentencing and Punishment of Offenders Act 2012 (Fines on Summary Conviction) Regulations 2015 (S.I. 2015/664), reg. 1(1), Sch. 4 para. 42(3)(a) (with reg. 5(1))
- F56 S. 23(4)(a) omitted (E.W.) (12.3.2015) by virtue of The Legal Aid, Sentencing and Punishment of Offenders Act 2012 (Fines on Summary Conviction) Regulations 2015 (S.I. 2015/664), reg. 1(1), Sch. 4 para. 42(3)(b) (with reg. 5(1))
- F57 S. 23(8) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 7

Commencement Information

S. 23 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

24 Licensing authority's power of direction

- (1) This section applies if a licence holder fails to comply with any provision of the licence.
- (2) The licensing authority may direct the licence holder to take steps which the licensing authority considers necessary or appropriate to comply with the provision within a period specified in the direction.
- (3) The licensing authority must consult the licence holder before giving a direction under subsection (2).

- (4) If the licence holder fails to comply with a direction under subsection (2), the licensing authority may—
 - (a) comply with the direction on behalf of the licence holder, or
 - (b) make arrangements for another person to do so.
- (5) A person taking action by virtue of subsection (4) may—
 - (a) do anything which the licence holder could have done, and
 - (b) recover from the licence holder any reasonable costs incurred in taking the action.
- (6) A person ("P") liable to pay any sum by virtue of subsection (5)(b) must also pay interest on that sum for the period beginning with the day on which the person taking action by virtue of subsection (4) notified P of the sum payable and ending with the date of payment.
- (7) The rate of interest payable in accordance with subsection (6) is a rate determined by the licensing authority as comparable with commercial rates.
- (8) The licence holder must provide a person taking action by virtue of subsection (4) with such assistance as the licensing authority may direct.
- (9) The power to give a direction under this section is without prejudice to any provision made in the licence with regard to the enforcement of any of its provisions.

Commencement Information

I24 S. 24 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

Failure to comply with a direction under section 24

- (1) It is an offence for a person to fail to comply with a direction under section 24, unless the person proves that due diligence was exercised in order to avoid the failure.
- (2) A person guilty of an offence under subsection (1) is liable—
 - (a) on summary conviction, to [F58a fine not exceeding £50,000][F58a fine], or
 - (b) on conviction on indictment, to imprisonment for a term not exceeding 2 years or to a fine, or both.

Textual Amendments

F58 Words in s. 25(2)(a) substituted (E.W.) (12.3.2015) by The Legal Aid, Sentencing and Punishment of Offenders Act 2012 (Fines on Summary Conviction) Regulations 2015 (S.I. 2015/664), reg. 1(1), Sch. 4 para. 42(4) (with reg. 5(1))

Commencement Information

I25 S. 25 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

26 Injunctions restraining breaches of section 17(1)

- [F59(A1) Where the [F60OGA] considers it necessary or expedient to restrain any actual or apprehended breach of section 17(1) in relation to an English controlled place, the [F60OGA] may apply to the High Court for an injunction.
 - (A2) Where the Welsh Ministers consider it necessary or expedient to restrain any actual or apprehended breach of section 17(1) in relation to a Welsh controlled place, they may apply to the High Court for an injunction.]
 - (1) Where the Scottish Ministers consider it necessary or expedient to restrain any actual or apprehended breach of section 17(1) in relation to a [F61 controlled place in, under or over the territorial sea adjacent to Scotland][F61 Scottish controlled place], they may apply to the Court of Session for an interdict.
- [^{F62}(1A) Where the Department of Enterprise, Trade and Investment in Northern Ireland considers it necessary or expedient to restrain any actual or apprehended breach of section 17(1) in relation to a Northern Ireland controlled place, it may apply to the High Court for an injunction.]
 - (2) Where the [F60OGA] considers it necessary or expedient to restrain any F63...actual or apprehended breach of section 17(1) [F64 in relation to an offshore UK-controlled place], the [F60OGA] may apply—
 - (a) to the High Court for an injunction, or
 - (b) to the Court of Session for an interdict.
 - (3) An application may be made under this section whether or not the applicant has exercised or is proposing to exercise any of the other powers under this Chapter.
 - (4) On an application under this section, the Court of Session may grant such an interdict, or the High Court may grant such an injunction, as it thinks appropriate for the purpose of restraining the breach.
 - (5) Rules of court may provide for an injunction or interdict to be issued against a person whose identity is unknown.

Textual Amendments

- F59 S. 26(A1)(A2) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 8(a)
- **F60** Word in s. 26 substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 56**; S.I. 2016/920, reg. 2(a)
- **F61** Words in s. 26(1) substituted (S.) (1.4.2011) by The Energy Act 2008 (Storage of Carbon Dioxide) (Scotland) Regulations 2011 (S.S.I. 2011/224), regs. 1, 2(5)
- **F62** S. 26(1A) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 8(b)
- Word in s. 26(2) omitted (16.11.2011) by virtue of The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 8(c)(i)
- **F64** Words in s. 26(2) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 8(c)(ii)

Commencement Information

I26 S. 26 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

27 Inspectors

- [F65(1) The following may appoint persons to act as inspectors to assist in carrying out their respective functions under this Chapter—
 - (a) the OGA,
 - (b) the Scottish Ministers,
 - (c) the Welsh Ministers, and
 - (d) the Department of Enterprise, Trade and Investment in Northern Ireland.]
- [F65(2) The following may make payments, by way of remuneration or otherwise, to inspectors appointed by them under this section—
 - (a) the Scottish Ministers.
 - (b) the Welsh Ministers, and
 - (c) the Department of Enterprise, Trade and Investment in Northern Ireland.]
 - (3) The Secretary of State may make regulations about—
 - (a) the powers and duties of inspectors appointed under this section;
 - (b) the powers and duties of any other person acting on the directions of the [F66OGA] in connection with a function under this Chapter;
 - (c) the facilities and assistance to be accorded to persons mentioned in paragraph (a) or (b).
 - (4) The powers conferred by virtue of subsection (3) may include powers of a kind specified in section 108(4) of the Environment Act 1995 (c. 25) (powers of entry, investigation, etc).
 - (5) Any regulations under this section may provide for the creation of offences which are punishable—
 - (a) on summary conviction by a fine not exceeding the statutory maximum or such lesser amount as is specified in the regulations, and
 - (b) on conviction on indictment by a fine.
 - (6) [F67Subsections (3) to (5) apply] in relation to the Scottish Ministers and the functions of the Scottish Ministers under this Chapter as [F68they apply] in relation to the Secretary of State and the functions of the Secretary of State under this Chapter [F69(reading the reference to the OGA in subsection (3)(b) as a reference to the Secretary of State)].

F70	(7	7)																

Textual Amendments

- **F65** S. 27(1)(2) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 57(2**); S.I. 2016/920, reg. 2(a)
- **F66** Word in s. 27(3)(b) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 57(3**); S.I. 2016/920, reg. 2(a)
- **F67** Words in s. 27(6) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 57(4)(a)**; S.I. 2016/920, reg. 2(a)
- **F68** Words in s. 27(6) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 57(4)(b)**; S.I. 2016/920, reg. 2(a)
- **F69** Words in s. 27(6) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 57(4)(c)**; S.I. 2016/920, reg. 2(a)

F70 S. 27(7) omitted (1.10.2016) by virtue of Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 57(5**); S.I. 2016/920, reg. 2(a)

Commencement Information

I27 S. 27 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

28 Criminal proceedings

- (1) Proceedings for a relevant offence may be taken, and the offence may for all incidental purposes be treated as having been committed, in any place in the United Kingdom.
- (2) Section 3 of the Territorial Waters Jurisdiction Act 1878 (c. 73) (restriction on prosecutions) does not apply to any proceedings for a relevant offence.
- (3) Proceedings for a relevant offence alleged to have been committed in [F71an offshore controlled place] may not be instituted in England and Wales except—
 - (a) by the Secretary of State or a person authorised by the Secretary of State, or
 - (b) by or with the consent of the Director of Public Prosecutions.
- (4) Proceedings for a relevant offence alleged to have been committed in [F72an offshore controlled place] may not be instituted in Northern Ireland except—
 - (a) by the Secretary of State or a person authorised by the Secretary of State, or
 - (b) by or with the consent of the Director of Public Prosecutions for Northern Ireland.
- (5) In the application of subsection (3) or (4) to an offence created by regulations under section 27—
 - (a) the words "alleged to have been committed in [F73 an offshore controlled place]" are to be omitted, and
 - (b) [F⁷⁴except in the case of an offence that relates to functions of the OGA under this Chapter,] the references to a person authorised by the Secretary of State are to be read as references to an inspector appointed under that section.
- (6) In this section "relevant offence" means an offence under this Chapter or created by regulations under section 27.

Textual Amendments

- F71 Words in s. 28(3) substituted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 10
- F72 Words in s. 28(4) substituted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 10
- F73 Words in s. 28(5)(a) substituted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 10
- F74 Words in s. 28(5)(b) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), Sch. 1 para. 58; S.I. 2016/920, reg. 2(a)

Commencement Information

I28 S. 28 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

Energy Act 2008 (c. 32)
Part 1 – Gas Importation and Storage
Chapter 3 – Storage of carbon dioxide
Document Generated: 2024-04-22

Changes to legislation: There are currently no known outstanding effects for the Energy Act 2008, Part 1. (See end of Document for details)

Registration

29 Requirement for public register

- (1) The Secretary of State must maintain a register containing prescribed information relating to licences.
- (2) Information is not to be included in the register if—
 - (a) the Secretary of State thinks that disclosure of the information would be contrary to the interests of national security, or
 - (b) the licensing authority thinks that disclosure of the information would prejudice to an unreasonable degree a person's commercial interests.
- (3) Information excluded from the register by virtue of subsection (2)(b) is treated, subject to subsection (4), as ceasing to prejudice a person's commercial interests at the end of the period of 4 years beginning with the date on which the licensing authority made the decision to exclude it.
- (4) The licensing authority may, on the application of the person whose commercial interests are affected, decide whether the information should be included in the register at the end of the period mentioned in subsection (3) or should continue to be excluded.
- (5) Where information of any description is excluded from the register by virtue of subsection (2)(b), a statement is to be included in the register indicating the existence of information of that description.
- (6) The Secretary of State must—
 - (a) secure that the register maintained under this section is available for inspection by the public free of charge, and
 - (b) afford to members of the public facilities for obtaining copies of entries, on payment of a fee.
- (7) In this section "prescribed" means prescribed by regulations made by the Secretary of State.
- [F75(8) The OGA must provide to the Secretary of State any information held by it that is required by the Secretary of State in order to comply with the requirements imposed by this section.]

Textual Amendments

F75 S. 29(8) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), Sch. 1 para. 59; S.I. 2016/920, reg. 2(a)

Commencement Information

I29 S. 29 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

Chapter 3 – Storage of carbon dioxide Document Generated: 2024-04-22

Changes to legislation: There are currently no known outstanding effects for the Energy Act 2008, Part 1. (See end of Document for details)

I^{F76}*Information about change in control of licence holder*

Textual Amendments

F76 S. 29A and cross-heading inserted (11.1.2024) by Energy Act 2023 (c. 52), ss. 106, 334(1); S.I. 2024/32, reg. 2(a)(iv)

29A OGA's power to require information about change in control of licence holder

- (1) This section applies in relation to a licence granted (or having effect as if granted) by the OGA which includes provisions prohibiting a change in control of a licence holder which is a company without the OGA's consent.
- (2) The OGA may by notice in writing require a person within subsection (3) to provide the OGA with any information that it requires for the purpose of exercising its functions in relation to a change or potential change in control of a licence holder which is a company.
- (3) The persons within this subsection are—
 - (a) the company:
 - (b) the person who (if consent were granted) would take control of the company;
 - if the company is a joint licence holder with another person or other persons, that other person or those other persons;
 - any person not within any of paragraphs (a) to (c) who appears to the OGA to have information that it requires as mentioned in subsection (2).
- (4) The power conferred by this section does not include power to require the provision of any information that would be protected from disclosure or production in legal proceedings on grounds of legal professional privilege or, in Scotland, confidentiality of communications.
- (5) Nothing in this section limits any power of the OGA to require information under—
 - (a) regulations under this Chapter,
 - (b) the terms of a licence, or
 - (c) the terms of a permit granted under a licence.

Abandonment of offshore [F77 infrastructure]

Textual Amendments

F77 Word in Pt. 1 Ch. 3 cross-heading substituted (18.12.2011) by Energy Act 2011 (c. 16), ss. 107(3), 121(3)

30 Abandonment of installations

(1) Part 4 of the Petroleum Act 1998 (c. 17) ([F78] referred to in this section and sections 30A and 30B as "the 1998 Act"]) applies in relation to a carbon storage installation as it applies in relation to an offshore installation within the meaning given by section 44 of the 1998 Act, subject to subsections $[^{F79}(1A)][^{F80}$ to (2)] and (4) $[^{F81}]$ and section 30A].

- [F82(1A) For the purposes of subsection (1), the amendments made to Part 4 of the 1998 Act by Schedule 2 to the Energy Act 2016 are to be disregarded.]
- [F83(1AA) Part 4 of the 1998 Act, in its application in relation to carbon storage installations, has effect with the modifications set out in subsection (1AB).
 - (1AB) The modifications are as follows—
 - (a) in section 30 of the 1998 Act, for subsections (5) and (6) substitute—
 - "(5) This subsection applies to a person in relation to a carbon storage installation if—
 - (a) the person has the right—
 - (i) to use a controlled place for the storage of carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal),
 - (ii) to convert any natural feature in a controlled place for the purpose of storing carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal), or
 - (iii) to explore a controlled place with a view to, or in connection with, the carrying on of the activities within sub-paragraph (i) or (ii), and
 - (b) either—
 - (i) any activity mentioned in subsection (6) is carried on from, by means of or on the installation, or
 - (ii) the person intends to carry on an activity mentioned in that subsection from, by means of or on the installation,

or if the person had such a right when any such activity was last so carried on.

- (6) The activities referred to in subsection (5) are—
 - (a) the use of a controlled place for the storage of carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal) in the exercise of the right mentioned in subsection (5)(a);
 - (b) the conversion of any natural feature in a controlled place for the purpose of storing carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal) in the exercise of the right mentioned in subsection (5)(a);
 - (c) the exploration of a controlled place in the exercise of the right mentioned in subsection (5)(a) with a view to, or in connection with, the carrying on of activities within paragraph (a) or (b) of this subsection;
 - (d) the conveyance in the controlled place mentioned in subsection (5)(a) of carbon dioxide by means of a pipe or system of pipes, in the exercise of the right mentioned in subsection (5)(a); and
 - (e) the provision of accommodation for persons who work on or from an installation which is or has been maintained, or is

intended to be established, for the carrying on of an activity falling within any of paragraphs (a) to (d) of this subsection.";

- (b) in section 30(7) of that Act, in the words before paragraph (a), for "(c)" substitute "(e)";
- (c) in section 31 of that Act, for subsection (B1) substitute—
 - "(B1) This subsection applies to an activity if—
 - (a) where the activity is within paragraph (a), (b) or (c) of section 30(6), the controlled place mentioned in that paragraph is one for which the installation is, or is to be, established or maintained;
 - (b) where the activity is within paragraph (d) of section 30(6), the conveyance of the carbon dioxide relates to a controlled place for which the installation is, or is to be, established;
 - (c) where the activity is within paragraph (e) of section 30(6), the installation is in a controlled place in respect of which P has a licence under section 18 of the Energy Act 2008.";
- (d) in section 31 of that Act, omit subsection (C1);
- (e) in section 45 of that Act, in the appropriate place insert—

""controlled place" has the same meaning as in section 17 of the Energy Act 2008;"].

- (2) In relation to a carbon storage installation established or maintained at a controlled place under a licence granted by the Scottish Ministers—
 - (a) the functions conferred on the Secretary of State by Part 4 of the 1998 Act are exercisable by the Scottish Ministers rather than the Secretary of State (and, accordingly, [F84] sections 38C(9) and 39(6) of the 1998 Act are to be read as if each of those sections imposed a requirement that regulations under the section concerned are subject to the negative procedure (see section 28 of the Interpretation and Legislative Reform (Scotland) Act 2010)]), and
 - (b) the Scottish Ministers may make regulations providing that that Part applies with such other modifications as may be specified in the regulations.
- (3) For the purposes of subsection (2), orders under section 33(1) are to be disregarded and installations used for a purpose ancillary to getting petroleum (within the meaning of section 1 of the 1998 Act) are not to be treated as carbon storage installations.
- (4) In relation to any other carbon storage installation, the Secretary of State may make regulations providing that Part 4 of the 1998 Act applies in relation to such an installation with such modifications as may be specified in the regulations.

[F85(4A) The power in subsection (4)—

- (a) may (in particular) be exercised to make modifications corresponding to the amendments made by Schedule 2 to the Energy Act 2016, and
- (b) is subject to section 30A.]
- [F86(4B) The powers in subsections (2)(b) and (4) include power to amend or repeal subsections (1AA) and (1AB).]
 - (5) In this section [F87] and section 30A], "carbon storage installation" means an installation [F88] which is or has been maintained, or is intended to be established, for the purposes of an activity mentioned in section 17(2)(a), (b) or (c) to which subsection (6) applies].

[F89(6) [F90This subsection applies to any activity which is carried on from, by means of or on an installation which] is established or maintained in the water, or on the foreshore or other land intermittently covered with water, and is not connected with dry land by a permanent structure providing access at all times and for all purposes.]

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Textual Amendments
 F78 Words in s. 30(1) substituted (18.12.2011) by Energy Act 2011 (c. 16), ss. 107(4)(a)(i), 121(3)
       Word in s. 30(1) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), Sch. 2 para. 13(2); S.I.
 F79
        2016/920, reg. 2(c)
 F80
       Words in s. 30(1) substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 95(2), 334(3)(b)
       Words in s. 30(1) inserted (18.12.2011) by Energy Act 2011 (c. 16), ss. 107(4)(a)(ii), 121(3)
 F82 S. 30(1A) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), Sch. 2 para. 13(3); S.I. 2016/920,
 F83 S. 30(1AA)(1AB) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 95(3), 334(3)(b)
 F84 Words in s. 30(2)(a) substituted (11.1.2024) by Energy Act 2023 (c. 52), ss. 299(2), 334(1); S.I.
        2024/32, reg. 2(d)(ii)
       S. 30(4A) substituted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), Sch. 2 para. 13(4); S.I.
        2016/920, reg. 2(c)
 F86 S. 30(4B) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 95(4), 334(3)(b)
 F87 Words in s. 30(5) inserted (18.12.2011) by Energy Act 2011 (c. 16), ss. 107(4)(c), 121(3)
       Words in s. 30(5) substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 95(5), 334(3)(b)
       S. 30(6) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008
 F89
        etc.) Regulations 2011 (S.I. 2011/2453), reg. 11(b)
       Words in s. 30(6) substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 95(6), 334(3)(b)
Modifications etc. (not altering text)
        S. 30(2)(b) power extended (26.12.2023) by Energy Act 2023 (c. 52), ss. 95(7), 334(3)(b)
       S. 30(4) power extended (26.12.2023) by Energy Act 2023 (c. 52), ss. 95(8), 334(3)(b)
 C3
Commencement Information
       S. 30 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)
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[F9130A [F92Change of use relief for certain installations]

(1) The Secretary of State may [F93, on an application made by a relevant person, by notice]
designate an installation as an eligible CCS installation.

$^{F94}(2)$																
F95(3)																

[The Secretary of State must consult the Oil and Gas Authority before deciding—

⁶⁹⁶(3A) (a) whether to designate an installation under subsection (1);

(b) whether to make a certification under subsection (5)(b).]

[F97(4) An eligible CCS installation qualifies for change of use relief if—

- (a) the Secretary of State has given a CCS-related abandonment programme notice to a person in relation to the abandonment of the installation, and
- (b) the trigger event has occurred in relation to the installation.

- (4A) In subsection (4) "CCS-related abandonment programme notice" means an abandonment programme notice given under section 29 of the 1998 Act in that section's application in relation to carbon storage installations (by virtue of section 30 of this Act).]
- [F98(5) The trigger event occurs in relation to an eligible CCS installation when—
 - (a) a decommissioning fund (as defined in section 92(7) of the Energy Act 2023) has been established for providing security for the discharge of liabilities in respect of decommissioning costs in relation to the installation, and
 - (b) the Secretary of State certifies by notice in writing (an "approval notice") that one or more relevant persons have paid into the fund an amount or amounts the total of which is not less than the required amount.

(5A) In subsection (5)—

- (a) "relevant person" means a person of a description specified in regulations made by the Secretary of State;
- (b) "the required amount" means an amount determined by the Secretary of State in accordance with regulations made by the Secretary of State.
- (5B) Where the Secretary of State gives an approval notice in relation to an eligible CCS installation the Secretary of State must—
 - (a) give a copy of the approval notice to every person to whom a notice has been given under section 29(1) of the 1998 Act in relation to the installation, and
 - (b) publish a notice that—
 - (i) specifies the installation, and
 - (ii) states that the Secretary of State has given an approval notice under subsection (5)(b) in relation to it.]
 - (6) Where an eligible CCS installation qualifies for change of use relief—
 - (a) an abandonment programme notice must not be served on a person who is within section 30(1) of the 1998 Act only because one or more of subsections (7) to (9) applies in relation to the person (but this does not affect the validity of a notice served on any such person before the installation qualified for change of use relief), and
 - (b) a proposal must not be made under section 34(1)(b) of the 1998 Act if the effect of the proposal (if implemented) would be to impose an abandonment liability on a person who is within section 34(2)(a) of the 1998 Act only because one or more of subsections (7) to (10) applies in relation to the person.
 - (7) This subsection applies in relation to a person if—
 - (a) the person is within paragraph (b) of section 30(1) of the 1998 Act in relation to the installation only by virtue of the fact that the person had a right mentioned in section 30(5)(a) of that Act when an activity mentioned in section 30(6) of that Act was last carried on from, by means of or on the installation, and
 - (b) any such activity was last so carried on before the trigger event occurred in relation to the installation.
 - (8) This subsection applies in relation to a person if—
 - (a) the person is within paragraph (ba) of section 30(1) of the 1998 Act in relation to the installation, and

- (b) the transfer mentioned in sub-paragraph (i) of that paragraph took place before the trigger event occurred in relation to the installation.
- (9) This subsection applies in relation to a person if the person is within paragraph (e) of section 30(1) of the 1998 Act only by virtue of being associated with a body corporate which is within subsection (7) or (8).
- (10) This subsection applies in relation to a person if the person has been within any of paragraphs (a), (b), (c), (d) or (e) of section 30(1) of the 1998 Act in relation to the installation, but only at a time—
 - (a) when the installation was an offshore installation (within the meaning given by section 44 of the 1998 Act), and
 - (b) before the trigger event occurred in relation to the installation.
- (11) The power conferred by subsection (1) does not include a power to revoke [F99] a notice given] under that subsection.

[The Secretary of State must publish a notice given under subsection (1).] $^{\text{F}100}(11\text{A})$

(12) In this section—

"abandonment liability", in relation to an installation, means a duty to secure that an abandonment programme for the installation is carried out;

"abandonment programme", in relation to an installation, means a programme in respect of the installation approved, or having effect as if approved, by the Secretary of State under section 32 of the 1998 Act;

"abandonment programme notice" means a notice served under section 29(1) of the 1998 Act;

"captured carbon dioxide" means carbon dioxide that has been produced by, or in connection with, commercial electricity generation and captured with a view to its disposal by way of permanent storage;

"carbon dioxide", [F101] has the same meaning] as in Part 1 of the Energy Act 2010 (see section 7 of that Act);

[F103"decommissioning costs" has the meaning given by section 92 of the Energy Act 2023:]

[F103" relevant person" means a person to whom a notice may be given under section 29(1) of the 1998 Act in relation to an offshore installation (within the meaning given by section 44 of the 1998 Act);]

"Scotland" has the same meaning as in the Scotland Act 1998 (see section 126(1) of that Act).

(13) Section 30(8) to (9) of the 1998 Act (when one body corporate is associated with another) apply for the purposes of this section.

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Textual Amendments

F91 S. 30A, 30B inserted (18.12.2011) by Energy Act 2011 (c. 16), ss. 107(2), 121(3)

F92 S. 30A heading substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 96(2), 334(3)(b)

F93 Words in s. 30A(1) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 96(3), 334(3)(b)

F94 S. 30A(2) omitted (26.12.2023) by virtue of Energy Act 2023 (c. 52), ss. 96(4), 334(3)(b)

F95 S. 30A(3) omitted (26.12.2023) by virtue of Energy Act 2023 (c. 52), ss. 96(4), 334(3)(b)

F96 S. 30A(3A) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 96(5), 334(3)(b)
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F97 S. 30A(4)(4A) substituted for s. 30A(4) (26.12.2023) by Energy Act 2023 (c. 52), ss. 96(6), 334(3)(b)
F98 S. 30A(5)-(5B) substituted for s. 30A(5) (26.12.2023) by Energy Act 2023 (c. 52), ss. 96(7), 334(3)(b)
F99 Words in s. 30A(11) substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 96(8), 334(3)(b)
F100 S. 30A(11A) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 96(9), 334(3)(b)
F101 Words in s. 30A(12) substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 96(10)(a), 334(3)(b)
F102 Words in s. 30A(12) omitted (26.12.2023) by virtue of Energy Act 2023 (c. 52), ss. 96(10)(b), 334(3)
(b)
F103 Words in s. 30A(12) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 96(10)(c), 334(3)(b)
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30B [F104Change of use relief: carbon storage network pipelines]

(1) The Secretary of State may [F105, on an application made by a relevant person, by notice] designate a submarine pipeline as an eligible [F106 carbon storage network pipeline].

[The Secretary of State must consult the Oil and Gas Authority before deciding—

- (a) whether to designate a pipeline under subsection (1);
 - (b) whether to make a certification under subsection (3)(b).
- [F108(2)] An eligible carbon storage network pipeline qualifies for change of use relief if—
 - (a) the Secretary of State has given a CCS-related abandonment programme notice to a person in relation to the abandonment of the pipeline, and
 - (b) the trigger event has occurred in relation to the pipeline.
 - (2A) In subsection (2) "CCS-related abandonment programme notice" means an abandonment programme notice under section 29 of the 1998 Act given at a time when the pipeline is used, or is to be used wholly or mainly—
 - (a) for the purpose of disposing of carbon dioxide by way of geological storage, or
 - (b) as a licensable means of transportation.
- [F109(3) The trigger event occurs in relation to an eligible carbon storage network pipeline when—
 - (a) a decommissioning fund (as defined in section 92(7) of the Energy Act 2023) has been established for providing security for the discharge of liabilities in respect of decommissioning costs in relation to the pipeline, and
 - (b) the Secretary of State certifies by notice in writing (an "approval notice") that one or more relevant persons have paid into the fund an amount or amounts the total of which is not less than the required amount.
 - (3A) In subsection (3)—
 - (a) "relevant person" means a person of a description specified in regulations made by the Secretary of State;
 - (b) "the required amount" means an amount determined by the Secretary of State in accordance with regulations made by the Secretary of State.
 - (3B) Where the Secretary of State gives an approval notice in relation to an eligible carbon storage network pipeline, the Secretary of State must—
 - (a) give a copy of the approval notice to every person to whom a notice has been given under section 29(1) of the 1998 Act in relation to the pipeline, and
 - (b) publish a notice that—
 - (i) specifies the pipeline, and

- (ii) states that the Secretary of State has given an approval notice under subsection (3)(b) in relation to it.]
- (4) Where an eligible [F106] carbon storage network pipeline] qualifies for change of use relief, a proposal must not be made under section 34(1)(b) of the 1998 Act if the effect of the proposal (if implemented) would be to impose an abandonment liability on a person who is within section 34(2)(b) of the 1998 Act only because subsection (5) applies in relation to the person.
- (5) This subsection applies in relation to a person if the person has been within any of paragraphs (a) to (c) of section 30(2) of the 1998 Act in relation to the pipeline, but only at a time—
 - (a) when the pipeline was used solely for activities other than activities connected with any mentioned in section 17(2)(a), (b) or (c), and
 - (b) before the trigger event occurred in relation to the pipeline.
- (6) The power conferred by subsection (1) does not include a power to revoke [F110] a notice given] under that subsection.

[The Secretary of State must publish a notice given under subsection (1).] $^{\text{FIII}}(6A)$

(7) In this section—

"abandonment liability", in relation to a submarine pipeline, is a duty to secure that an abandonment programme for the pipeline is carried out;

"abandonment programme", in relation to a submarine pipeline, means a programme in respect of the pipeline approved, or having effect as if approved, by the Secretary of State under section 32 of the 1998 Act;

"captured carbon dioxide" [F112 has the same meaning] as in section 30A; F113

 $[^{\text{F114}}\text{``decommissioning costs''}]$ has the meaning given by section 92 of the Energy Act 2023;

"geological storage", in relation to carbon dioxide, has the same meaning as in Part 1 of the Energy Act 2023 (see section 55 of that Act);

"licensable means of transportation" has the meaning given by section 2(3) of the Energy Act 2023;

"petroleum" has the same meaning as in Part 1 of the 1998 Act (see section 1 of that Act) and includes petroleum that has undergone any processing;

[F114" relevant person" means a person to whom a notice may be given under section 29(1) of the 1998 Act in relation to a submarine pipeline;]

"submarine pipeline" has the same meaning as in Part 4 of the Petroleum Act 1998 (see section 45 of that Act).

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Textual Amendments
F91 S. 30A, 30B inserted (18.12.2011) by Energy Act 2011 (c. 16), ss. 107(2), 121(3)
F104 S. 30B heading substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 97(2), 334(3)(b)
F105 Words in s. 30B(1) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 97(4), 334(3)(b)
F106 Words in s. 30B substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 97(3), 334(3)(b)
F107 S. 30B(1A) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 97(5), 334(3)(b)
F108 S. 30B(2)(2A) substituted for s. 30B(2) (26.12.2023) by Energy Act 2023 (c. 52), ss. 97(6), 334(3)(b)
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F109 S. 30B(3)-(3B) substituted for s. 30B(3) (26.12.2023) by Energy Act 2023 (c. 52), ss. 97(7), 334(3)(b)
F110 Words in s. 30B(6) substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 97(8), 334(3)(b)
F111 S. 30B(6A) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 97(9), 334(3)(b)
F112 Words in s. 30B(7) substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 97(10)(a), 334(3)(b)
F113 Words in s. 30B(7) omitted (26.12.2023) by virtue of Energy Act 2023 (c. 52), ss. 97(10)(b), 334(3)(b)
F114 Words in s. 30B(7) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 97(10)(c), 334(3)(b)
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[F11530C Relief under sections 30A and 30B: supplementary

- (1) The Secretary of State may by regulations make provision about the obtaining of information required, and sharing of information held, for the purposes of functions of the Secretary of State under sections 30A and 30B, including provision—
 - (a) for the Secretary of State to require the holder of a licence under section 7 of the Energy Act 2023, or a person who qualifies for change of use relief under section 30A or 30B, to provide information to the Secretary of State;
 - (b) authorising His Majesty's Revenue and Customs (or anyone acting on their behalf) to disclose to the Secretary of State information held as mentioned in section 18(1) of the Commissioners for Revenue and Customs Act 2005;
 - (c) for the enforcement of any requirement imposed by virtue of the regulations.
- (2) For the purposes of subsection (1), a person "qualifies for change of use relief" if—
 - (a) but for section 30A(6) they would be a person to whom a notice may be given under section 29(1) of the Petroleum Act 1998 in relation to a carbon storage installation, or
 - (b) but for section 30B(4) they would be a person to whom a proposal may be made under section 29(1) of the Petroleum Act 1998 in relation to a submarine pipeline.
- (3) In this section—

"carbon storage installation" has the same meaning as in section 30 of the Energy Act 2008;

"submarine pipeline" has the same meaning as in Part 4 of the 1998 Act (see section 45 of that Act).]

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Textual Amendments
F115 S. 30C inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 98(1), 334(3)(b)
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Termination of the licence

31 Termination of licence: regulations

- (1) The licensing authority may by regulations make provision—
 - (a) about the circumstances in which a licence may be terminated;
 - (b) imposing obligations on the licensing authority in respect of a carbon storage facility on or after the termination of a licence relating to the facility.
- (2) Regulations under this section may, in particular, make provision about financial arrangements to be made in relation to a closed carbon storage facility on or after the termination of a licence relating to the facility.

(3) A licence has effect subject to any regulations under this section.

[F116(3A) Where the licensing authority is the OGA—

- (a) regulations under this section are to be made by the Secretary of State (and not by the OGA), and
- (b) the Secretary of State must consult the OGA before making the regulations.]
- [FII7(4) In subsection (1) "licensing authority" does not include the Welsh Ministers or the Department of Enterprise, Trade and Investment in Northern Ireland.]

Textual Amendments

- **F116** S. 31(3A) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 60**; S.I. 2016/920, reg. 2(a)
- **F117** S. 31(4) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), **reg. 12**

Commencement Information

I31 S. 31 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

Miscellaneous

32 Safety zones

Sections 21, 23 and 24 of the Petroleum Act 1987 (c. 12) (safety zones) apply in relation to a carbon storage installation as they apply in relation to an installation within section 21(1) of that Act.

Commencement Information

I32 S. 32 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

33 Enhanced petroleum recovery: power to make orders

- (1) The use of carbon dioxide, in a controlled place, for a purpose ancillary to getting petroleum is to be regarded as—
 - (a) an activity within section 17(2), or
 - (b) the storage of gas for the purposes of section 1(3)(b),

only in the circumstances specified by the Secretary of State by order.

- [F118(1A) Before making an order under subsection (1), the Secretary of State must consult the OGA.]
 - (2) Subsection (1) and orders made under it are without prejudice to Part 1 of the Petroleum Act 1998 (c. 17).
 - (3) An order under subsection (1) may provide that the use of carbon dioxide, in a designated place, for a purpose ancillary to getting petroleum is to be regarded, for the purposes of this Chapter, as the use of carbon dioxide in a controlled place for such a purpose.

- (4) A designated place means a place designated by the order which is a place in, under or over waters in an area designated under section 1(7) of the Continental Shelf Act 1964 (c. 29), other than waters in a Gas Importation and Storage Zone.
- (5) In this section "petroleum" has the meaning given by section 1 of the Petroleum Act 1998 (c. 17).

Textual Amendments

F118 S. 33(1A) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 61**; S.I. 2016/920, reg. 2(a)

Commencement Information

I33 S. 33 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

Power of Secretary of State etc to transfer functions

- (1) The Secretary of State may by order transfer to a public body any function conferred on the Secretary of State by or under this Chapter, other than a power to make regulations or an order.
- (2) A function transferred by an order under subsection (1) reverts to the Secretary of State if the order is revoked.
- (3) An order under subsection (1) may—
 - (a) transfer different functions to different bodies;
 - (b) transfer functions to a body in respect of all activities within section 17(2) or only specified activities;
 - (c) transfer the same function to different bodies in respect of different activities;
 - (d) transfer functions to different bodies in respect of different places.
- (4) An order under subsection (1) may—
 - (a) provide for the Secretary of State to make payments to a body to which a function has been transferred in respect of the body's expenditure in connection with the exercise of the function;
 - (b) require any fee paid to such a body under this Chapter to be paid into the Consolidated Fund:
 - (c) make such modifications of section 188 of the Energy Act 2004 (c. 20) (power to impose charges to fund energy functions), or any regulations made under that section, as the Secretary of State considers appropriate in consequence of the transfer of a function by virtue of this section.
- (5) The Secretary of State may give a direction to a body to which functions have been transferred under subsection (1) about—
 - (a) whether, or in what circumstances, a function specified in the direction is to be carried out;
 - (b) the manner in which a function specified in the direction is to be carried out.
- (6) A direction under subsection (5) may be general or specific.
- (7) The Secretary of State may not give a direction under subsection (5) without first consulting the body to which the Secretary of State proposes to give the direction.

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Changes to legislation: There are currently no known outstanding effects for the Energy Act 2008, Part 1. (See end of Document for details)

- (8) This section applies in relation to the Scottish Ministers and any functions conferred on them by or under this Chapter as it applies in relation to the Secretary of State and any functions conferred on the Secretary of State by or under this Chapter, except that—
 - (a) in its application to the Scottish Ministers the reference in subsection (4)(b) to the Consolidated Fund is to be read as a reference to the Scottish Consolidated Fund, and
 - (b) the reference in that subsection to section 188 of the Energy Act 2004 (c. 20) is to be read as a reference to that section as applied and modified by subsection (12) (inserted by paragraph 13(e) of Schedule 1 to this Act).

Commencement Information

I34 S. 34 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

[F11934A Cooperation with economic regulator

- (1) This section applies where a licence holder also holds a relevant licence.
- (2) The licensing authority who granted the licence to the licence holder must provide such assistance as the economic regulator may reasonably require in carrying out its functions in relation to the relevant licence.
- (3) The licensing authority must, in particular, inform the economic regulator if it becomes aware of—
 - (a) circumstances that have arisen, or are likely to arise, in relation to the activities authorised by the licence which, in the opinion of the licensing authority, could affect the carrying on of activities authorised by the relevant licence;
 - (b) circumstances that have arisen, or are likely to arise, in which the licence or a storage permit granted under the licence may be terminated.
- (4) In this section—

"economic regulator" has the same meaning as in Part 1 of the Energy Act 2023 (see section 55 of that Act);

"relevant licence" means a licence under section 7 of the Energy Act 2023; "storage permit" means a storage permit within the meaning of—

- (a) regulation 1(3) of the Storage of Carbon Dioxide (Licensing etc) Regulations 2010 (S.I. 2010/2221), or
- (b) regulation 1(3) of the Storage of Carbon Dioxide (Licensing etc) (Scotland) Regulations 2011 (S.S.I. 2011/24).

Textual Amendments

F119 Ss. 34A, 34B inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 53(1), 334(3)(a)

34B Information sharing with economic regulator

(1) A licensing authority may provide information relating to a licence or a storage permit granted under a licence to the economic regulator for the purpose of enabling or facilitating the exercise of the economic regulator's functions in relation to a relevant licence.

- (2) Except as provided by subsection (3), the disclosure of information under this section does not breach—
 - (a) any obligation of confidence owed by the person making the disclosure, or
 - (b) any other restriction on the disclosure of information (however imposed).
- (3) This section does not authorise or require a disclosure of information if the disclosure would contravene the data protection legislation (but in determining whether a disclosure would do so, the power conferred by subsection (1) is to be taken into account).
- (4) In this section—

"the data protection legislation" has the same meaning as in the Data Protection Act 2018 (see section 3 of that Act);

"economic regulator", "relevant licence" and "storage permit" have the same meaning as in section 34A;

"information" includes advice.l

Textual Amendments

F119 Ss. 34A, 34B inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 53(1), 334(3)(a)

Interpretation

35 Chapter 3: interpretation

(1) In this Chapter—

"carbon storage facility" has the meaning given by section 20(8);

"carbon storage installation" has the meaning given by section 30(5);

"closure", in relation to a carbon storage facility, has the meaning given by section 20(8);

"controlled place" has the meaning given by section 17(3) [F120] and (3A) [F121] and (4)];

[F122"English controlled place" has the meaning given by section 18(4A);] [F123 "Gas Importation and Storage Zone" is to be read in accordance with section 1(5);]

"installation" includes any floating structure or device maintained on a station by whatever means;

"licence" means a licence granted under section 18(1), and "licence holder" is to be construed accordingly;

"licensing authority" has the meaning given by section 18(2).

[F122"Northern Ireland controlled place" has the meaning given by section 18(4A);]

[F122" offshore controlled place" means a place that is mentioned in section 17(3);]

[F122" offshore UK-controlled place" has the meaning given by section 18(2) (a);]

[F124" the OGA" means the Oil and Gas Authority.]

[F125 "Scottish controlled place" has the meaning given by section 18(5).]

[F122"Welsh controlled place" has the meaning given by section 18(4A).]

- (2) An Order in Council under section 126(2) of the Scotland Act 1998 (c. 46) (apportionment of sea areas) has effect for the purposes of this Chapter if, or to the extent that, the Order is expressed to apply—
 - (a) by virtue of this subsection, for the purposes of this Chapter, or
 - (b) if no provision has been made by virtue of paragraph (a), for the general or residual purposes of that Act.
- [F126(3) An Order in Council under section 98(8) of the Northern Ireland Act 1998 has effect for the purposes of this Chapter if, or to the extent that, the Order in Council is expressed to apply—
 - (a) by virtue of this subsection, for the purposes of this Chapter, or
 - (b) if no provision has been made by virtue of paragraph (a), for the general or residual purposes of that Act.
 - (4) An order or Order in Council made under or by virtue of section 158(3) or (4) of the Government of Wales Act 2006 (apportionment of sea areas) has effect for the purposes of this Chapter if, or to the extent that, the order or Order in Council is expressed to apply—
 - (a) by virtue of this subsection, for the purposes of this Chapter, or
 - (b) if no provision has been made by virtue of paragraph (a), for the general or residual purposes of that Act.]

Textual Amendments

- F120 Words in s. 35(1) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 13(1)(a)
- **F121** Words in s. 35(1) inserted (S.) (1.4.2011) by The Energy Act 2008 (Storage of Carbon Dioxide) (Scotland) Regulations 2011 (S.S.I. 2011/224), regs. 1, **2(6)(a)**
- F122 Words in s. 35(1) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 13(1)(b)
- **F123** Words in s. 35(1) substituted (31.3.2014) by Marine and Coastal Access Act 2009 (c. 23), s. 324(3), **Sch. 4 para. 5(3)**; S.I. 2013/3055, art. 2
- **F124** Words in s. 35(1) inserted (1.10.2016) by Energy Act 2016 (c. 20), s. 84(3), **Sch. 1 para. 62**; S.I. 2016/920, reg. 2(a)
- F125 Definition of "Scottish controlled place" in s. 35(1) inserted (S.) (1.4.2011) by The Energy Act 2008 (Storage of Carbon Dioxide) (Scotland) Regulations 2011 (S.S.I. 2011/224), regs. 1, 2(6)(b)
- **F126** S. 35(3)(4) inserted (16.11.2011) by The Storage of Carbon Dioxide (Amendment of the Energy Act 2008 etc.) Regulations 2011 (S.I. 2011/2453), reg. 13(2)

Commencement Information

I35 S. 35 in force at 6.4.2009 by S.I. 2009/45, art. 4(a)(ii)

CHAPTER 4

GENERAL PROVISIONS ABOUT GAS IMPORTATION AND STORAGE

36 Chapters 2 and 3: consequential amendments

Schedule 1 contains amendments relating to Chapters 2 and 3.

Chapter 4 – General provisions about gas importation and storage Document Generated: 2024-04-22

Changes to legislation: There are currently no known outstanding effects for the Energy Act 2008, Part 1. (See end of Document for details)

Commencement Information

S. 36 in force at 6.4.2009 for specified purposes by S.I. 2009/45, art. 4(a)(iii)

I37 S. 36 in force at 13.11.2009 for specified purposes by S.I. 2009/2809, art. 2 (with art. 4)

Changes to legislation:

There are currently no known outstanding effects for the Energy Act 2008, Part 1.