



Petroleum Act 1998

1998 CHAPTER 17

PART III

SUBMARINE PIPELINES

^{F1}17D Provisions relating to certain offshore gas storage facilities.

^{F2}(1) The owner of an offshore gas storage facility to which this section applies (a “relevant facility”)—

- (a) shall publish at least once in every year the main commercial conditions relating to the grant to another person of a right to have gas stored in the facility on that person’s behalf; and
 - (b) shall publish any changes to the published conditions as soon as they become effective.
- (2) In subsection (1) “year” means any year ending with 9th August.
- (3) The owner of a relevant facility shall ensure that the conditions which he is required to publish under subsection (1) do not discriminate against any applicants or descriptions of applicants, or any potential applicants or descriptions of potential applicants, for a right to have gas stored in the facility.
- (4) Any person who seeks a right to have gas stored on his behalf in a relevant facility (“the applicant”) shall, before making an application to the Director under subsection (8), apply to the owner of the facility for the right.
- (5) An application under subsection (4) shall be made by giving notice to the owner specifying what is being sought.
- (6) Such a notice shall, in particular, specify—
- (a) the period during which the gas is to be stored in the facility;
 - (b) the kind of gas to be stored (which must be of, or similar to, the kind which the facility is designed to store); and
 - (c) the quantities of gas to be stored.

Changes to legislation: There are currently no known outstanding effects for the Petroleum Act 1998, Section 17D. (See end of Document for details)

- (7) Where an applicant gives a notice under subsection (5), he and the owner of the facility shall negotiate in good faith and endeavour to reach agreement on the application.
- (8) If the owner and the applicant do not reach any such agreement, the applicant may apply to the Director for a notice under subsection (11) securing to the applicant the right specified in the notice given under subsection (5).
- (9) The Director shall not entertain an application under subsection (8) unless he is satisfied that the parties have had a reasonable time in which to fulfil their duties under subsection (7).
- (10) Where a person applies to the Director under subsection (8) and the Director is satisfied as mentioned in subsection (9), the Director shall—
- (a) give notice to the owner of the facility and the applicant that he proposes to consider the application; and
 - (b) after the expiry of 21 days beginning with the date on which notice under paragraph (a) was served, but before considering the application, give them an opportunity of being heard with respect to the application.
- (11) Where the Director is satisfied that, if he served a notice under this subsection, the relevant facility in question could be operated in accordance with the notice without prejudicing its efficient operation for the purpose of storing, on behalf of its owner, the quantities of gas which the owner requires or may reasonably be expected to require, the Director may serve such a notice on the owner and the applicant.
- (12) A notice under subsection (11) may contain such provisions as the Director considers appropriate for any of the following purposes—
- (a) for securing to the applicant the right to have stored in the facility, for the period specified in the notice and in the quantities so specified or determined by or under the notice, gas which is of a kind so specified;
 - (b) to secure that the exercise of the right is not prevented or impeded;
 - (c) to regulate the charges which may be made for the storage of gas by virtue of that right; and
 - (d) to secure to the applicant such ancillary or incidental rights as may be necessary or expedient (which may, in particular, include a right to have a pipeline of his connected to the facility by the owner).
- (13) A notice under subsection (11) may also authorise the owner to recover from the applicant payments by way of consideration for any right mentioned in subsection (12) (a) or (d) of amounts specified in the notice or determined in accordance with the notice.]

Textual Amendments

- F1** Ss. 17A-17H inserted (10.8.2000) by [S.I. 2000/1937](#), reg. 2(4), [Sch. 4 para. 4](#)
- F2** S. 17D omitted (E.W.S.) (10.11.2011) by virtue of [The Electricity and Gas \(Internal Markets\) Regulations 2011](#) (S.I. 2011/2704), regs. 1(1), [16\(3\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Petroleum Act 1998, Section 17D.