



Energy Act 2011

2011 CHAPTER 16

PART 2

SECURITY OF ENERGY SUPPLIES

CHAPTER 3

UPSTREAM PETROLEUM INFRASTRUCTURE

90 Interpretation

(1) In this Chapter—

“foreign sector of the continental shelf” means an area within which rights are exercisable with respect to the sea bed and subsoil and their natural resources by a country or territory outside the United Kingdom;

“gas” means any substance which is or, if it were in a gaseous state, would be gas within the meaning of Part 1 of the Gas Act 1986;

“gas processing facility” means any facility which—

- (a) carries out gas processing operations in relation to piped gas;
- (b) is operated otherwise than by a gas transporter; and
- (c) is not an LNG import or export facility (within the meaning of section 12 of the Gas Act 1995);

[^{F1}“the OGA” means the Oil and Gas Authority;]

“oil processing facility” means any facility which carries out oil processing operations;

“payments” means payments in money or money's worth;

“petroleum” has the same meaning as in Part 1 of the Petroleum Act 1998, and includes petroleum that has undergone any processing;

“piped gas” means gas which—

- (a) originated from a petroleum production project; and
- (b) has been conveyed only by means of pipes;

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“pipeline” means a pipe or system of pipes for the conveyance of any thing;
 “upstream petroleum pipeline” means a pipeline or one of a network of pipelines—

- (a) which is operated or constructed as part of a petroleum production project and is not a carbon dioxide pipeline;
- (b) which is used to convey petroleum from the site of one or more such projects—
 - (i) directly to premises, in order for that petroleum to be used at those premises for power generation or for an industrial process;
 - (ii) directly to a place outside Great Britain;
 - (iii) directly to a terminal; or
 - (iv) indirectly to a terminal by way of one or more other terminals, whether or not such intermediate terminals are of the same kind as the final terminal; or
- (c) which is used to convey gas directly from a terminal to a pipeline system operated by a gas transporter or to any premises.

(2) For the purposes of this section—

“carbon dioxide pipeline” means—

- (a) a pipeline used to convey carbon dioxide to a carbon dioxide storage site; or
- (b) a pipeline which is not being used for any purpose but which is intended to be used to convey carbon dioxide to such a site;

“carbon dioxide storage site” means a facility—

- (a) for the storage of carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal); and
- (b) in respect of the use of which a person is required to have a licence under section 18 of the Energy Act 2008;

“gas processing operation” means any of the following operations—

- (a) purifying, blending, odourising or compressing gas for the purpose of enabling it to be introduced into a pipeline system operated by a gas transporter or to be conveyed to an electricity generating station, a gas storage facility or any place outside Great Britain;
- (b) removing from gas for that purpose any of its constituent gases, or separating from gas for that purpose any oil or water;
- (c) determining the quantity or quality of gas which is or is to be so introduced, or so conveyed, whether generally or by or on behalf of a particular person;
- (d) separating, purifying, blending, odourising or compressing gas for the purpose of—
 - (i) converting it into a form in which a purchaser is willing to accept delivery from a seller, or
 - (ii) enabling it to be loaded for conveyance to another place (whether inside or outside Great Britain); and
- (e) loading gas—
 - (i) at a facility which carries out operations of a kind mentioned in paragraph (d), or
 - (ii) piped from such a facility,

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for the purpose of enabling the gas to be conveyed to another place (whether inside or outside Great Britain);

“gas transporter” has the meaning given by section 7(1) of the Gas Act 1986;

“oil processing operations” means any of the following operations—

- (a) initial blending and such other treatment of petroleum as may be required to produce stabilised crude oil and other hydrocarbon liquids to the point at which a seller could reasonably make a delivery to a purchaser of such oil and liquids;
- (b) receiving stabilised crude oil and other hydrocarbon liquids piped from an oil processing facility carrying out operations of a kind mentioned in paragraph (a), or storing oil or other hydrocarbon liquids so received, prior to their conveyance to another place (whether inside or outside Great Britain);
- (c) loading stabilised crude oil and other hydrocarbon liquids piped from a facility carrying out operations of a kind mentioned in paragraph (a) or (b) for conveyance to another place (whether inside or outside Great Britain);

“petroleum production project” means a project carried out by virtue of a licence granted under section 3 of the Petroleum Act 1998 or section 2 of the Petroleum (Production) Act 1934, or an equivalent project in a foreign sector of the continental shelf, and includes such a project which is used for the storage of gas;

“terminal” includes—

- (a) facilities for such initial blending and other treatment as may be required to produce stabilised crude oil and other hydrocarbon liquids to the point at which a seller could reasonably make a delivery to a purchaser of such oil and liquids;
- (b) oil processing facilities;
- (c) gas processing facilities; and
- (d) a facility for the reception of gas prior to its conveyance to a place outside Great Britain.

Textual Amendments

- F1** Words in s. 90(1) inserted (1.10.2016) by [Energy Act 2016 \(c. 20\), s. 84\(3\), Sch. 1 para. 72; S.I. 2016/920, reg. 2\(a\)](#)

Commencement Information

- I1** S. 90 in force at 21.3.2012 by [S.I. 2012/873, art. 2\(b\)\(i\)](#) (with [art. 4](#))

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