

Energy Act 2016

2016 CHAPTER 20

An Act to make provision about the Oil and Gas Authority and its functions; to make provision about rights to use upstream petroleum infrastructure; to make provision about the abandonment of offshore installations, submarine pipelines and upstream petroleum infrastructure; to extend Part 1A of the Petroleum Act 1998 to Northern Ireland; to make provision about the disclosure of information for the purposes of international agreements; to make provision about fees in respect of activities relating to oil, gas, carbon dioxide and pipelines; to make provision about wind power; and for connected purposes. [12th May 2016]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

PART 1

THE OGA

The OGA and its core functions

1 The OGA

(1) The company originally incorporated under the Companies Act 2006 as the Oil and Gas Authority Limited is renamed as the Oil and Gas Authority.

(2) In relation to any of its functions—

(a) the Oil and Gas Authority is not to be regarded as acting on behalf of the Crown, and

(b) its members, officers and staff are not to be regarded as Crown servants.

(3) The Oil and Gas Authority is exempt from the requirements of the Companies Act 2006 relating to the use of "limited" as part of its name.

(4) In this Act "the OGA" means the Oil and Gas Authority.

2 Transfer of functions to the OGA

(1) Schedule 1 transfers certain functions of the Secretary of State to the OGA.

(2) The Secretary of State may by regulations provide—

(a) for the transfer to the OGA of any relevant functions exercisable by a Minister of the Crown, or

(b) for any such functions that are to be transferred to the Scottish Ministers or the Welsh Ministers to be exercisable by the OGA until the transfer to those Ministers takes effect.

(3) The Secretary of State may by regulations make such provision as the Secretary of State considers appropriate in consequence of, or in connection with, any provision contained in—

(a) Schedule 1, or

(b) regulations under subsection (2).

(4) The provision that may be made under subsection (3) includes provision—

(a) amending, repealing or revoking any enactment,

(b) amending any relevant authorisation (including any model clause incorporated, or having effect as if incorporated, in it) granted or given before the date when the regulations take effect,

(c) for anything done by or in relation to a Minister of the Crown in connection with any functions transferred to be treated as done, or to be continued, by or in relation to the OGA, and

(d) about the continuation of legal proceedings.

(5) Regulations under this section may not provide for the transfer to, or exercise by, the OGA of any power to legislate by means of orders, rules, regulations or other subordinate instrument.

(6) In this section and section 3—

"enactment" includes an enactment comprised in subordinate legislation, within the meaning of the Interpretation Act 1978;

"Minister of the Crown" has the same meaning as in the Ministers of the Crown Act 1975, and includes such Ministers acting jointly;

"relevant authorisation" means—

(a) a licence, authorisation or notice granted or given by a Minister of the Crown in the exercise of a relevant function, or

(b) a licence granted under section 2 of the Petroleum (Production) Act 1934 (searching for and getting petroleum);

"relevant function" means a function conferred by or under—

(a) Schedule 1 to the Oil Taxation Act 1975,

(b) the Petroleum Act 1998 (except Part 4),

(c) Chapter 2 or 3 of Part 1 of the Energy Act 2008,

(d) Part 8 of the Corporation Tax Act 2010,

(e) Chapter 3 of Part 2 of the Energy Act 2011,

(f) the Hydrocarbons Licensing Directive Regulations 1995 (S.I. 1995/1434),

(g) any regulations amended or modified by the Energy Act 2008 (Consequential Modifications) (Offshore Environmental Protection) Order 2010 (S.I. 2010/1513),

(h) the Storage of Carbon Dioxide (Licensing etc) Regulations 2010 (S.I. 2010/2221),

(i) the Storage of Carbon Dioxide (Termination of Licences) Regulations 2011 (S.I. 2011/1483),

(j) the Storage of Carbon Dioxide (Access to Infrastructure) Regulations 2011 (S.I. 2011/2305), or

(k) any other enactment that relates to matters similar to those to which an enactment mentioned in any of the preceding paragraphs relates.

3 Transfer of property, rights and liabilities to the OGA

(1) The Secretary of State may make one or more transfer schemes transferring qualifying property, rights and liabilities of a Minister of the Crown to the OGA.

(2) A scheme made under this section may, in particular, make provision—

(a) for anything done by or in relation to a Minister of the Crown in connection with any property, rights or liabilities transferred by the scheme to be treated as done, or to be continued, by or in relation to the OGA;

(b) for references to a Minister of the Crown in any agreement (whether written or not), instrument or other document relating to property, rights or liabilities transferred by the scheme to be treated as references to the OGA;

(c) about the continuation of legal proceedings;

(d) for transferring property, rights or liabilities which could not otherwise be transferred or assigned;

(e) for transferring property, rights or liabilities irrespective of any requirement for consent which would otherwise apply;

(f) for preventing a right of pre-emption, right of reverter, right of forfeiture, right to compensation or other similar right from arising or becoming exercisable as a result of the transfer of property, rights or liabilities;

(g) for dispensing with any formality in relation to the transfer of property, rights or liabilities by the scheme;

(h) for transferring property acquired, or rights or liabilities arising, after the scheme is made but before it takes effect;

(i) for apportioning property, rights or liabilities;

(j) for creating rights, or imposing liabilities, in connection with property, rights or liabilities transferred by the scheme;

(k) for requiring the OGA to enter into any agreement of any kind, or for a purpose, specified in or determined in accordance with the scheme.

(3) Subsection (2)(b) does not apply to references in an enactment or a relevant authorisation.

(4) In this section—

"property" includes interests of any description, and

"qualifying property, rights and liabilities" means property held, and rights and liabilities arising, in connection with functions which were functions of a Minister of the Crown and as a result of this Act have or are to become functions of the OGA, but does not include rights and liabilities relating to an individual's employment in the civil service of the State.

4 Transfer of staff to the OGA

(1) The Secretary of State may make one or more transfer schemes under which persons who hold employment in the civil service of the State become employees of the OGA (but this is subject to any provision contained in the scheme that allows a person to object to becoming an employee of the OGA).

(2) A scheme made under this section—

(a) may make provision for giving full effect for a person's transfer into the employment of the OGA as a result of the scheme, and

(b) may (in particular) include provision that is the same as, or similar to, the provision made by the Transfer of Undertakings (Protection of Employment) Regulations 2006 (S.I. 2006/246) (whether or not those regulations would otherwise apply in relation to the transfer).

5 Transfer schemes: supplementary

(1) A scheme made under section 3 or 4 may—

(a) contain incidental, supplementary and consequential provision;

(b) make transitory or transitional provision or savings;

(c) make different provision for different purposes;

(d) make provision subject to exceptions.

(2) Subject to subsection (3), the Secretary of State may modify a scheme made under section 3 or 4.

(3) If a transfer under the scheme has taken effect, any modification under subsection (2) that relates to the transfer may be made only with the agreement of the person (or persons) affected by the modification.

(4) A modification takes effect from such date as the Secretary of State may specify; and that date may be the date when the original scheme came into effect.

6 Pensions

(1) The persons to whom section 1 of the Superannuation Act 1972 (persons to or in respect of whom benefits may be provided by schemes under that section) applies are to include the employees of the OGA.

(2) Accordingly, in Schedule 1 to that Act (employment to which superannuation schemes may extend), in the list of other bodies, at the appropriate place insert—

"The Oil and Gas Authority."

(3) The employees of the OGA are to be treated for the purposes of paragraph (1)(b) of regulation 3 of the Public Service (Civil Servants and Others) Pensions Regulations 2014 (S.I. 2014/1964) as persons—

(a) to whom the scheme established under that regulation may potentially relate by virtue of paragraph (2) of that regulation, and

(b) in respect of whom the Minister for the Civil Service has made a determination under section 25(5) of the Public Service Pensions Act 2013.

(4) The OGA must pay to the Minister for the Civil Service, at such times as the Minister may direct, such sums as the Minister may determine in respect of any increase attributable to this section in the sums payable out of money provided by Parliament under the Superannuation Act 1972 and the Public Service Pensions Act 2013.

7 Contracting out of functions to the OGA

(1) Subsection (2) applies if, under section 69 of the Deregulation and Contracting Out Act 1994, the OGA is, or employees of the OGA are, authorised to exercise a function to which that section applies.

(2) Subsection (5)(a) of that section applies in relation to the authorisation as if the words ", not exceeding 10 years," were omitted.

(3) The Welsh Ministers may enter into an agreement with the OGA authorising the OGA to exercise any functions of the Welsh Ministers.

(4) The reference in subsection (3) to functions does not include functions of making, confirming or approving subordinate legislation contained in a statutory instrument.

(5) An agreement under subsection (3) does not affect the responsibility of the Welsh Ministers.

(6) An agreement under subsection (3) does not prevent the Welsh Ministers from exercising a function to which the agreement relates.

(7) The Welsh Ministers must arrange for a copy of any agreement under subsection (3) to be published in such manner as the Welsh Ministers consider appropriate for bringing it to the attention of the persons who, in the Welsh Ministers' opinion, are likely to be affected by it.

Exercise of functions

8 Matters to which the OGA must have regard

(1) The matters to which the OGA must have regard when exercising its functions include the following, so far as relevant—

Minimising future public expenditure

The need to minimise public expenditure relating to, or arising from, relevant activities.

Security of supply

The need for the United Kingdom to have a secure supply of energy.

Storage of carbon dioxide

The development and use of facilities for the storage of carbon dioxide, and of anything else (including, in particular, pipelines) needed in connection with the development and use of such facilities, and how that may assist the Secretary of State to meet the target in section 1 of the Climate Change Act 2008.

Collaboration

The need for the OGA to work collaboratively with the government of the United Kingdom and with persons who carry on, or wish to carry on, relevant activities.

Innovation

The need to encourage innovation in technology and working practices in relation to relevant activities.

System of regulation

The need to maintain a stable and predictable system of regulation which encourages investment in relevant activities.

(2) In this section and section 9—

"function" means any function of the OGA, including any function under Chapter 3 of Part 1 of the Energy Act 2008 (storage of carbon dioxide), other than a function which the OGA is authorised to exercise by virtue of—

(a) an order under section 69 of the Deregulation and Contracting Out Act 1994, or

(b) an agreement under section 7(3);

"relevant activity" means any activity in relation to which the OGA has functions.

9 Directions: national security and public interest

(1) The Secretary of State may give directions to the OGA as to the exercise by it of any of its functions if the Secretary of State considers that the directions—

(a) are necessary in the interests of national security, or

(b) are otherwise in the public interest.

(2) Directions may be given under subsection (1)(b) in relation to the exercise of a regulatory function in a particular case only if the Secretary of State considers that the circumstances are exceptional.

(3) Directions given under this section may be varied or revoked by further directions given under this section.

(4) The Secretary of State must lay before Parliament a copy of any directions given under this section.

(5) The Secretary of State may exclude from any directions laid before Parliament under subsection (4) any material the publication of which the Secretary of State considers would—

(a) be contrary to the interests of national security, or

(b) otherwise not be in the public interest.

(6) If the Secretary of State considers that publication of the directions (whether with or without the exclusion of material under subsection (5)) would fall within paragraph (a) or (b) of that subsection, the Secretary of State may, instead of laying the directions, lay before Parliament a memorandum stating—

(a) that the directions have been given, and

(b) the date on which they were given.

(7) The OGA must notify the Secretary of State of any cases, matters or circumstances which have arisen, or which the OGA considers are likely to arise, in respect of which

the OGA considers that the power to give directions under this section should be exercised by the Secretary of State.

(8) In this section "regulatory function" means—

(a) a function of granting or revoking a licence or other authorisation in relation to any relevant activity;

(b) a function of imposing conditions or requirements in relation to any relevant activity;

(c) a function that relates to securing, monitoring or investigating compliance with conditions or requirements in relation to any relevant activity.

10 Directions: requirements to notify Secretary of State

(1) The Secretary of State may give directions to the OGA specifying cases, matters or circumstances of which the OGA must notify the Secretary of State—

(a) when they arise, or

(b) if the OGA considers that they are likely to arise.

(2) Directions given under this section may be varied or revoked by further directions given under this section.

Information and samples

11 Power of Secretary of State to require information and samples

(1) The Secretary of State may require the OGA to provide the Secretary of State with such information or samples held by or on behalf of the OGA as the Secretary of State may require for the purpose of—

(a) carrying out any function conferred by or under any Act,

(b) monitoring the OGA's performance of its functions, or

(c) any Parliamentary proceedings.

(2) In this section—

(a) references to "protected material" are references to information or samples acquired by the Secretary of State under subsection (1), and

(b) references to disclosing protected material include references to making the protected material available to other persons (in a case where the protected material includes samples).

(3) The Secretary of State may use protected material only for the purpose for which it is provided.

(4) Protected material must not be disclosed—

(a) by the Secretary of State, or

(b) by a subsequent holder,

except in accordance with this section.

(5) For the purposes of subsection (4)(b), "subsequent holder", in relation to protected material, means a person who receives protected material directly or indirectly from the Secretary of State by virtue of a disclosure, or disclosures, in accordance with this section.

(6) Subsection (4) does not prohibit the Secretary of State from disclosing protected material so far as necessary for the purpose for which it was provided.

(7) Subsection (4) does not prohibit a disclosure of protected material if—

(a) the disclosure is required by virtue of an obligation imposed by or under any Act, or

(b) the OGA consents to the disclosure and, in a case where the protected material in question was provided to the OGA by or on behalf of another person, confirms that that person also consents to the disclosure.

Funding

12 Powers of the OGA to charge fees

(1) The OGA may charge fees—

(a) for making a determination under Schedule 1 to the Oil Taxation Act 1975;

(b) on an application made to it under section 12A of the Energy Act 1976;

(c) on an application made to it under section 3, 15, 16 or 17 of the Petroleum Act 1998;

(d) on an application of a prescribed description made to it by the holder of a licence granted under—

(i) section 3 of that Act (searching for, boring and getting petroleum), or

(ii) section 2 of the Petroleum (Production) Act 1934 (licences to search for and get petroleum);

(e) on an application of a prescribed description made to it by the holder of an authorisation issued under section 15 of the Petroleum Act 1998;

(f) for carrying out or attending any test, examination or inspection of a prescribed description;

(g) on an application made to it under section 4 or 18 of the Energy Act 2008;

(h) on an application of a prescribed description made to it by the holder of a licence granted under section 4 or 18 of that Act;

(i) for the storage by it of samples or information in accordance with an information and samples plan (see section 33(4) of this Act).

(2) The fees—

(a) are to be determined by or in accordance with regulations made by the Secretary of State, and

(b) are to be payable by such persons as the regulations may provide.

(3) The OGA must pay into the Consolidated Fund any amount which it receives in respect of fees charged by it under this section.

(4) Subsection (3) does not apply where the Secretary of State, with the consent of the Treasury, otherwise directs.

(5) Where in relation to any matter the OGA has a function mentioned in subsection (6), that function is treated for the purposes of this section as carried out pursuant to an application made to the OGA (whether or not there is any requirement to make such an application).

(6) The functions are—

(a) extending the term of a licence;
(b) giving its consent or approval in relation to any matter;
(c) objecting in relation to any matter.

(7) The OGA may not charge fees under this section for the exercise of any function which it is authorised to exercise by virtue of—
(a) an order under section 69 of the Deregulation and Contracting Out Act 1994, or
(b) an agreement under section 7(3).

(8) The Secretary of State must consult the OGA before making regulations under this section.

(9) In this section "prescribed" means prescribed by regulations made by the Secretary of State.

13 Levy on licence holders

(1) The Secretary of State may, by regulations, provide for a levy to be imposed on, and be payable by, one or more of the following kinds of persons—
(a) persons who hold licences (other than excluded licences) granted under section 3 of the Petroleum Act 1998 (searching for, boring and getting petroleum);
(b) persons who hold licences (other than excluded licences) granted under section 2 of the Petroleum (Production) Act 1934 (licences to search for and get petroleum);
(c) persons who hold licences granted under section 4 of the Energy Act 2008 (unloading and storing gas);
(d) persons who hold licences granted under section 18 of the Energy Act 2008 by the Secretary of State or the OGA (storage of carbon dioxide).

(2) The Secretary of State must exercise the power conferred by subsection (1) so as to secure—
(a) that the total amount of licensing levy which is payable in respect of a charging period does not exceed the sum of—
(i) the costs incurred by the OGA in exercising its functions in respect of that period, and
(ii) the costs incurred in respect of that period by the Lord Chancellor in connection with the provision of Tribunals to consider appeals against decisions of the OGA, and
(b) that no levy is payable in respect of costs incurred in the exercise of functions —
(i) for which fees are charged under section 12, or
(ii) which the OGA is authorised to exercise by virtue of an order under section 69 of the Deregulation and Contracting Out Act 1994 or an agreement under section 7(3) of this Act.

(3) In determining for the purposes of subsection (2)(a) the total amount of licensing levy payable in respect of a charging period, an amount of levy payable in respect of that period may be ignored if (during that period or subsequently)—
(a) having been paid, it is repaid or credit for it is given against other licensing levy that is payable, or

(b) having not been paid, the requirement to pay it is cancelled.

(4) The amount or amounts of licensing levy payable by licence holders must be—

(a) set out in the regulations, or

(b) calculated in accordance with a method set out in the regulations.

(5) The licensing levy is payable to the OGA.

(6) The OGA must pay into the Consolidated Fund any amount which it receives in respect of the licensing levy.

(7) Subsection (6) does not apply where the Secretary of State, with the consent of the Treasury, otherwise directs.

(8) The Secretary of State must consult the OGA before making regulations under this section.

(9) Section 14 does not limit the provision that may be made by regulations under this section.

(10) In this section and section 14—

"charging period" means a period in respect of which licensing levy is payable;

"excluded licence", in relation to a charging period, means a licence that, if granted at the beginning of the period, would fall to be granted by the Scottish Ministers or the Welsh Ministers (and for these purposes a licence within subsection (1)(b) is to be treated as granted under section 3 of the Petroleum Act 1998);

"licensing levy" means the levy provided for in regulations under this section.

14 The licensing levy: regulations

(1) Regulations may provide for the licensing levy payable in respect of a charging period to increase or decrease over that period.

(2) Regulations may provide for an amount of licensing levy payable by a licence holder to be calculated by reference to the size of an area to which a licence held by that person relates.

(3) Regulations may provide for different categories of licence holders to pay—

(a) different amounts of licensing levy, or

(b) amounts of licensing levy calculated, set or determined in different ways.

(4) Regulations may provide for a category of licence holder to be exempt from payment of the licensing levy.

(5) Regulations may provide for interest (at a rate specified in, or determined under, the regulations) to be charged in respect of unpaid amounts of licensing levy.

(6) Regulations may provide for unpaid amounts of licensing levy (together with any interest charged) to be recoverable as a civil debt.

(7) Regulations may confer a function (including a function involving the exercise of a discretion) on—

(a) the Secretary of State,
(b) the OGA, or
(c) any other person, apart from the Scottish Ministers or the Welsh Ministers.

(8) Regulations (including regulations of the kinds mentioned in subsections (3) and (4)) may provide for a category of licence holder to consist of persons who hold a kind of licence that is specified in the regulations.

(9) The regulations may (in particular) specify any of the following kinds of licence—
(a) licences granted under a particular enactment;
(b) licences of a particular description granted under a particular enactment;
(c) licences, or licences of a particular description (including a description falling within paragraph (a) or (b)), granted—
(i) before a particular time,
(ii) after a particular time, or
(iii) during a particular period.

(10) In this section—
"licence" means a licence falling within section 13(1);
"licence holder" means a person who holds a licence (whether the person was granted it or has, after its grant, acquired it by assignment or other means);
"regulations" means regulations under section 13.

15 Payments and financial assistance

(1) The Secretary of State may make payments or provide financial assistance to the OGA.

(2) The payments or financial assistance may be made or provided subject to such conditions as may be determined by the Secretary of State.

(3) In the case of a grant such conditions may, in particular, include conditions requiring repayment in specified circumstances.

(4) In this section "financial assistance" means grants, loans, guarantees or indemnities, or any other kind of financial assistance.

Review

16 Review of OGA and guidance from Secretary of State

(1) The Secretary of State must review the OGA's performance for each review period.

(2) The first review period—
(a) begins with the day on which section 1 comes into force, and
(b) ends at the end of the period of three years beginning with that day, or on such earlier day as the Secretary of State may determine.

(3) Subsequent review periods—
(a) begin with the day ("the first day") after the last day of the preceding review period,
(b) end at the end of the period of three years beginning with the first day, or on such earlier day as the Secretary of State may determine.

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(4) A review must, in particular—

(a) assess how effective the OGA has been in exercising its functions, and

(b) consider the OGA's functions under—

(i) Part 2, and

(ii) Chapter 3 of Part 1 of the Energy Act 2008 (storage of carbon dioxide),

with regard to their fitness for purpose and scope.

(5) As soon as practicable after a review period, the Secretary of State must—

(a) publish a report of the findings of the review for that period, and

(b) lay a copy of the report before Parliament.

(6) As a result of the findings of a review, the Secretary of State may give guidance to the OGA about any matter relating to the OGA's functions.

(7) The OGA must take account of any such guidance in carrying out its functions.

(8) For the purposes of this section "function" does not include any function which the OGA is authorised to exercise by virtue of—

(a) an order under section 69 of the Deregulation and Contracting Out Act 1994, or

(b) an agreement under section 7(3).

PART 2

FURTHER FUNCTIONS OF THE OGA RELATING TO OFFSHORE PETROLEUM

CHAPTER 1

INTRODUCTION

17 Overview of Part 2

(1) This Part contains provision about functions of the OGA relating to offshore petroleum.

(2) Chapter 2 makes provision for the OGA to consider disputes and make recommendations for resolving them.

(3) Chapter 3 makes provision about—

(a) the retention of information and samples by relevant persons,

(b) the preparation of plans for dealing with information and samples held by an offshore licensee when rights under a licence are terminated, and

(c) powers of the OGA to require information and samples.

(4) Chapter 4 makes provision—

(a) for the OGA to be informed of meetings,

(b) for persons authorised by the OGA to be entitled to participate in meetings, and

(c) for the OGA to be provided with information relating to meetings in which such persons do not participate.

(5) Chapter 5 makes provision about sanctions which may be imposed on persons for failures to comply with requirements.

(6) Chapter 6 makes provision about the disclosure of information and samples which have been obtained by the OGA under this Part.

18 Interpretation of Part 2

(1) In this Part—

"items subject to legal privilege"—

(a) in England and Wales, has the same meaning as in the Police and Criminal Evidence Act 1984 (see section 10 of that Act);

(b) in Scotland, has the meaning given by section 412 of the Proceeds of Crime Act 2002;

(c) in Northern Ireland, has the same meaning as in the Police and Criminal Evidence (Northern Ireland) Order 1989 (S.I. 1989/1341 (NI 12));

"licensee" means a person holding a petroleum licence;

"offshore licence" means a petroleum licence which confers on the holder of that licence rights in respect of offshore waters;

"offshore licensee" means a person holding an offshore licence;

"offshore waters" means—

(a) the waters comprising the territorial sea of the United Kingdom, and

(b) the sea in any area for the time being designated under section 1(7) of the Continental Shelf Act 1964;

"petroleum licence" means a licence granted under—

(a) section 3 of the Petroleum Act 1998 (searching for, boring for and getting petroleum), or

(b) section 2 of the Petroleum (Production) Act 1934 (licences to search for and get petroleum);

"the principal objective" means the objective set out in section 9A(1) of the Petroleum Act 1998;

"relevant person" means a person listed in section 9A(1)(b) of the Petroleum Act 1998;

"statutory function" means a function conferred or imposed by or under any Act;

"Tribunal" means the First-tier tribunal.

(2) In this Part a reference to a term or condition of a petroleum licence includes a reference to a condition imposed under a petroleum licence.

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CHAPTER 2

DISPUTES

19 Qualifying disputes and relevant parties

(1) For the purposes of this Chapter, a dispute is a qualifying dispute if—

(a) the dispute relates to qualifying issues, and

(b) the parties to the dispute include at least one relevant party.

(2) In this Chapter, "qualifying issues" means issues which—

(a) are relevant to the fulfilment of the principal objective, or

(b) relate to activities carried out under an offshore licence,

and are not the subject of a section 82 application.

(3) If a dispute relates in part to qualifying issues and in part to other issues, the dispute is a qualifying dispute only to the extent that it relates to the qualifying issues.

(4) For the purposes of subsection (2), an issue is the subject of a section 82 application if—

(a) an application has been made under section 82(4) of the Energy Act 2011 (acquisition of rights to use upstream petroleum infrastructure) in connection with the issue, and

(b) the OGA has made a decision under section 82(6)(a)(iii) of that Act to consider the application further.

(5) In this Chapter "relevant party" to a dispute means a party to the dispute who is a relevant person.

20 Reference of disputes to the OGA

(1) A relevant party to a qualifying dispute may refer it to the OGA.

(2) A reference under this section is to be made in such manner as the OGA may require.

(3) Requirements under subsection (2) as to the manner in which a reference is to be made —

(a) may make different provision for different cases;

(b) are to be imposed, withdrawn or modified by notice published in such manner as the OGA considers appropriate for bringing the requirement, withdrawal or modification to the attention of the persons who, in the OGA's opinion, are likely to be affected by it.

21 Action by the OGA on a dispute reference

(1) On a reference of a dispute made under section 20, the OGA must decide whether the reference is to be—

(a) rejected,

(b) adjourned to enable further negotiation between the parties to the dispute, or

(c) accepted (see section 23).

(2) The OGA must issue guidance about the matters to which it will have regard when making a decision under subsection (1).

(3) As soon as reasonably practicable after the OGA has made a decision under subsection (1), it must give notice in writing stating—

(a) its decision,

(b) the reasons for the decision, and

(c) the date of the decision,

to each relevant party to the dispute, and to any other parties to the dispute who have contributed (whether by providing information or attending meetings) to the OGA's decision-making process.

(4) The grounds on which the OGA may reject a reference include, but are not limited to, grounds that—

(a) the dispute is not a qualifying dispute;

(b) the party that referred the dispute is not a relevant party;

(c) the reference is frivolous or vexatious;

(d) there are more appropriate means available for resolving the dispute;

(e) the dispute is not sufficiently material to the fulfilment of the principal objective to warrant, in the circumstances, its consideration by the OGA;

(f) the OGA considers it unlikely that, in the circumstances, it would be able to make a satisfactory recommendation in respect of the dispute.

(5) Where the OGA adjourns a reference of a dispute—

(a) it must set a timetable in accordance with which relevant parties to the dispute are to conduct further negotiations and revert to the OGA,

(b) it may give directions with which relevant parties to the dispute are to comply during the adjournment, and

(c) it must, when the relevant parties revert to it following the adjournment, make a further decision under subsection (1) in respect of the reference.

(6) Requirements imposed by the OGA on relevant parties—

(a) under subsection (5)(a), or

(b) by directions under subsection (5)(b),

are sanctionable in accordance with Chapter 5.

22 Power of the OGA to consider disputes on its own initiative

(1) The OGA may decide, on its own initiative, to consider a qualifying dispute (see section 23).

(2) If the OGA decides to consider a qualifying dispute under this section, it must notify all parties to the dispute.

23 Procedure for consideration of disputes

(1) This section applies where the OGA—

(a) accepts a reference of a dispute under section 21(1), or

(b) decides to consider a dispute under section 22(1).

(2) The OGA must—

(a) consider the dispute, and

(b) make a recommendation for resolving it.

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(3) The OGA—

(a) must draw up a timetable for performing its duties under subsection (2), and

(b) may give directions with which the relevant parties to the dispute are to comply in order to enable the OGA to carry out those duties.

(4) The OGA's recommendation must be one which it considers will enable the dispute to be resolved in a way which best contributes to the fulfilment of the principal objective whilst having regard to the need to achieve an economically viable position for the parties to the dispute.

(5) The procedure for considering the dispute and making a recommendation is the procedure that the OGA considers most appropriate.

(6) Where the OGA makes a recommendation under this section, the OGA may publish—

(a) the recommendation or any part of it;

(b) a summary of the recommendation or of any part of it.

(7) Before publishing anything under subsection (6), the OGA must give an opportunity to be heard to each relevant party to the dispute.

(8) The OGA must issue guidance about the matters to which it will have regard when performing its duties under this section.

(9) Requirements imposed by directions under subsection (3)(b) are sanctionable in accordance with Chapter 5.

24 Power of the OGA to acquire information

(1) The OGA may require a relevant party to a dispute to provide it with such information as may be required by the OGA for the purposes of—

(a) deciding whether to reject, adjourn or accept a reference of the dispute under section 21(1),

(b) setting a timetable in respect of an adjournment of a reference of the dispute under section 21(5),

(c) assessing progress of further negotiations during such an adjournment,

(d) making a decision under section 22(1) to consider the dispute on its own initiative, or

(e) considering the dispute and making a recommendation under section 23(2),

subject to subsection (3).

(2) A person required to provide information under subsection (1) must provide it in such manner and within such reasonable period as may be specified by the OGA in the request for information.

(3) Information requested under subsection (1) may not include items subject to legal privilege.

(4) Requirements imposed under this section are sanctionable in accordance with Chapter 5.

25 Power of the OGA to require attendance at meetings

(1) The OGA may require a relevant party to a dispute to send an individual to act as its representative at a meeting with the OGA for the purpose of participating in proceedings relating to—

(a) whether a reference of the dispute is to be rejected, adjourned or accepted under section 21(1),

(b) whether the OGA is to make a decision to consider the dispute under section 22(1), or

(c) the consideration of the dispute and the making of a recommendation under section 23(2).

(2) The OGA may require that the individual sent to attend the meeting has the necessary knowledge and expertise for the purpose of participating in the proceedings in question.

(3) The OGA must give reasonable notice of any meeting at which attendance is required under this section.

(4) Requirements imposed by the OGA on relevant parties under this section are sanctionable in accordance with Chapter 5.

26 Appeals against decisions of the OGA: disputes

(1) This section applies to any decision of the OGA to which effect is given by one of the actions set out in an entry in column 1 of the table below.

(2) A person affected by any such decision may appeal against it to the Tribunal—

(a) on the grounds that the decision was not within the powers of the OGA, or

(b) on the grounds set out in the corresponding entry in column 2 of the table.

(1) Action by the OGA	*(2) Grounds for appeal*
The setting of a timetable under section 21(5)(a).	The timetable is unreasonable.
The giving of directions under section 21(5)(b).	A direction, or a number of directions taken together, are unreasonable.
The giving of directions under section 23(3)(b).	A direction, or a number of directions taken together, are unreasonable.
The imposition of a requirement to provide information under section 24(1).	Either— (a) the information requested is not relevant to the dispute in question, or (b) the period specified under section 24(2) is unreasonable.
The imposition of a requirement under section 25(1) or (2) in relation to attendance at a meeting.	Either— (a) the requirement to attend the meeting is unreasonable, (b) reasonable notice of the meeting was not given, or (c) the requirement as to the knowledge and expertise of the

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(1) Action by the OGA	*(2) Grounds for appeal*
	person attending the meeting is unreasonable.

(3) On an appeal under this section the Tribunal may—

(a) affirm, vary or quash the decision under appeal,

(b) remit the decision under appeal to the OGA for reconsideration with such directions (if any) as the Tribunal considers appropriate, or

(c) substitute its own decision for the decision under appeal.

CHAPTER 3

INFORMATION AND SAMPLES

Interpretation

27 Petroleum-related information and samples

(1) In this Chapter—

"petroleum-related information" means—

(a) in relation to any relevant person, information acquired or created by or on behalf of the person in the course of carrying out activities which are relevant to the fulfilment of the principal objective, and

(b) in relation to a relevant person who is an offshore licensee, information acquired or created by or on behalf of the person in the course of carrying out activities under the licensee's licence, which is not information falling within paragraph (a);

"petroleum-related samples" means samples of substances acquired by or on behalf of an offshore licensee in the course of carrying out activities under the licensee's licence.

(2) In this Chapter, "petroleum-related information" and "petroleum-related samples" include information or samples acquired or created as mentioned in subsection (1) which are relevant to activities carried out under a carbon dioxide storage licence.

(3) In subsection (2) "carbon dioxide storage licence" means a licence granted under section 18 of the Energy Act 2008.

Retention

28 Retention of information and samples

(1) Regulations made by the Secretary of State may require—

(a) specified relevant persons to retain specified petroleum-related information;

(b) specified offshore licensees to retain specified petroleum-related samples.

(2) Regulations under this section may include provision about—

(a) the form or manner in which information or samples are to be retained;

(b) the period for which information or samples are to be retained;

(c) the event that triggers the commencement of that period.

(3) In this section, "specified" means specified, or of a description specified, in regulations under this section.

(4) Requirements imposed by regulations under this section are sanctionable in accordance with Chapter 5.

(5) Before making regulations under this section the Secretary of State must consult the OGA.

29 Retention: supplementary

(1) Subsection (2) applies in relation to regulations under section 28 imposing requirements on an offshore licensee to retain information or samples.

(2) The regulations may provide for those requirements to continue following a termination of rights under the licensee's licence (whether by transfer, surrender, expiry or revocation and whether in relation to all or only part of the licence).

(3) Regulations under section 28 may not impose requirements which have effect in relation to particular petroleum-related information or particular petroleum-related samples at any time when an information and samples plan dealing with the information or samples has effect (see sections 30 to 33).

Information and samples plans

30 Information and samples plans: termination of rights under offshore licences

(1) This section and sections 31 to 33 make provision in relation to the preparation of information and samples plans in connection with licence events.

(2) The following definitions apply for the purposes of this section and those sections.

(3) "Licence event" means—

(a) a transfer of rights under an offshore licence, whether in relation to all or part of the area in respect of which the licence was granted,

(b) a surrender of rights under an offshore licence in relation to all of the area in respect of which the licence was granted, or in relation to so much of that area in respect of which the licence continues to have effect,

(c) the expiry of an offshore licence, or

(d) the revocation of an offshore licence by the OGA.

(4) "Relevant licence", in relation to a licence event, means the licence in respect of which the licence event occurs.

(5) "Responsible person" in relation to a licence event, means the person who is or was, or the persons who are or were, the licensee in respect of the relevant licence immediately before the licence event.

(6) "Information and samples plan", in relation to a licence event, means a plan dealing with what is to happen, following the event, to—

(a) petroleum-related information held by the responsible person before the event, and

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(b) petroleum-related samples held by that person before the event.

31 Preparation and agreement of information and samples plans

(1) The responsible person must prepare an information and samples plan in connection with a licence event.

(2) The responsible person must agree the information and samples plan with the OGA—

(a) in the case of a licence event mentioned in section 30(3)(a), (b) or (c) (transfer, surrender or expiry), before the licence event takes place, or

(b) in the case of a licence event mentioned in section 30(3)(d) (revocation), within a reasonable period after the revocation of the relevant licence.

(3) An information and samples plan has effect once it is agreed with the OGA.

(4) If an information and samples plan is not agreed with the OGA as mentioned in subsection (2)(a) or (b), the OGA—

(a) may itself prepare an information and samples plan in connection with the licence event, and

(b) may require the responsible person to provide it with such information as the OGA may require to enable it to do so.

(5) The OGA must inform the responsible person of the terms of any information and samples plan it prepares in connection with a licence event.

(6) Where the OGA—

(a) prepares an information and samples plan in connection with a licence event, and

(b) informs the responsible person of the terms of the plan,

the plan has effect as if it had been prepared by the responsible person and agreed with the OGA.

(7) Where an information and samples plan has effect in connection with a licence event, the responsible person must comply with the plan.

(8) The requirements imposed by subsections (2) and (7), or under subsection (4)(b), are sanctionable in accordance with Chapter 5.

32 Changes to information and samples plans

(1) Where an information and samples plan has effect in relation to a licence event, the OGA and the responsible person may agree changes to the plan.

(2) Once changes are agreed, the plan has effect subject to those changes.

(3) Where—

(a) two or more persons are the responsible person in relation to a licence event, and

(b) those persons include a company that has, since the licence event, been dissolved,

the reference to the responsible person in subsection (1) does not include that company.

33 Information and samples plans: supplementary

(1) An information and samples plan, in relation to a licence event, may provide as appropriate for—

(a) the retention, by the responsible person, of any petroleum-related information or petroleum-related samples held by or on behalf of that person before the licence event,

(b) the transfer of any such information or samples to a new licensee or to a person holding a carbon dioxide storage licence, or

(c) appropriate storage of such information or samples.

(2) An information and samples plan prepared by the OGA under section 31(4) may not include provision under subsection (1)(b) for the transfer of information or samples to another person without the consent of the responsible person.

(3) Where an information and samples plan makes provision under subsection (1) for a person, other than the responsible person, to hold information or samples in accordance with the plan—

(a) the plan may, with the consent of that other person, impose requirements on that person in connection with the information and samples, and

(b) any such requirements are sanctionable in accordance with Chapter 5.

(4) An information and samples plan may provide for the storage of information or samples as mentioned in subsection (1)(c) to be the responsibility of the OGA.

(5) Subsection (6) applies where a transfer of rights under an offshore licence relates to only part of the area in relation to which the licence was granted.

(6) In those circumstances, the information and samples plan prepared in connection with the transfer is to relate to all petroleum-related information and petroleum-related samples held by the responsible person before the licence event, and not only petroleum-related information and petroleum-related samples in respect of that part of the area.

(7) In subsection (1)(b) "carbon dioxide storage licence" means a licence granted under section 18 of the Energy Act 2008.

Power to require information and samples

34 Power of the OGA to require information and samples

(1) The OGA may by notice in writing, for the purpose of carrying out any functions of the OGA which are relevant to the fulfilment of the principal objective or which relate to activities carried out under a carbon dioxide storage licence, require—

(a) a relevant person to provide it with any petroleum-related information, or a portion of any petroleum-related sample, held by or on behalf of the person;

(b) a person who holds information or samples in accordance with an information and samples plan (see sections 30 to 33) to provide it with any such information or a portion of any such sample,

subject to subsection (3).

(2) The notice must specify—

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(a) the form or manner in which the information or the portion of a sample must be provided;
(b) the time at which, or period within which, the information or the portion of a sample must be provided.

(3) Information requested under subsection (1) may not include items subject to legal privilege.

(4) Requirements imposed by a notice under this section are sanctionable in accordance with Chapter 5.

(5) Where a person provides information or a portion of a sample to the OGA in accordance with a notice under this section, any requirements imposed on the person in respect of that information or sample by regulations under section 28 are unaffected.

(6) In subsection (1) "carbon dioxide storage licence" means a licence granted under section 18 of the Energy Act 2008.

Coordinators

35 Information and samples coordinators

(1) A relevant person must—
(a) appoint an individual to act as an information and samples coordinator, and
(b) notify the OGA of that individual's name and contact details.

(2) The information and samples coordinator is to be responsible for monitoring the relevant person's compliance with its obligations under this Chapter.

(3) A relevant person must comply with subsection (1) within a reasonable period after—
(a) the date on which this section comes into force, if the person is a relevant person on that date, or
(b) becoming a relevant person, in any other case.

(4) The relevant person must notify the OGA of any change in the identity or contact details of the information and samples coordinator within a reasonable period of the change taking place.

(5) The requirements imposed by this section are sanctionable in accordance with Chapter 5.

Appeals

36 Appeals against decisions of the OGA: information and samples plans

(1) This section applies to any decision of the OGA to which effect is given by one of the actions set out in an entry in column 1 of the table below.

(2) A person affected by any such decision may appeal against it to the Tribunal—
(a) on the grounds that the decision was not within the powers of the OGA, or
(b) on the grounds set out in the corresponding entry in column 2 of the table.

(1) Action by the OGA	*(2) Grounds for appeal*
The preparation of an information and samples plan.	The plan is unreasonable.
The giving of a notice requiring the provision of information or samples under section 34(1).	The length of time given to comply with the notice is unreasonable.

(3) On an appeal under this section the Tribunal may—

(a) affirm, vary or quash the decision under appeal,

(b) remit the decision under appeal to the OGA for reconsideration with such directions (if any) as the Tribunal considers appropriate, or

(c) substitute its own decision for the decision under appeal.

CHAPTER 4

MEETINGS

37 Meetings: interpretation

(1) A meeting is a relevant meeting for the purposes of this Chapter if—

(a) two or more relevant persons are represented at the meeting, and

(b) the meeting involves discussion of relevant issues.

(2) A relevant person is represented at a meeting if an employee of, or a person acting on behalf of, the relevant person participates in the meeting.

(3) In this Chapter "meeting" includes a meeting which is conducted in such a way that those who are not present together at the same place may by electronic means participate in it.

(4) In this Chapter "relevant issues" means issues which—

(a) are relevant to the fulfilment of the principal objective, or

(b) relate to activities carried out under an offshore licence,

but does not include anything in respect of which a claim to legal professional privilege (or, in Scotland, to confidentiality of communications) could be maintained in any legal proceedings.

(5) A notice given by the OGA may provide that—

(a) a meeting specified, or of a description specified, in the notice is not a relevant meeting for the purposes of this Chapter;

(b) an issue specified, or of a description specified, in the notice is not a relevant issue for those purposes.

38 Duty to inform the OGA of meetings

(1) This section applies where a relevant person, or an employee of or person acting on behalf of the relevant person, knows or should know that a meeting arranged by, or on behalf of, the relevant person will be or is likely to be a relevant meeting.

(2) The relevant person must, in writing—

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(a) inform the OGA of the fact that the meeting is to take place, and

(b) provide such details of the meeting as are necessary for a person authorised by the OGA to be able to participate in it.

(3) The relevant person must comply with subsection (2)—

(a) at least 14 days before the day on which the meeting is to take place, or

(b) if that is not reasonably practicable, so as to give as much notice of the meeting as is reasonably practicable.

(4) In a case within subsection (3)(b) the relevant person must, when complying with subsection (2), explain in writing to the OGA why it was not reasonably practicable to comply with subsection (2) at least 14 days before the day on which the meeting is to take place.

(5) The relevant person must inform the OGA in writing as soon as is reasonably practicable of any changes to the information provided under subsection (2)(b).

(6) The relevant person must also provide the OGA with any information that is provided (whether by the relevant person or any other person) to other persons attending the meeting, including (in particular)—

(a) the agenda, and

(b) any other documents relevant to the meeting.

(7) That information must be provided to the OGA—

(a) at the same time as it is provided to other persons attending the meeting, or

(b) if it not possible for the relevant person to provide it to the OGA at that time, as soon after that time as is reasonably practicable.

(8) Subsection (6) does not require the relevant person to provide the OGA with information that does not relate to relevant issues.

(9) The information required under subsections (2), (5) and (6), and any explanation provided under subsection (4), must be provided to the OGA in such manner as may be required by a notice given by the OGA.

(10) The requirements imposed by this section are sanctionable in accordance with Chapter 5.

39 Participation by the OGA in meetings

(1) A person authorised by the OGA under this section is entitled to participate in any relevant meeting.

(2) But such a person is not entitled—

(a) to participate in any part of the meeting that does not relate to relevant issues, or

(b) if any matter is decided on by a vote, to take part in the voting.

(3) The relevant person who arranged the meeting, or on whose behalf the meeting was arranged, must secure that the right conferred by subsection (1) may be exercised.

(4) The requirement imposed by subsection (3) is sanctionable in accordance with Chapter 5.

40 Provision of information to the OGA after meetings

(1) This section applies where the right conferred by section 39(1) (right of person authorised by the OGA to participate) is not exercised in relation to a relevant meeting.

(2) The relevant person by, or on behalf of whom, the meeting was arranged must provide the OGA with a written summary of—

(a) the meeting, and

(b) any decisions reached at the meeting.

(3) The written summary must be provided to the OGA within a reasonable period after the end of the meeting.

(4) Subsection (2) does not require the relevant person to provide the OGA with any information that does not relate to relevant issues.

(5) The requirement imposed by this section is sanctionable in accordance with Chapter 5.

41 Notices

(1) This section applies to a notice given by the OGA under this Chapter.

(2) The notice—

(a) may make different provision for different cases, and

(b) may be varied or revoked by a further notice given by the OGA.

(3) The notice, and any variation or revocation, must be published in such manner as the OGA considers appropriate for bringing it to the attention of the persons who, in its opinion, are likely to be affected by it.

CHAPTER 5

SANCTIONS

Power to give sanction notices

42 Power of OGA to give sanction notices

(1) If the OGA considers that a person has failed to comply with a petroleum-related requirement imposed on the person, it may give the person a sanction notice in respect of that failure.

(2) If the OGA considers that there has a been a failure to comply with a petroleum-related requirement imposed jointly on two or more persons, it may give a sanction notice in respect of that failure—

(a) to one only of those persons,

(b) jointly to two or more of them, or

(c) jointly to all of them,

but it may not give separate sanction notices to each of them in respect of the failure.

(3) In this Chapter "petroleum-related requirement" means—

(a) a duty imposed under section 9C of the Petroleum Act 1998 to act in accordance with the current strategy or strategies produced under section 9A(2) of that Act for enabling the principal objective to be met,

(b) a term or condition of an offshore licence, or

(c) a requirement imposed on a person by or under a provision of this Act which, by virtue of the provision, is sanctionable in accordance with this Chapter.

(4) In this Chapter "sanction notice" means—

(a) an enforcement notice (see section 43),

(b) a financial penalty notice (see sections 44 to 46),

(c) a revocation notice (see section 47), or

(d) an operator removal notice (see section 48).

(5) Sanction notices, other than enforcement notices, may be given in respect of a failure to comply with a petroleum-related requirement even if, at the time the notice is given, the failure to comply has already been remedied.

(6) Where the OGA gives a sanction notice to a person in respect of a particular failure to comply with a petroleum-related requirement—

(a) it may, at the same time, give another type of sanction notice to the person in respect of that failure to comply;

(b) it may give subsequent sanction notices in respect of that failure only in accordance with section 54 (subsequent sanction notices).

(7) The OGA's power to give sanction notices under this section is subject to section 49 (duty of OGA to give sanction warning notices).

Sanction notices

43 Enforcement notices

(1) This section contains provision about enforcement notices which may be given under section 42 (failure to comply with a petroleum-related requirement).

(2) An enforcement notice is a notice which—

(a) specifies the petroleum-related requirement in question,

(b) gives details of the failure to comply with the requirement,

(c) informs the person or persons to whom the notice is given that the person or persons must comply with—

(i) the petroleum-related requirement, and

(ii) any directions included in the notice as mentioned in subsection (3),

before the end of the period specified in the notice.

(3) The notice may include directions as to the measures to be taken for the purposes of compliance with the petroleum-related requirement.

(4) Requirements imposed by directions included in an enforcement notice as mentioned in subsection (3) are sanctionable in accordance with this Chapter.

44 Financial penalty notices

(1) This section and sections 45 and 46 contain provision about financial penalty notices which may be given under section 42 (failure to comply with a petroleum-related requirement).

(2) A financial penalty notice is notice which—

(a) specifies the petroleum-related requirement in question,

(b) gives details of the failure to comply with the requirement,

(c) informs the person or persons to whom the notice is given that the person or persons must—

(i) comply with the petroleum-related requirement before the end of a period specified in the notice, in a case where it is appropriate to require such compliance and the failure to comply with the requirement has not already been remedied at the time the notice is given, and

(ii) pay the OGA a financial penalty of the amount specified in the notice before the end of a period specified in the notice.

(3) The period specified under subsection (2)(c)(ii) must not end earlier than the end of the period of 28 days beginning with the day on which the financial penalty notice was given.

45 Amount of financial penalty

(1) The financial penalty payable under a financial penalty notice in respect of a failure to comply with a petroleum-related requirement (whether payable by one person, or jointly by two or more persons) must not exceed £1 million.

(2) The OGA must—

(a) issue guidance as to the matters to which it will have regard when determining the amount of the financial penalty to be imposed by a financial penalty notice, and

(b) have regard to the guidance when determining the amount of the penalty in any particular case.

(3) The OGA may from time to time review the guidance and, if it considers appropriate, revise it.

(4) Before issuing or revising guidance under this section, the OGA must consult such persons as it considers appropriate.

(5) The OGA must lay any guidance issued under this section, and any revision of it, before each House of Parliament.

(6) The OGA must publish any guidance issued under this section, and any revision of it, in such manner as the OGA considers appropriate.

(7) The Secretary of State may by regulations amend subsection (1) to change the amount specified to an amount not exceeding £5 million.

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46 Payment of financial penalty

(1) If a financial penalty notice is given jointly to two or more persons, those persons are jointly and severally liable to pay the financial penalty under it.

(2) A financial penalty payable under a financial penalty notice is to be recoverable as a civil debt if it is not paid before the end of the period specified under section 44(2)(c)(ii).

(3) Money received by the OGA under a financial penalty notice must be paid into the Consolidated Fund.

47 Revocation notices

(1) This section contains provision about revocation notices which may be given under section 42 (failure to comply with a petroleum-related requirement).

(2) A revocation notice may be given only in respect of a failure to comply with a petroleum-related requirement imposed on a licensee in that capacity.

(3) Where two or more persons are the licensee in respect of a petroleum licence, the revocation notice may be given jointly to some or all of those persons.

(4) A revocation notice is a notice which—

(a) specifies the petroleum-related requirement in question,

(b) gives details of the failure to comply with the requirement,

(c) informs the person or persons to whom the notice is given that the petroleum licence held by that person or those persons is to be revoked in relation to that person, or those persons, on the date specified in the notice ("the revocation date").

(5) The revocation date must not be earlier than the end of the period of 28 days beginning with the day on which the revocation notice was given.

(6) A revocation notice may not be given in circumstances where the licence to be revoked in accordance with the notice is one which, on the date the notice is given, the OGA would not have the power to grant.

(7) Where a licence is revoked in relation to a person in accordance with a revocation notice—

(a) the rights granted to the person by the licence cease on the revocation date;

(b) the revocation does not affect any obligation or liability imposed on or incurred by the person under the terms and conditions of the licence;

(c) the terms and conditions of the licence apply as if the licence had been revoked in accordance with those terms and conditions, subject to section 56(2).

(8) Where two or more persons are the licensee in respect of a petroleum licence and a revocation notice is given in relation to some of those persons, but not in relation to others (the "continuing licence holders"), the OGA must inform the continuing licence holders that—

(a) the revocation notice has been given, and

(b) the licence will continue to have effect in relation to them following the revocation date.

48 Operator removal notices

(1) This section contains provision about operator removal notices which may be given under section 42 (failure to comply with a petroleum-related requirement).

(2) An operator removal notice may be given only in respect of a failure to comply with a petroleum-related requirement imposed on an operator under a petroleum licence in that capacity.

(3) An operator removal notice is a notice which—

(a) specifies the petroleum-related requirement;

(b) gives details of the failure to comply with the requirement;

(c) informs the operator to whom it is given that, with effect from a date specified in the notice ("the removal date"), the licensee under whose licence the operator operates ("the relevant licensee") is to be required to remove the operator (see subsection (5)).

(4) The OGA must—

(a) give a copy of the operator removal notice to the relevant licensee, and

(b) require the relevant licensee to remove the operator with effect from the removal date.

(5) Where a licensee is required to remove an operator from a specified date, the licensee must ensure that, with effect from that date, the operator does not exercise any function of organising or supervising any of the operations of searching for, boring for, or getting petroleum in pursuance of the licensee's petroleum licence.

(6) The removal date must not be earlier than the end of the period of 28 days beginning with the day on which the operator removal notice was given.

(7) An operator removal notice may not be given in circumstances where the licence under which the operator operates is one which, on the date the notice is given, the OGA would not have the power to grant.

(8) A requirement imposed on a licensee under subsection (4)(b) is sanctionable in accordance with this Chapter.

(9) In this Chapter, "operator under a petroleum licence" has the same meaning as in Part 1A of the Petroleum Act 1998 (see section 9I of that Act).

Sanction warning notices

49 Duty of OGA to give sanction warning notices

(1) This section applies where the OGA proposes to give a sanction notice in respect of a failure to comply with a petroleum-related requirement.

(2) The OGA must give a sanction warning notice in respect of the petroleum-related requirement to—

(a) the person or persons to whom it proposes to give a sanction notice, and

(b) where it proposes to give an operator removal notice, the relevant licensee (see section 48(3)(c)).

(3) A sanction warning notice, in respect of a petroleum-related requirement, is a notice which—

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(a) specifies the petroleum-related requirement,

(b) informs the person or persons to whom it is given that the OGA proposes to give a sanction notice in respect of a failure to comply with the requirement,

(c) gives details of the failure to comply with the petroleum-related requirement,

(d) informs the person or persons to whom it is given that the person or persons may, within the period specified in the notice ("the representations period"), make representations to the OGA in relation to the matters dealt with in the notice.

(4) The representations period is to be such period as the OGA considers appropriate in the circumstances.

(5) Subsections (6) and (7) apply where the OGA gives a sanction warning notice to a person or persons in respect of a petroleum-related requirement.

(6) The OGA must not give a sanction notice to the person or persons in respect of a failure to comply with the requirement until after the end of the representations period specified in the sanction warning notice.

(7) Having regard to representations made during the representations period specified in the sanction warning notice, the OGA may decide—

(a) to give the person or persons a sanction notice in respect of the failure to comply with the requirement detailed in the sanction warning notice under subsection (3)(c),

(b) to give the person or persons a sanction notice in respect of a failure to comply with the requirement which differs from the failure detailed in the sanction warning notice under subsection (3)(c), or

(c) not to give the person or persons a sanction notice in respect of a failure to comply with the requirement.

Appeals

50 Appeals in relation to sanction notices

(1) Where a sanction notice is given under this Chapter in respect of a failure to comply with a petroleum-related requirement, an appeal may be made—

(a) under section 51 (on the grounds that there was no such failure to comply);

(b) under section 52 (against the sanction imposed by the notice).

(2) Where an appeal is made in relation to a sanction notice, the notice ceases to have effect until a decision is made by the Tribunal to confirm, vary or cancel the notice.

(3) Where, on an appeal made in relation to a sanction notice—

(a) the Tribunal makes a decision to confirm or vary the notice, and

(b) an appeal is or may be made in relation to that decision,

the Tribunal, or the Upper Tribunal, may further suspend the effect of the notice pending a decision which disposes of proceedings on such an appeal.

51 Appeals against finding of failure to comply

(1) This section applies where a sanction notice is given in respect of a failure to comply with a petroleum-related requirement.

(2) An appeal may be made to the Tribunal by the person, or by any of the persons, to whom the notice was given, on the grounds that the person, or persons, did not fail to comply with the petroleum-related requirement.

(3) On an appeal under this section, the Tribunal may confirm or cancel the sanction notice.

(4) Where sanction notices are given on more than one occasion in respect of the same failure to comply with a petroleum-related requirement—

(a) an appeal under this section may be made only in relation to the sanction notice, or any of the sanction notices, given on the first of those occasions, and

(b) appeals in relation to sanction notices given on subsequent occasions in respect of that failure to comply may be made only under section 52 (appeals against sanction imposed).

52 Appeals against sanction imposed

(1) This section applies where a sanction notice is given in respect of a failure to comply with a petroleum-related requirement.

(2) An appeal may be made to the Tribunal—

(a) by the person, or by any of the persons, to whom the notice was given, and

(b) in the case of an operator removal notice under section 48, by the licensee under whose licence the operator operates,

against any of the decisions of the OGA mentioned in subsection (3) (as to the sanction imposed by the notice) on the grounds mentioned in subsection (4).

(3) Those decisions are—

(a) in a case where an enforcement notice has been given, the decision as to—

(i) the measures that are required to be taken for the purposes of compliance with the petroleum-related requirement, or

(ii) the period for compliance with the petroleum-related requirement;

(b) in a case where a financial penalty notice has been given, the decision—

(i) to impose a financial penalty, or

(ii) as to the amount of the financial penalty imposed;

(c) in a case where a revocation of licence notice has been given, the decision to revoke the licence, whether in relation to some or all of the persons to whom it was granted;

(d) in a case where an operator removal notice has been given, the decision to require the removal of the operator.

(4) The grounds are that the decision of the OGA—

(a) was unreasonable, or

(b) was not within the powers of the OGA.

(5) On an appeal under this section against a decision made in relation to an enforcement notice, the Tribunal may—

(a) confirm or quash the decision, in the case of a decision as mentioned in subsection (3)(a)(i) (remedial action), or

(b) confirm or vary the decision, in the case of a decision as mentioned in subsection (3)(a)(ii) (period for compliance),

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and confirm, vary or cancel the enforcement notice accordingly

(6) On an appeal under this section against a decision made in relation to a financial penalty notice, the Tribunal may—

(a) confirm or quash the decision, in the case of a decision as mentioned in subsection (3)(b)(i) (imposition of penalty), or

(b) confirm or vary the decision, in the case of a decision as mentioned in subsection (3)(b)(ii) (amount of penalty),

and confirm, vary or cancel the financial penalty notice accordingly.

(7) The Tribunal must have regard to any guidance issued by the OGA under section 45(2)(a) when deciding whether to confirm or vary a decision as to the amount of a financial penalty under subsection (6)(b).

(8) On an appeal under this section against a decision to revoke a licence or to require the removal of an operator the Tribunal may—

(a) confirm the decision,

(b) vary the decision by changing the revocation date or the removal date, as the case may be, or

(c) quash the decision, and

confirm, vary or cancel the sanction notice in question accordingly.

(9) Where a decision is quashed under subsection (5)(a), (6)(a) or (8), the Tribunal may remit the decision to the OGA for reconsideration with such directions (if any) as the Tribunal considers appropriate.

Supplementary

53 Publication of details of sanctions

(1) The OGA may publish details of any sanction notice given in accordance with this Chapter.

(2) But the OGA may not publish anything that, in the OGA's opinion—

(a) is commercially sensitive,

(b) is not in the public interest to publish, or

(c) is otherwise not appropriate for publication.

(3) If, after details of a sanction notice are published by the OGA, the sanction notice is—

(a) cancelled on appeal, or

(b) withdrawn under section 55,

the OGA must publish details of the cancellation or withdrawal.

54 Subsequent sanction notices

(1) This section applies where the OGA gives a sanction notice in respect of a particular failure to comply with a petroleum-related requirement (whether the notice is given alone or at the same time as another type of sanction notice).

(2) If the sanction notice given is a revocation notice or an operator removal notice, no further sanction notices may be given in respect of the failure to comply.

(3) If the sanction notice given is a financial penalty notice which does not require compliance with the petroleum-related requirement, no further sanction notices may be given in respect of the failure to comply.

(4) Subsection (5) applies if the sanction notice given is—

(a) an enforcement notice, or

(b) a financial penalty notice which requires compliance with the petroleum-related requirement.

(5) No further sanction notices may be given in respect of the failure to comply before the end of the period specified under section 43(2)(c) or 44(2)(c)(i), as the case may be (period for compliance with petroleum-related requirement).

55 Withdrawal of sanction notices

(1) The OGA may, at any time after giving a sanction notice, withdraw the sanction notice.

(2) If a sanction notice is withdrawn by the OGA—

(a) the notice ceases to have effect, and

(b) the OGA must notify the following persons of the withdrawal of the notice—

(i) the person or persons to whom the notice was given,

(ii) in the case of a revocation notice, the persons who were required to be informed of the giving of the revocation notice under section 47(8), and

(iii) in the case of an operator removal notice, the licensee under whose licence the operator operates.

56 Alternative means of enforcement

(1) Where the OGA gives a sanction notice to an offshore licensee in respect of a failure to comply with a petroleum-related requirement, the matter is to be dealt with in accordance with this Chapter.

(2) Any requirement under the licensee's licence to deal with the matter in a certain way (including by arbitration) does not apply in respect of that failure to comply.

Information

57 Sanctions: information powers

(1) This section applies for the purposes of an investigation by the OGA which—

(a) concerns whether a person has failed to comply with a petroleum-related requirement, and

(b) is carried out for the purpose of enabling the OGA to decide whether to give the person a sanction notice, or on what terms a sanction notice should be given to the person.

(2) The OGA may by notice in writing, for the purposes of that investigation, require the person to provide specified documents or other information.

(3) A requirement under subsection (2) only applies to the extent that the documents or information requested are—

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(a) documents that are in the person's possession or control, or
(b) other information that is in the person's possession or control.

(4) A requirement imposed by a notice under subsection (2) is sanctionable in accordance with this Chapter.

(5) The documents or information requested—
(a) may include documents or information held in any form (including in electronic form);
(b) may include documents or information that may be regarded as commercially sensitive;
(c) may not include items that are subject to legal privilege.

(6) The notice must specify—
(a) to whom the information is to be provided;
(b) where it is to be provided;
(c) when it is to be provided;
(d) the form and manner in which it is to be provided.

(7) In this section, "specified" in a notice, means specified, or of a description specified, in the notice.

58 Appeals against information requests

(1) A person to whom a notice is given under section 57 may appeal against it to the Tribunal on the grounds that—
(a) the giving of the notice is not within the powers of the OGA, or
(b) the length of time given to comply with the notice is unreasonable.

(2) On an appeal under this section the Tribunal may—
(a) confirm, vary or cancel the notice, or
(b) remit the matter under appeal to the OGA for reconsideration with such directions (if any) as the Tribunal considers appropriate.

The OGA's procedures

59 Procedure for enforcement decisions

(1) The OGA must determine the procedure that it proposes to follow in relation to enforcement decisions.

(2) That procedure must be designed to secure, among other things, that an enforcement decision is taken—
(a) by a person falling within subsection (3), or
(b) by two or more persons, each of whom falls within subsection (3).

(3) A person falls within this subsection if the person was not directly involved in establishing the evidence on which the enforcement decision is based.

(4) The OGA must issue a statement of its proposals.

(5) The statement must be published in a way appearing to the OGA to be best calculated to bring the statement to the attention of the public.

(6) When the OGA takes an enforcement decision, the OGA must follow its stated procedure.

(7) If the OGA changes its procedure in a material way, it must publish a revised statement.

(8) A failure of the OGA in a particular case to follow its procedure as set out in the latest published statement does not affect the validity of an enforcement decision taken in that case.

(9) But subsection (8) does not prevent the Tribunal from taking into account any such failure in considering an appeal under section 51 or 52 in relation to a sanction notice.

(10) In this section "enforcement decision" means either of the following—

(a) a decision to give a sanction notice in respect of a failure to comply with a petroleum-related requirement;

(b) a decision as to the details of the sanction to be imposed by the notice.

Interpretation

60 Sanctions: interpretation

In this Chapter—

"operator under a petroleum licence" has the meaning given in section 48(9);

"petroleum-related requirement" has the meaning given in section 42(3);

"sanction notice" has the meaning given in section 42(4).

CHAPTER 6

DISCLOSURE

General prohibition

61 Prohibition on disclosure

Protected material must not be disclosed—

(a) by the OGA, or

(b) by a subsequent holder,

except in accordance with this Chapter.

62 Meaning of "protected material" and related terms

(1) In this Chapter "protected material" means information or samples which have been obtained by the OGA under this Part.

(2) In this Chapter—

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"original owner", in relation to protected material provided to the OGA under this Part, means the person by whom, or on whose behalf, the protected material was so provided;

"subsequent holder", in relation to protected material, means a person holding protected material who has received it directly or indirectly from the OGA by virtue of a disclosure, or disclosures, in accordance with this Chapter.

(3) References to disclosing protected material include references to making the protected material available to other persons (in a case where the protected material includes samples).

Permitted disclosures

63 Disclosure by OGA to certain persons

(1) Section 61 does not prohibit a disclosure of protected material by the OGA which—

(a) is made to a person mentioned in column 1 of the table below,

(b) is made for the purpose of facilitating the carrying out of that person's functions, and

(c) is a disclosure of information obtained by the OGA under a Chapter mentioned in the corresponding entry of column 2 of the table.

Column 1	*Column 2*
A Minister of the Crown	Chapters 2 to 5
Her Majesty's Revenue and Customs	Chapters 2 to 4
The Competition and Markets Authority	Chapters 2 to 5
The Scottish Ministers	Chapter 3
The Welsh Ministers	Chapter 3
A Northern Ireland Department	Chapter 3
The Coal Authority	Chapter 3
The Office for Budget Responsibility	Chapter 3
An enforcing authority	Chapters 2 to 5
The competent authority under article 8 of the Offshore Safety Directive	Chapters 2 to 5
The Statistics Board	Chapters 2 to 5

(2) In the table—

"enforcing authority" has the same meaning as in Part 1 of the Health and Safety at Work etc Act 1974 (see section 18(7)(a) of that Act);

"Minister of the Crown" has the same meaning as in the Ministers of the Crown Act 1975;

"Offshore Safety Directive" means Directive 2013/30/EU of the European Parliament and of the Council of 12 June 2013 on safety of offshore oil and gas operations.

(3) Section 61 does not prohibit a disclosure of protected material by the OGA which—

(a) is a disclosure of protected material obtained by it under Chapter 3 (information and samples),

(b) is made to the Natural Environment Research Council, or any other similar body carrying on geological activities, and

(c) is made for the purpose of enabling the body to prepare and publish reports and surveys of a general nature using information derived from the protected material.

(4) A person to whom protected material is disclosed by virtue of subsection (1) or (3) may use the protected material only for the purpose mentioned in subsection (1)(b) or (3)(c) (as the case may be).

(5) Section 61 does not prohibit such a person from disclosing the protected material so far as necessary for that purpose.

(6) The Secretary of State may by regulations amend the table in subsection (1)—

(a) to remove a person from column 1,

(b) to add to column 1 a person to whom subsection (7) applies, or

(c) to add, remove or change entries in column 2.

(7) This subsection applies to—

(a) persons holding office under the Crown;

(b) persons in the service or employment of the Crown;

(c) persons acting on behalf of the Crown;

(d) government departments;

(e) publicly owned companies as defined in section 6 of the Freedom of Information Act 2000.

64 Disclosure required for returns and reports prepared by OGA

(1) Section 61 does not prohibit the OGA from using protected material obtained by the OGA under Chapter 3 (information and samples) for the purpose of—

(a) preparing such returns and reports as may be required under obligations imposed by or under any Act;

(b) preparing and publishing reports and surveys of a general nature using information derived from the protected material.

(2) Section 61 does not prohibit the OGA from disclosing protected material so far as necessary for those purposes.

65 Disclosure in exercise of certain OGA powers

(1) Section 61 does not prohibit a disclosure of protected material if—

(a) the protected material was obtained by the OGA under Chapter 2 (disputes), and

(b) the disclosure is made in the exercise of the OGA's powers under section 23(6) (publication of recommendations for resolving disputes).

(2) Section 61 does not prohibit a disclosure of protected material if it is made in the exercise of the OGA's powers under section 53 (publication of details of sanctions).

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(3) Section 61 does not prohibit a disclosure of protected material which is permitted by section 75 (international oil and gas agreements: information exchange).

66 Disclosure after specified period

(1) Section 61 does not prohibit protected material obtained by the OGA under Chapter 3 (information and samples) from being—

(a) published, or

(b) made available to the public (in a case where the protected material includes samples),

by the OGA or a subsequent holder at such time as may be specified in regulations made by the Secretary of State.

(2) Regulations under subsection (1) may include provision permitting protected material to be published, or made available to the public, immediately after it is provided to a person.

(3) Before making regulations under subsection (1), the Secretary of State must consult such persons as the Secretary of State considers appropriate.

(4) Subsection (3) does not apply if the Secretary of State is satisfied that consultation is unnecessary having regard to consultation carried out by the OGA in relation to what time should be specified in regulations under subsection (1).

(5) In determining the time to be specified in respect of protected material in regulations under subsection (1), the Secretary of State must have regard to the following factors—

(a) whether the specified time will allow owners of protected material a reasonable period of time to satisfy the main purpose for which they acquired or created the material;

(b) any potential benefits to the petroleum industry of protected material being published or made available at the specified time;

(c) any potential risk that the specified time may discourage persons from acquiring or creating petroleum-related information or petroleum-related samples (as defined in section 27);

(d) any other factors the Secretary of State considers relevant.

(6) In balancing the factors mentioned in subsection (5)(a) to (d), the Secretary of State must take into account the principal objective.

(7) For the purposes of subsection (5)(a), the owner of protected material is the person by whom, or on whose behalf, the protected material was provided to the OGA under Chapter 3 (information and samples).

67 Disclosure with appropriate consent

(1) Section 61 does not prohibit a disclosure of protected material if it is made with the appropriate consent.

(2) For this purpose a disclosure is made with the appropriate consent if—

(a) in the case of disclosure by the OGA, the original owner consents to the disclosure;

(b) in the case of disclosure by a subsequent holder—

(i) the OGA consents to the disclosure, and

(ii) in a case where the protected material in question was provided to the OGA under this Part, the OGA confirms that the original owner of the material also consents to the disclosure.

68 Disclosure required by legislation

Section 61 does not prohibit a disclosure of protected material required by virtue of an obligation imposed by or under any Act.

69 Disclosure for purpose of proceedings

(1) Section 61 does not prohibit a disclosure of protected material by the OGA for the purposes of, or in connection with—

(a) civil proceedings, or

(b) arbitration proceedings.

(2) Section 61 does not prohibit a disclosure of protected material by the OGA for the purposes of, or in connection with—

(a) the investigation or prosecution of criminal offences, or

(b) the prevention of criminal activity.

PART 3

INFRASTRUCTURE AND INFORMATION

Rights to use upstream petroleum infrastructure

70 Requirements to provide information

(1) The Energy Act 2011 is amended as follows.

(2) In section 87 (powers to require information), after subsection (5) insert—

"(5A) A notice under subsection (1), (2) or (3) that imposes a requirement on a person must specify when the requirement is to be complied with."

(3) After that section insert—

"**87A Appeals against requirements to provide information**

(1) Any person on whom a requirement is imposed by a notice under section 87(1), (2) or (3) may appeal against the notice to the Tribunal on the grounds that—

(a) the information required by the notice is not relevant to the exercise by the OGA of its functions under this Chapter, or

(b) the length of time given to comply with the notice is unreasonable.

(2) On an appeal under this section the Tribunal may—

(a) confirm, vary or cancel the notice, or

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(b) remit the matter under appeal to the OGA for reconsideration with such directions (if any) as the Tribunal considers appropriate.

(3) In this section "the Tribunal" means the First-tier Tribunal.

87B Sanctions for failure to provide information

(1) A requirement imposed by a notice under section 87(1), (2) or (3) is to be treated for the purposes of Chapter 5 of Part 2 of the Energy Act 2016 (power of the OGA to impose sanctions) as a petroleum-related requirement.

(2) But the OGA may not give a revocation notice or an operator removal notice under that Chapter by virtue of this section."

71 Applications to use infrastructure: changes of applicant and owner

(1) The Energy Act 2011 is amended as follows.

(2) In section 82(13) (contents of notice securing rights to use infrastructure), omit paragraph (b).

(3) In section 87(6) (circumstances in which information may be disclosed)—

(a) omit the "or" at the end of paragraph (a), and

(b) after paragraph (b) insert "or

(c) the disclosure is made under section 89A or 89B."

(4) After section 89 insert—

"**89A Assignments and assignations of applications**

(1) This section applies where—

(a) there is an assignment or assignation of an application made under section 82 from one person ("A") to another ("B"), and

(b) the following are notified of the assignment or assignation—

(i) the owner of the pipeline or facility that is the subject of the application, and

(ii) the OGA.

(2) A notice under subsection (1)(b) must—

(a) be in writing, and

(b) specify the date of the assignment or assignation.

(3) For the purposes of this Chapter, anything done (or treated as done) by or in relation to A in connection with the application is treated after the assignment or assignation as having been done by or in relation to B.

This subsection is subject to subsections (4) and (5) and does not apply for the purposes of subsections (6) and (7).

(4) Any provision of this Chapter that requires the OGA to give the applicant an opportunity to be heard has effect after the assignment or assignation as requiring the OGA to give B an opportunity to be heard (whether or not the applicant was heard under that provision before the assignment or assignation).

(5) Subsection (3) does not apply in relation to any notice given under section 87 before the assignment or assignation (and, accordingly, the person to whom the notice was given remains under an obligation to comply with it).

(6) Any information relating to the application obtained by the OGA before the assignment or assignation from any person who at the time was the applicant may be disclosed to B.

(7) Before disclosing any such information to B, the OGA must remove any information which the OGA considers may prejudice the commercial interests of the person from whom the information was obtained.

89B Transfers of ownership

(1) This section applies where the ownership of a pipeline or facility that is the subject of an application under section 82, or to which a notice under subsection (11) of that section relates, is transferred from one person ("C") to another ("D").

(2) For the purposes of this Chapter—

(a) anything done (or treated as done) by or in relation to C in connection with C's ownership of the pipeline or facility is treated after the transfer as having been done by or in relation to D, and

(b) any obligations imposed or rights conferred (or treated as imposed or conferred) by or under this Chapter on C in connection with C's ownership of the pipeline or facility are treated after the transfer as imposed or conferred on D.

This subsection is subject to subsections (3) and (4) and does not apply for the purposes of subsections (5) and (6).

(3) Any provision of this Chapter that requires the OGA to give the owner of the pipeline or facility an opportunity to be heard has effect after the transfer as requiring the OGA to give D an opportunity to be heard (whether or not the owner was heard under that provision before the transfer).

(4) Subsection (2) does not affect the obligation to comply with any notice given under section 87 before the transfer (and, accordingly, the person to whom the notice was given remains under an obligation to comply with it).

(5) Any information relating to the application obtained by the OGA before the transfer from any person who at the time was the owner may be disclosed to D.

(6) Before disclosing any such information to D, the OGA must remove any information which the OGA considers may prejudice the commercial interests of the person from whom the information was obtained."

Decommissioning

72 Abandonment of offshore installations

Schedule 2 makes provision about the abandonment of offshore installations.

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73 Duty to act in accordance with strategy: decommissioning and alternatives

(1) Part 1A of the Petroleum Act 1998 (maximising economic recovery of UK petroleum) is amended as follows.

(2) In section 9A (the principal objective and the strategy), in subsection (1)(b), after sub-paragraph (iv) insert—

"(v) owners of relevant offshore installations."

(3) In section 9C (carrying out of certain petroleum industry activities)—

(a) omit subsection (3), and

(b) after subsection (4) insert—

"(5) A person who is the owner of—

(a) a relevant offshore installation, or

(b) upstream petroleum infrastructure,

must act in accordance with the current strategy or strategies when planning and carrying out the activities mentioned in subsection (6).

(6) Those activities are—

(a) the person's activities as the owner of the installation or infrastructure (including the development, construction, deployment and use of the infrastructure or installation);

(b) the abandonment or decommissioning of the installation or infrastructure.

(7) For the purposes of subsection (5), planning the activities mentioned in subsection (6)(b) includes the preliminary stage of—

(a) deciding whether or when to proceed with the proposed abandonment or decommissioning, and

(b) considering alternative measures to abandonment or decommissioning such as re-use or preservation."

(4) After section 9H insert—

"**9HA Relevant offshore installations" and their owners**

(1) For the purposes of this Part an offshore installation is a relevant offshore installation if and in so far as it is used in relation to petroleum within subsection (2) (including such petroleum after it has been got).

(2) Petroleum is within this subsection if it is petroleum which for the time being exists in its natural condition in strata beneath—

(a) the territorial sea adjacent to Great Britain, or

(b) the sea in any area designated under section 1(7) of the Continental Shelf Act 1964.

(3) In this Part "owner", in relation to a relevant offshore installation, means—

(a) a person in whom the installation is vested, and

(b) a lessee and any person occupying or controlling the installation."

(5) In section 9I (other definitions), at the appropriate place insert—

""offshore installation" has the same meaning as in Part 4 (see section 44);";

""owner", in relation to a relevant offshore installation, has the meaning given in section 9HA;";

""relevant offshore installation" has the meaning given in section 9HA;";

""submarine pipeline" has the meaning given in section 45;".

Northern Ireland

74 Part 1A of the Petroleum Act 1998: Northern Ireland

(1) Part 1A of the Petroleum Act 1998 (maximising economic recovery of UK petroleum), as amended by this Act, extends to Northern Ireland (as well as to England and Wales and Scotland).

(2) In that Act, for section 9H substitute—

"**9H Upstream petroleum infrastructure" and its owners**

(1) In this Part "upstream petroleum infrastructure" means anything that for the purposes of section 82(1) of the Energy Act 2011 is—

(a) a relevant upstream petroleum pipeline,

(b) a relevant oil processing facility, or

(c) a relevant gas processing facility,

if and in so far as it is used in relation to petroleum within subsection (2) (including such petroleum after it has been got).

(2) Petroleum is within this subsection if it is petroleum which for the time being exists in its natural condition in strata beneath—

(a) the territorial sea adjacent to Great Britain, or

(b) the sea in any area designated under section 1(7) of the Continental Shelf Act 1964.

(3) In this Part "owner", in relation to upstream petroleum infrastructure, means —

(a) a person in whom the pipeline or facility is vested;

(b) a lessee and any person occupying or controlling the pipeline or facility; and

(c) any person who has the right to have things conveyed by the pipeline or processed by the facility."

International agreements

75 International oil and gas agreements: information exchange

(1) This section applies where—

(a) there is a treaty or agreement in force between the government of the United Kingdom and the government of a territory outside the United Kingdom ("the overseas territory") concerning cooperation in relation to oil and gas activities, and

(b) the treaty or agreement includes arrangements for the exchange of information between the two governments ("information exchange arrangements").

(2) If it appears to the Secretary of State that adequate safeguards are in place, information held by the Secretary of State may be disclosed so far as the Secretary of State considers necessary for the purpose of giving effect to the treaty or agreement in question.

(3) If it appears to the OGA that adequate safeguards are in place, information held by the OGA may be disclosed so far as the OGA considers necessary for the purpose of giving effect to the treaty or agreement in question.

(4) For the purposes of this section adequate safeguards are in place if the information exchange arrangements and the law in force in the overseas territory are such as to ensure that information disclosed to the government of the overseas territory under this section may be disclosed by that government only—

(a) with the consent of the government of the United Kingdom, or

(b) so far as necessary for the purpose of preparing and publishing reports of a general nature.

(5) References in this section to the OGA are to the OGA acting as a representative of the government of the United Kingdom for the purposes of the agreement with the overseas territory.

PART 4

FEES

76 Powers to charge fees

(1) In Part 4A of the Energy Act 2008 (works detrimental to navigation: oil, gas, carbon dioxide and pipelines), before section 82P insert—

"**82OA Fees**

(1) The Secretary of State may charge fees in connection with carrying out functions under this Part.

(2) The fees are to be determined by or in accordance with regulations made by the Secretary of State.

(3) The regulations may authorise the fees to be determined by or in accordance with a scheme made by the Secretary of State."

(2) In Part 4 of the Marine and Coastal Access Act 2009 (marine licences), after section 110 insert—

"Fees

110A Fees: oil and gas activities for which marine licence needed

(1) The Secretary of State may charge fees in connection with carrying out functions under this Part, so far as relating to oil and gas activities for which a marine licence is needed.

(2) The fees are to be determined by or in accordance with regulations made by the Secretary of State.

(3) The regulations may authorise the fees to be determined by or in accordance with a scheme made by the Secretary of State.

(4) If the regulations provide for determining fees in connection with functions of the Secretary of State under section 67, the fees are to be those provided for by the regulations, and not those (if any) provided for by regulations under section 67(2) or determined under section 67(5).

(5) "Oil and gas activities" are activities which relate to operations regulated under any of the provisions listed in subsection (6).

(6) The provisions are—

(a) section 2 of the Petroleum (Production) Act 1934 (searching and boring for, and getting, petroleum);

(b) Part 1 of the Petroleum Act 1998 (searching and boring for, and getting, petroleum);

(c) Part 3 of the Petroleum Act 1998 (submarine pipelines);

(d) Part 4 of the Petroleum Act 1998 (abandonment of offshore installations);

(e) Part 1 of the Energy Act 2008 (gas importation and storage);

(f) Part 4 of the Energy Act 2008 (oil and gas).

(7) See Chapter 1 for when a marine licence is needed for activities."

77 Validation of fees charged

(1) A fee charged by the Secretary of State at any time before the date on which this Act is passed ("the relevant time") is taken to have been lawfully charged if the condition in subsection (2) is met.

(2) The condition is that the fee was charged in connection with carrying out functions under any of the provisions listed in subsection (3), as the provision in question had effect at the relevant time.

(3) The provisions are—

(a) Part 4A of the Energy Act 2008 (works detrimental to navigation: oil, gas, carbon dioxide and pipelines);

(b) Part 4 of the Marine and Coastal Access Act 2009 (marine licences), so far as relating to oil and gas activities for which a marine licence under that Part is needed;

(c) the Merchant Shipping (Oil Pollution Preparedness, Response and Co-operation Convention) Regulations 1998 (S.I. 1998/1056);

(d) the Offshore Petroleum Production and Pipe-lines (Assessment of Environmental Effects) Regulations 1999 (S.I. 1999/360);

(e) the Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001 (S.I. 2001/1754).

(4) "Oil and gas activities" are activities which relate to operations regulated under any of the provisions listed in subsection (5).

(5) The provisions are—

(a) section 2 of the Petroleum (Production) Act 1934 (searching and boring for, and getting, petroleum);

(b) Part 1 of the Petroleum Act 1998 (searching and boring for, and getting, petroleum);

(c) Part 3 of the Petroleum Act 1998 (submarine pipelines);

(d) Part 4 of the Petroleum Act 1998 (abandonment of offshore installations);

(e) Part 1 of the Energy Act 2008 (gas importation and storage);

(f) Part 4 of the Energy Act 2008 (oil and gas).

(6) See Chapter 1 of Part 4 of the Marine and Coastal Access Act 2009 for when a marine licence under that Part is needed for activities.

PART 5

WIND POWER

Consent under Electricity Act 1989

78 Onshore wind generating stations in England and Wales

In section 36 of the Electricity Act 1989 (consent of Secretary of State required for construction or extension of generating stations), after subsection (1C) insert—

"(1D) Subsection (1) does not apply to an English or Welsh onshore wind generating station.

(1E) "English or Welsh onshore wind generating station" means a generating station that—

(a) generates electricity from wind, and

(b) is situated in England or Wales, but not in waters in or adjacent to England or Wales up to the seaward limits of the territorial sea."

Renewables obligation

79 Onshore wind power: closure of renewables obligation

(1) In Part 1 of the Electricity Act 1989 (electricity supply), after section 32LB insert—

"**32LC Onshore wind generating stations: closure of renewables obligation**

(1) No renewables obligation certificates are to be issued under a renewables obligation order in respect of electricity generated after the onshore wind closure date by an onshore wind generating station.

(2) Subsection (1) does not apply to electricity generated in the circumstances set out in any one or more of sections 32LD to 32LL.

(3) In this section and sections 32LD to 32LL—

"the onshore wind closure date" means the date on which the Energy Act 2016 is passed;

"onshore wind generating station" means a generating station that—

(a) generates electricity from wind, and

(b) is situated in England, Wales or Scotland, but not in waters in or adjacent to England, Wales or Scotland up to the seaward limits of the territorial sea.

(4) The reference in subsection (1) to a renewables obligation order is to any renewables obligation order made under section 32 (whenever made, and whether or not made by the Secretary of State).

(5) Power to make provision in a renewables obligation order or a renewables obligation closure order (and any provision contained in such an order) is subject to subsection (1) and sections 32LD to 32LL.

(6) This section is not otherwise to be taken as affecting power to make provision in a renewables obligation order or renewables obligation closure order."

(2) The Renewables Obligation Closure Order 2014 (S.I. 2014/2388) is amended as follows.

(3) In article 2(1) (interpretation), after the definition of "network operator" insert—

""onshore wind generating station" means a generating station that—

(a) generates electricity from wind, and

(b) is situated in England, Wales or Scotland, but not in waters in or adjacent to England, Wales or Scotland up to the seaward limits of the territorial sea;".

(4) In article 3 (closure of renewables obligation on 31st March 2017)—

(a) in the heading, after "solar pv stations" insert "or onshore wind generating stations";

(b) in paragraph (1), after "solar pv station" insert "or an onshore wind generating station".

80 Onshore wind power: circumstances in which certificates may be issued after the onshore wind closure date

(1) Part 1 of the Electricity Act 1989 (electricity supply) is amended as follows.

(2) After section 32LC (inserted by section 79 of this Act) insert—

"**32LD Onshore wind generating stations accredited, or additional capacity added, on or before the onshore wind closure date**

The circumstances set out in this section are where the electricity is—

(a) generated by an onshore wind generating station which was accredited on or before the onshore wind closure date, and

(b) generated using—

(i) the original capacity of the station, or

(ii) additional capacity which in the Authority's view first formed part of the station on or before the onshore wind closure date.

32LE Onshore wind generating stations accredited, or additional capacity added, in the year after the onshore wind closure date: grid or radar delay condition met

The circumstances set out in this section are where the electricity is—

(a) generated using the original capacity of an onshore wind generating station—

(i) which was accredited during the period beginning immediately after the onshore wind closure date and ending with the first anniversary of the onshore wind closure date, and

(ii) in respect of which the grid or radar delay condition is met, or

(b) generated using additional capacity of an onshore wind generating station, where—

(i) the station was accredited on or before the onshore wind closure date,

(ii) in the Authority's view, the additional capacity first formed part of the station during the period beginning immediately after the onshore wind closure date and ending with the first anniversary of the onshore wind closure date, and

(iii) the grid or radar delay condition is met in respect of the additional capacity.

32LF Onshore wind generating stations accredited, or additional capacity added, on or before 31 March 2017: approved development condition met

The circumstances set out in this section are where the electricity is—

(a) generated using the original capacity of an onshore wind generating station—

(i) which was accredited on or before 31 March 2017, and

(ii) in respect of which the approved development condition is met, or

(b) generated using additional capacity of an onshore wind generating station, where—

(i) the station was accredited on or before the onshore wind closure date,

(ii) in the Authority's view, the additional capacity first formed part of the station on or before 31 March 2017, and

(iii) the approved development condition is met in respect of the additional capacity.

32LG Onshore wind generating stations accredited, or additional capacity added, between 1 April 2017 and 31 March 2018: grid or radar delay condition met

The circumstances set out in this section are where the electricity is—

(a) generated using the original capacity of an onshore wind generating station—

(i) which was accredited during the period beginning with 1 April 2017 and ending with 31 March 2018,

(ii) in respect of which the approved development condition is met, and

(iii) in respect of which the grid or radar delay condition is met, or

(b) generated using additional capacity of an onshore wind generating station, where—

(i) the station was accredited on or before the onshore wind closure date,

(ii) in the Authority's view, the additional capacity first formed part of the station during the period beginning with 1 April 2017 and ending with 31 March 2018,

(iii) the approved development condition is met in respect of the additional capacity, and

(iv) the grid or radar delay condition is met in respect of the additional capacity.

32LH Onshore wind generating stations accredited, or additional capacity added, between 1 April 2017 and 31 January 2018: investment freezing condition met

The circumstances set out in this section are where the electricity is—

(a) generated using the original capacity of an onshore wind generating station—

(i) which was accredited during the period beginning with 1 April 2017 and ending with 31 January 2018, and

(ii) in respect of which both the approved development condition and the investment freezing condition are met, or

(b) generated using additional capacity of an onshore wind generating station, where—

(i) the station was accredited on or before the onshore wind closure date,

(ii) in the Authority's view, the additional capacity first formed part of the station during the period beginning with 1 April 2017 and ending with 31 January 2018, and

(iii) both the approved development condition and the investment freezing condition are met in respect of the additional capacity.

32LI Onshore wind generating stations accredited, or additional capacity added, between 1 February 2018 and 31 January 2019: grid or radar delay condition met

The circumstances set out in this section are where the electricity is—

(a) generated using the original capacity of an onshore wind generating station—

(i) which was accredited during the period beginning with 1 February 2018 and ending with 31 January 2019,

(ii) in respect of which both the approved development condition and the investment freezing condition are met, and

(iii) in respect of which the grid or radar delay condition is met, or

(b) generated using additional capacity of an onshore wind generating station, where—

(i) the station was accredited on or before the onshore wind closure date,

(ii) in the Authority's view, the additional capacity first formed part of the station during the period beginning with 1 February 2018 and ending with 31 January 2019,

(iii) both the approved development condition and the investment freezing condition are met in respect of the additional capacity, and

(iv) the grid or radar delay condition is met in respect of the additional capacity.

32LJ The approved development condition

(1) This section applies for the purposes of sections 32LF to 32LI.

(2) The approved development condition is met in respect of an onshore wind generating station if the documents specified in subsections (4), (5) and (6) were provided to the Authority with the application for accreditation of the station.

(3) The approved development condition is met in respect of additional capacity if the documents specified in subsections (4), (5) and (6) were provided to the Authority on or before the date on which the Authority made its decision that the additional capacity could form part of an onshore wind generating station.

(4) The documents specified in this subsection are—

(a) evidence that—

(i) planning permission for the station or additional capacity was granted on or before 18 June 2015, and

(ii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached,

(b) evidence that—

(i) planning permission for the station or additional capacity was refused on or before 18 June 2015, but granted after that date following an appeal or judicial review, and

(ii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached,

(c) evidence that—

(i) an application for 1990 Act permission or 1997 Act permission was made on or before 18 June 2015 for the station or additional capacity,

(ii) the period allowed under section 78(2) of the 1990 Act or (as the case may be) section 47(2) of the 1997 Act ended on or before 18 June 2015 without any of the things mentioned in section 78(2)(a) to (b) of the 1990 Act or section 47(2)(a) to (c) of the 1997 Act being done in respect of the application,

(iii) the application was not referred to the Secretary of State, Welsh Ministers or Scottish Ministers in accordance with directions given under section 77 of the 1990 Act or section 46 of the 1997 Act,

(iv) 1990 Act permission or 1997 Act permission was granted after 18 June 2015 following an appeal, and

(v) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached, or

(d) a declaration by the operator of the station that, to the best of the operator's knowledge and belief, planning permission is not required for the station or additional capacity.

(5) The documents specified in this subsection are—

(a) a copy of an offer from a licensed network operator made on or before 18 June 2015 to carry out grid works in relation to the station or additional capacity, and evidence that the offer was accepted on or before that date (whether or not the acceptance was subject to any conditions or other terms), or

(b) a declaration by the operator of the station that, to the best of the operator's knowledge and belief, no grid works were required to be carried out by a licensed network operator in order to enable the station to be commissioned or the additional capacity to form part of the station.

(6) The documents specified in this subsection are a declaration by the operator of the station that, to the best of the operator's knowledge and belief, as at 18 June 2015 a relevant developer of the station or additional capacity (or a person connected, within the meaning of section 1122 of the Corporation Tax Act 2010, with a relevant developer of the station or additional capacity)—

(a) was an owner or lessee of the land on which the station or additional capacity is situated,

(b) had entered into an agreement to purchase or lease the land on which the station or additional capacity is situated,

(c) had an option to purchase or to lease the land on which the station or additional capacity is situated, or

(d) was a party to an exclusivity agreement in relation to the land on which the station or additional capacity is situated.

(7) In this section—

"the 1990 Act" means the Town and Country Planning Act 1990;

"1990 Act permission" means planning permission under the 1990 Act (except outline planning permission, within the meaning of section 92 of that Act);

"the 1997 Act" means the Town and Country Planning (Scotland) Act 1997;

"1997 Act permission" means planning permission under the 1997 Act (except planning permission in principle, within the meaning of section 59 of that Act);

"exclusivity agreement", in relation to land, means an agreement by the owner or a lessee of the land not to permit any person (other than the persons identified in the agreement) to construct an onshore wind generating station on the land;

"planning permission" means—

(a) consent under section 36 of this Act,

(b) 1990 Act permission,

(c) 1997 Act permission, or

(d) development consent under the Planning Act 2008.

32LK The investment freezing condition

(1) This section applies for the purposes of sections 32LH and 32LI.

(2) The investment freezing condition is met in respect of an onshore wind generating station if the documents specified in subsection (4) were provided to the Authority with the application for accreditation of the station.

(3) The investment freezing condition is met in respect of additional capacity if the documents specified in subsection (4) were provided to the Authority on or before the date on which the Authority made its decision that the additional capacity could form part of an onshore wind generating station.

(4) The documents specified in this subsection are—

(a) a declaration by the operator of the station that, to the best of the operator's knowledge and belief, as at the Royal Assent date—

(i) the relevant developer required funding from a recognised lender before the station could be commissioned or additional capacity could form part of the station,

(ii) a recognised lender was not prepared to provide that funding until enactment of the Energy Act 2016, because of uncertainty over whether the Act would be enacted or its wording if enacted, and

(iii) the station would have been commissioned, or the additional capacity would have formed part of the station, on or before 31 March 2017 if the funding had been provided before the Royal Assent date, and

(b) a letter or other document, dated on or before the date which is 28 days after the Royal Assent date, from a recognised lender confirming (whether or not the confirmation is subject to any conditions or other terms) that the lender was not prepared to provide funding in respect of the station or additional capacity until enactment of the Energy Act 2016, because of uncertainty over whether the Act would be enacted or its wording if enacted.

(5) In this section—

"recognised lender" means a provider of debt finance which has been issued with an investment grade credit rating by a registered credit rating agency;

"the Royal Assent date" means the date on which the Energy Act 2016 is passed.

(6) For the purposes of the definition of "recognised lender" in subsection (5)—

"investment grade credit rating" means a credit rating commonly understood by registered credit rating agencies to be investment grade;

"registered credit rating agency" means a credit rating agency registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and the Council of 16 September 2009 on credit rating agencies.

32LL The grid or radar delay condition

(1) This section applies for the purposes of sections 32LE, 32LG and 32LI.

(2) The grid or radar delay condition is met in respect of an onshore wind generating station if, on or before the date on which the Authority made its decision to accredit the station, the documents specified in subsection (4), (5) or (6) were—

(a) submitted by the operator of the station, and

(b) received by the Authority.

(3) The grid or radar delay condition is met in respect of additional capacity if, on or before the date on which the Authority made its decision that the additional capacity could form part of an onshore wind generating station, the documents specified in subsection (4), (5) or (6) were—

(a) submitted by the operator of the station, and

(b) received by the Authority.

(4) The documents specified in this subsection are—

(a) evidence of an agreement with a network operator ("the relevant network operator") to carry out grid works in relation to the station or additional capacity ("the relevant grid works");

(b) a copy of a document written by, or on behalf of, the relevant network operator which estimated or set a date for completion of the relevant grid works ("the planned grid works completion date") which was no later than the primary date;

(c) a letter from the relevant network operator confirming (whether or not such confirmation is subject to any conditions or other terms) that—

(i) the relevant grid works were completed after the planned grid works completion date, and

(ii) in the relevant network operator's opinion, the failure to complete the relevant grid works on or before the planned grid works completion date was not due to any breach by a generating station developer of any agreement with the relevant network operator; and

(d) a declaration by the operator of the station that, to the best of the operator's knowledge and belief, the station would have been commissioned, or the additional capacity would have formed part of the station, on or before the primary date if the relevant grid works had been completed on or before the planned grid works completion date.

(5) The documents specified in this subsection are—

(a) evidence of an agreement between a generating station developer and a person who is not a generating station developer ("the radar works agreement") for the carrying out of radar works ("the relevant radar works");

(b) a copy of a document written by, or on behalf of, a party to the radar works agreement (other than a generating station developer) which estimated or set a date for completion of the relevant radar works ("the planned radar works completion date") which was no later than the primary date;

(c) a letter from a party to the radar works agreement (other than a generating station developer) confirming, whether or not such confirmation is subject to any conditions or other terms, that—

(i) the relevant radar works were completed after the planned radar works completion date, and

(ii) in that party's opinion, the failure to complete the relevant radar works on or before the planned radar works completion date was not due to any breach of the radar works agreement by a generating station developer; and

(d) a declaration by the operator of the station that, to the best of the operator's knowledge and belief, the station would have been commissioned, or the additional capacity would have formed part of the station, on or before the primary date if the relevant radar works had been completed on or before the planned radar works completion date.

(6) The documents specified in this subsection are—

(a) the documents specified in subsection (4)(a), (b) and (c);

(b) the documents specified in subsection (5)(a), (b) and (c); and

(c) a declaration by the operator of the station that, to the best of the operator's knowledge and belief, the station would have been commissioned, or the additional capacity would have formed part of the station, on or before the primary date if—

(i) the relevant grid works had been completed on or before the planned grid works completion date, and

(ii) the relevant radar works had been completed on or before the planned radar works completion date.

(7) In this section "the primary date" means—

(a) in a case within section 32LE(a)(i) or (b)(i) and (ii), the onshore wind closure date;

(b) in a case within section 32LG(a)(i) and (ii) or (b)(i) to (iii), 31 March 2017;

(c) in a case within section 32LI(a)(i) and (ii) or (b)(i) to (iii), 31 January 2018."

(3) In section 32M (interpretation of sections 32 to 32M)—

(a) in subsection (1), for "32LB" substitute "32LL";

(b) at the appropriate places insert the following definitions—

""accredited", in relation to an onshore wind generating station, means accredited by the Authority as a generating station which is capable of generating electricity from renewable sources; and "accredit" and "accreditation" are to be construed accordingly;";

""additional capacity", in relation to an onshore wind generating station, means any generating capacity which does not form part of the original capacity of the station;";

""commissioned", in relation to an onshore wind generating station, means having completed such procedures and tests in relation to the station as constitute, at the time they are undertaken, the usual industry standards and practices for commissioning that type of generating station in order to demonstrate that it is capable of commercial operation;";

""generating station developer", in relation to an onshore wind generating station or additional capacity, means—

(a) the operator of the station, or

(b) a person who arranged for the construction of the station or additional capacity;";

""grid works", in relation to an onshore wind generating station, means —

(a) the construction of a connection between the station and a transmission or distribution system for the purpose of enabling electricity to be conveyed from the station to the system, or

(b) the carrying out of modifications to a connection between the station and a transmission or distribution system for the purpose of enabling an increase in the amount of electricity that can be conveyed over that connection from the station to the system;";

""licensed network operator" means a distribution licence holder or a transmission licence holder;";

""network operator" means a distribution exemption holder, a distribution licence holder or a transmission licence holder;";

""the onshore wind closure date" has the meaning given by section 32LC(3);";

""onshore wind generating station" has the meaning given by section 32LC(3);";

""original capacity", in relation to an onshore wind generating station, means the generating capacity of the station as accredited;";

""radar works" means—

(a) the construction of a radar station,

(b) the installation of radar equipment,

(c) the carrying out of modifications to a radar station or radar equipment, or

(d) the testing of a radar station or radar equipment;";

""relevant developer", in relation to an onshore wind generating station or additional capacity, means a person who—

(a) applied for planning permission for the station or additional capacity,

(b) arranged for grid works to be carried out in relation to the station or additional capacity,

(c) arranged for the construction of any part of the station or additional capacity,

(d) constructed any part of the station or additional capacity, or

(e) operates, or proposes to operate, the station;".

81 Onshore wind power: use of Northern Ireland certificates

(1) The Electricity Act 1989 is amended as follows.

(2) Before section 32M insert—

"**32LM Use of Northern Ireland certificates: onshore wind power**

(1) The Secretary of State may make regulations providing that an electricity supplier may not discharge its renewables obligation (or its obligation in relation to a particular period) by the production to the Authority of a relevant Northern Ireland certificate, except in the circumstances, and to the extent, specified in the regulations.

(2) A "relevant Northern Ireland certificate" is a Northern Ireland certificate issued in respect of electricity generated after the onshore wind closure date (or any later date specified in the regulations)—

(a) using the original capacity of a Northern Ireland onshore wind generating station accredited after the onshore wind closure date (or any later date so specified), or

(b) using additional capacity of a Northern Ireland onshore wind generating station, where in the Authority's view the additional capacity first formed part of the station after the onshore wind closure date (or any later date so specified).

(3) In this section—

"NIRO Order" means any order made under Articles 52 to 55F of the Energy (Northern Ireland) Order 2003;

"Northern Ireland certificate" means a renewables obligation certificate issued by the Northern Ireland authority under the Energy (Northern Ireland) Order 2003 and pursuant to a NIRO Order;

"Northern Ireland onshore wind generating station" means a generating station that—

(a) generates electricity from wind, and

(b) is situated in Northern Ireland, but not in waters in or adjacent to Northern Ireland up to the seaward limits of the territorial sea.

(4) Power to make provision in a renewables obligation order by virtue of section 32F (and any provision contained in such an order) is subject to provision contained in regulations under this section.

(5) This section is not otherwise to be taken as affecting power to make provision in a renewables obligation order.

(6) Regulations under this section may amend a renewables obligation order.

(7) Section 32K applies in relation to regulations under this section as it applies in relation to a renewables obligation order."

(3) In section 32M (interpretation)—

(a) in subsection (1), for "32LB" substitute "32LM";

(b) in subsection (7), for "32L" substitute "32LM".

PART 6

FINAL PROVISIONS

82 Regulations

(1) A power to make regulations under this Act is exercisable by statutory instrument.

(2) A power to make regulations under this Act includes power—

(a) to make different provision for different purposes (including areas);

(b) to make provision generally or in relation to specific cases.

(3) A power to make regulations under this Act (except the power conferred by section 84) includes power to make incidental, consequential, supplemental, transitional or transitory provision or savings.

(4) A statutory instrument containing—

(a) regulations under section 2 which amend or repeal any Act or provision of an Act,

(b) regulations under section 45(7),

(c) regulations under section 63(6) or,

(d) regulations under section 66(1),

may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.

(5) A statutory instrument containing any other regulations under this Act is subject to annulment in pursuance of a resolution of either House of Parliament.

(6) Subsection (5) does not apply to a statutory instrument containing regulations under section 84.

83 Regulations and orders: disapplication of requirements to consult the OGA

(1) This section applies where the Secretary of State is required by this Act, the Petroleum Act 1998 or the Energy Act 2008 to consult the OGA before exercising a power to make regulations or an order.

(2) The requirement does not apply in relation to the first exercise of the power in the period of one year beginning with the date on which section 1 comes into force.

84 Commencement

(1) Sections 79 to 81 and this Part come into force on the day on which this Act is passed.

(2) Part 4 comes into force two months after the day on which this Act is passed.

(3) The remaining provisions of this Act come into force on such day or days as the Secretary of State may by regulations appoint.

(4) Regulations under subsection (3) may include transitional or transitory provision or savings.

85 Short title and extent

(1) This Act may be cited as the Energy Act 2016.

(2) An amendment (other than an amendment of Part 1A of the Petroleum Act 1998) or repeal made by this Act has the same extent as the provision to which it relates.

(3) Subject to subsection (2), this Act extends to the whole of the United Kingdom.

SCHEDULES

SCHEDULE 1

Section 2

TRANSFER OF FUNCTIONS TO THE OGA

PART 1

PRIMARY LEGISLATION

Energy Act 1976

1 The Energy Act 1976 is amended as follows.

2 (1) Section 12 (disposal of gas by flaring, etc) is amended as follows.

(2) After subsection (2) insert—

"(2A) Disposal of gas by flaring, or by releasing it unignited into the atmosphere, does not require consent under this section if consent—

(a) is required under section 12A (disposal of gas by flaring etc: OGA's functions), or

(b) would be required under that section but for subsection (3) of that section."

(3) At the end of the heading insert ": Secretary of State's functions".

3 After section 12 insert—

"**12A Disposal of gas by flaring, etc: OGA's functions**

(1) The OGA's consent is required for natural gas to be disposed of (whether at source or elsewhere)—

(a) by flaring, or by releasing it unignited into the atmosphere, from anything that for the purposes of section 82(1) of the Energy Act 2011 is a relevant oil processing facility or a relevant gas processing facility, or

(b) by releasing it unignited into the atmosphere in connection with activities carried out under a licence granted under—

(i) section 3 of the Petroleum Act 1998, or

(ii) section 2 of the Petroleum (Production) Act 1934.

(2) This section applies to all natural gas of the United Kingdom, whether obtained there or in territorial waters, or in areas designated under the Continental Shelf Act 1964, except gas conveyed through pipes to premises by a gas transporter within the meaning of Part 1 of the Gas Act 1986.

(3) Disposal of gas does not require consent under this section if—

(a) it is necessary in order to reduce or avoid the risk of injury to any person,

(b) the risk could not reasonably have been foreseen in time to reduce or avoid it otherwise than by means of the disposal, and

(c) it was not reasonably practicable to obtain consent under this section in the time available.

(4) A person who disposes of gas in cases where the consent of the OGA would have been required but for subsection (3) must inform the OGA of that disposal as soon as practicable after the disposal takes place.

(5) The OGA's consent under this section—

(a) may be given only by reference to particular cases, and

(b) may be made subject to conditions which may, in particular, be framed by reference to the description or origin of the gas, or the quantities to be disposed of.

12B Sanctions for failure to comply with section 12A

(1) The requirements imposed by subsections (1) and (4) of section 12A are to be treated for the purposes of Chapter 5 of Part 2 of the Energy Act 2016 (power of the OGA to impose sanctions) as petroleum-related requirements.

(2) But the OGA may not give an enforcement notice, a revocation notice or an operator removal notice under that Chapter by virtue of this section."

4 (1) Section 18 (administration, enforcement and offences) is amended as follows.

(2) In subsection (2)(a), for "9 and 12" substitute "9, 12 and 12A".

(3) In subsection (3)—

(a) in paragraph (a), for "9 or 12" substitute "9, 12 or 12A", and

(b) in paragraph (b), after "Secretary of State" insert "or the OGA".

5 In section 21 (interpretation), after the definition of "natural gas" insert—

""the OGA" means the Oil and Gas Authority;".

Petroleum Act 1998

6 The Petroleum Act 1998 is amended as follows.

7 In section 9A(2) (principal objective and the strategy), for "Secretary of State" substitute "OGA".

8 In section 9B (exercise of certain functions)—

(a) for "Secretary of State" (including in the heading) substitute "OGA",

(b) in paragraph (b), omit the words from "to the extent" to the end, and

(c) after paragraph (c) insert—

"(ca) exercising functions under Part 2 of the Energy Act 2016,".

9 After section 9B insert—

"**9BA Exercise of certain functions of the Secretary of State**

(1) The Secretary of State must act in accordance with the current strategy or strategies when exercising the functions mentioned in subsection (2).

(2) Those functions are functions under Part 4 to the extent that they concern reduction of the costs of abandonment of offshore installations and submarine pipelines (including the reduction of such costs by means of the timing of measures proposed in abandonment programmes and by the inclusion in such programmes of provision for collaboration with other persons)."

10 Omit section 9D.

11 (1) Section 9E (security and resilience functions) is amended as follows.

(2) In subsection (1), for "Secretary of State's" substitute "OGA's".

(3) In subsection (2), for "Secretary of State" substitute "OGA".

(4) In the heading, for "Secretary of State's" substitute "OGA's".

12 (1) Section 9F (producing and revising a strategy) is amended as follows.

(2) Omit subsection (1).

(3) For subsection (2) substitute—

"(2) After the first strategy has been produced, the OGA may—
(a) produce a new strategy, or
(b) revise a current strategy,
whenever the OGA thinks appropriate."

(4) In subsection (3), for "Secretary of State" substitute "OGA".

(5) Omit subsection (4).

13 (1) Section 9G (procedure for producing and revising a strategy) is amended as follows.

(2) In subsection (1)—
(a) omit paragraph (a), and
(b) for "Secretary of State" substitute "OGA".

(3) In subsection (2), for "Secretary of State" (in both places) substitute "OGA".

(4) For subsection (3) substitute—

"(3) If, after complying with that duty, the OGA decides to proceed with the draft (in its original form or with modifications), the OGA must send the draft to the Secretary of State.

(3A) The Secretary of State must either—
(a) lay a copy of the draft before each House of Parliament, or
(b) return the draft to the OGA and publish the Secretary of State's reasons for doing so.

(3B) The Secretary of State may return the draft to the OGA only if the Secretary of State thinks that—

(a) the OGA has failed to comply with subsection (2), or

(b) the strategy will not enable the principal objective to be met."

(5) In subsection (4), for "The Secretary of State" substitute "Where a copy of the draft has been laid in accordance with subsection (3A)(a), the OGA".

(6) In subsection (5), for "Secretary of State" substitute "OGA".

(7) In subsection (6), for "Secretary of State" substitute "OGA".

14 In section 14(1) (construction and use of pipelines), for "Secretary of State" substitute "OGA".

15 In section 15 (authorisations), for "Secretary of State" (in each place) substitute "OGA".

16 In section 16 (compulsory modifications of pipelines), for "Secretary of State" (in each place) substitute "OGA".

17 (1) Section 17 (acquisition of rights to use pipelines) is amended as follows.

(2) In subsection (1), for "Secretary of State" substitute "OGA".

(3) In subsection (2)—

(a) for "Secretary of State" substitute "OGA", and

(b) for "he" substitute "it".

(4) In subsection (3)—

(a) for "Secretary of State" (in both places) substitute "OGA", and

(b) for "he" substitute "it".

(5) In subsection (5), for "Secretary of State" substitute "OGA".

(6) In subsection (7), for "Secretary of State" substitute "OGA".

(7) In subsection (8)—

(a) for "Secretary of State" substitute "OGA", and

(b) for "he" substitute "it".

18 (1) Section 17F (acquisition of rights to use controlled petroleum pipelines) is amended as follows.

(2) In subsection (2), for "Secretary of State" substitute "OGA".

(3) In subsection (5), for "Secretary of State" substitute "OGA".

(4) In subsection (6)—

(a) for "Secretary of State" substitute "OGA", and

(b) for "he" substitute "it".

(5) In subsection (7)—

(a) for "Secretary of State" (in each place) substitute "OGA", and

(b) for "he" substitute "it".

(6) In subsection (8), for "Secretary of State" substitute "OGA".

(7) In subsection (9)—

(a) for "Secretary of State" (in both places) substitute "OGA", and

(b) for "he" substitute "it".

(8) In subsection (10), for "Secretary of State" substitute "OGA".

19 (1) Section 17G (section 17F: supplemental) is amended as follows.

(2) In subsection (1)—

(a) for "Secretary of State" (in both places) substitute "OGA", and

(b) for "himself" substitute "itself".

(3) In subsection (2)—

(a) for "Secretary of State" substitute "OGA", and

(b) for "him" substitute "it".

(4) In subsection (4)—

(a) for "Secretary of State" substitute "OGA",

(b) for "he" substitute "it", and

(c) for "him" substitute "it".

(5) In subsection (6), for "Secretary of State" substitute "OGA".

(6) In subsection (7)—

(a) for "Secretary of State" substitute "OGA", and

(b) for "he" substitute "it".

(7) In subsection (8), for "Secretary of State" substitute "OGA".

20 (1) Section 17GA (controlled petroleum pipeline subject to Norwegian access system) is amended as follows.

(2) In subsection (2), for "Secretary of State" substitute "OGA".

(3) In subsection (5)—

(a) for "Secretary of State" (in both places) substitute "OGA", and

(b) in paragraph (a), for "he" substitute "it".

(4) In subsection (6), for "Secretary of State" substitute "OGA".

(5) In subsection (7), for "Secretary of State" substitute "OGA".

(6) In subsection (8), for "he is obliged to do so under the Framework Agreement, the Secretary of State shall make his" substitute "the Framework Agreement so requires, the OGA shall make its".

21 (1) Section 17GB (section 17GA: supplemental) is amended as follows.

(2) In subsection (1)—

(a) for "Secretary of State" substitute "OGA", and

(b) for "him" substitute "it".

(3) In subsection (2)—

(a) for "Secretary of State" substitute "OGA",

(b) for "he is required to do so" substitute "the disclosure is required", and

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(c) omit "on him".

22 (1) Section 18 (termination of authorisations) is amended as follows.

(2) In subsection (1)(b), for "Secretary of State" substitute "OGA".

(3) In subsection (2)—
(a) for "Secretary of State" substitute "OGA", and
(b) for "he" substitute "it".

(4) In subsection (3)(b), for "Secretary of State" substitute "OGA".

(5) In subsection (4)—
(a) for "Secretary of State" substitute "OGA", and
(b) for "he" substitute "it".

(6) In subsection (5)—
(a) for "Secretary of State" (in both places) substitute "OGA", and
(b) for "he" (in each place) substitute "it".

(7) In subsection (6), for "Secretary of State" (in both places) substitute "OGA".

(8) In subsection (7)—
(a) for "Secretary of State" substitute "OGA", and
(b) for "him" substitute "it".

(9) In subsection (8), for "Secretary of State" (in both places) substitute "OGA".

(10) In subsection (9)—
(a) for "Secretary of State" substitute "OGA", and
(b) for "he" substitute "it".

23 (1) Section 19 (vesting of pipelines on termination or subsequent issue of authorisations) is amended as follows.

(2) In subsection (1), for "Secretary of State" substitute "OGA".

(3) In subsection (2)—
(a) for "Secretary of State" (in each place) substitute "OGA", and
(b) for "he" substitute "the OGA".

24 (1) Section 20 (inspectors etc) is amended as follows.

(2) For subsection (1) substitute—

"(1) The OGA may appoint, as inspectors to assist it in the execution of this Part of this Act, such number of persons appearing to it to be qualified for the purpose as it considers appropriate from time to time."

(3) In subsection (2)(a)(ii), for "Secretary of State" substitute "OGA".

25 (1) Section 21 (enforcement) is amended as follows.

(2) In subsection (1)(c), for "Secretary of State" substitute "OGA".

(3) In subsection (2), for "Secretary of State" substitute "OGA".

(4) In subsection (3), for "Secretary of State" substitute "OGA".

(5) In subsection (4)—

(a) for "Secretary of State" (in both places) substitute "OGA", and

(b) for "he" substitute "it".

(6) In subsection (5), for "Secretary of State" (in each place) substitute "OGA".

26 In section 25 (orders and regulations), for subsection (1) substitute—

"(1) Before making any order or regulations under this Part of this Act, the Secretary of State must consult—

(a) the OGA, and

(b) in the case of regulations, such organisations in the United Kingdom as the Secretary of State considers are representative of persons who will be affected by the regulations."

27 In section 28(1) (interpretation of Part 3), for the definition of "heard" substitute—

""heard" means—

(a) in relation to section 27, heard on behalf of the Secretary of State by a person appointed by the Secretary of State for the purpose, and

(b) otherwise, heard on behalf of the OGA by a person appointed by the OGA for the purpose.""

28 In section 45A (abandoned wells), for "Secretary of State" (in each place) substitute "OGA".

29 In section 46(1) (Northern Ireland and Isle of Man shares of petroleum revenue), for "Secretary of State" (in each place) substitute "OGA".

30 (1) Section 47A (factors to take into account) is amended as follows.

(2) In subsection (1)—

(a) for "Secretary of State" (in both places) substitute "OGA", and

(b) for "him" substitute "it".

(3) In subsection (2A), for "Secretary of State" substitute "OGA".

(4) In the heading, for "Secretary of State" substitute "OGA".

31 In section 48 (interpretation), after subsection (1) insert—

"(1A) In this Act "the OGA" means the Oil and Gas Authority."

32 (1) Schedule 2 (authorisations) is amended as follows.

(2) Omit paragraph 1(2).

(3) In paragraph 2—

(a) for "Secretary of State" (in each place) substitute "OGA", and

(b) in paragraph (b), for "his" substitute "its".

(4) In paragraph 3—

(a) for "Secretary of State" (in each place) substitute "OGA",

(b) for "his" substitute "its", and

(c) for "he" substitute "it".

33 (1) Paragraph 4 is amended as follows.

(2) In sub-paragraph (1)—

(a) for "Secretary of State" substitute "OGA",

(b) for "his" substitute "its", and

(c) for "him" substitute "it".

(3) In sub-paragraph (2)—

(a) for "Secretary of State" (in each place) substitute "OGA", and

(b) for "his" substitute "its".

(4) In sub-paragraph (3)—

(a) for "Secretary of State" substitute "OGA",

(b) for "his" substitute "its", and

(c) for "he" substitute "it".

34 (1) Paragraph 5 is amended as follows.

(2) In sub-paragraph (1)—

(a) for "Secretary of State" (in both places) substitute "OGA",

(b) for "his opinion he" substitute "its opinion it", and

(c) for "he thinks" substitute "it thinks".

(3) In sub-paragraph (2)—

(a) for "Secretary of State" (in both places) substitute "OGA", and

(b) for "his opinion, he" substitute "its opinion, it".

35 In paragraph 6, for "Secretary of State" (in both places) substitute "OGA".

36 In paragraph 7—

(a) for "Secretary of State" (in each place) substitute "OGA", and

(b) for "he" substitute "it".

37 (1) Paragraph 8 is amended as follows.

(2) In sub-paragraph (1)—

(a) for "Secretary of State" (in both places) substitute "OGA", and

(b) for "he" substitute "it".

(3) In sub-paragraph (2)—

(a) for "Secretary of State" substitute "OGA",

(b) for "he" (in the first place) substitute "it", and

(c) in paragraph (b), for the words following "notice in" substitute "such manner as it considers appropriate".

38 (1) Paragraph 9 is amended as follows.

(2) In sub-paragraph (1), for "Secretary of State" substitute "OGA".

(3) In sub-paragraph (2), for "Secretary of State" (in each place) substitute "OGA".

(4) For sub-paragraph (3) substitute—

"(3) The OGA shall publish a copy of the notice in such manner as it considers appropriate."

39 In paragraph 10—

(a) for "Secretary of State" (in each place) substitute "OGA", and

(b) for the words from "he shall" to "which he" substitute "it shall publish, in such manner as it".

Energy Act 2004

40 (1) Section 188 of the Energy Act 2004 (power to impose charges to fund energy functions) is amended as follows.

(2) In subsection (7), omit paragraphs (b), (h), (m) and (n).

(3) In subsection (8), omit paragraphs (da), (db) and (f).

(4) In subsection (12), in the substituted subsection (7A)(b), for "mentioned in subsection (8)(db)" (in both places) substitute "for which a licence under Chapter 3 of Part 1 of the Energy Act 2008 is required".

Energy Act 2008

41 The Energy Act 2008 is amended as follows.

42 In section 4(1) (licences), for "Secretary of State" substitute "OGA".

43 (1) Section 5 (applications) is amended as follows.

(2) The existing provision becomes subsection (1).

(3) In that subsection, omit paragraph (e).

(4) After that subsection insert—

"(2) Before making any regulations under this section, the Secretary of State must consult the OGA."

44 In section 6 (terms and conditions), for "Secretary of State" (in each place) substitute "OGA".

45 (1) Section 7 (model clauses) is amended as follows.

(2) In subsection (3), for "Secretary of State" substitute "OGA".

(3) After that subsection insert—

"(4) Before making any regulations under this section, the Secretary of State must consult the OGA."

46 (1) Section 9 (offences relating to licences) is amended as follows.

(2) In subsection (1)(a), for "Secretary of State" substitute "OGA".

(3) In subsection (3)(b), for "Secretary of State" substitute "OGA".

(4) In subsection (4)(b), for "Secretary of State" substitute "OGA".

47 In section 10 (power of direction), for "Secretary of State" (in each place, including in the heading) substitute "OGA".

48 In section 12 (injunctions restraining breaches of section 2(1)), for "Secretary of State" (in each place) substitute "OGA".

49 (1) Section 13 (inspectors) is amended as follows.

(2) In subsection (1), for "Secretary of State" (in both places) substitute "OGA".

(3) Omit subsection (2).

(4) In subsection (3)(b), for "Secretary of State" substitute "OGA".

(5) After subsection (5) insert—

"(6) Before making any regulations under this section, the Secretary of State must consult the OGA."

50 In section 14(5) (proceedings for offence created by regulations under section 13), omit paragraph (b) and the word "and" immediately before it.

51 In section 15 (interaction with petroleum licensing requirements), for "Secretary of State" (in each place) substitute "OGA".

52 In section 16 (interpretation), at the end insert—

""the OGA" means the Oil and Gas Authority."

53 In section 18(2) (licences: the licensing authority), for "Secretary of State" (in each place) substitute "OGA".

54 In section 19 (requirements relating to grant of licences), after subsection (2) insert—

"(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."

55 In section 21 (content of licences: regulations), after subsection (2) insert—

"(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."

56 In section 26 (injunctions restraining breaches of section 17(1)), for "Secretary of State" (in each place) substitute "OGA".

57 (1) Section 27 (inspectors) is amended as follows.

(2) For subsections (1) and (2) substitute—

"(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.

(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) In subsection (3)(b), for "Secretary of State" substitute "OGA".

(4) In subsection (6)—
(a) for "This section applies" substitute "Subsections (3) to (5) apply",
(b) for "it applies" substitute "they apply", and
(c) at the end insert "(reading the reference to the OGA in subsection (3)(b) as a reference to the Secretary of State)".

(5) Omit subsection (7).

58 In section 28(5) (proceedings for offence created by regulations under section 27), at the beginning of paragraph (b) insert "except in the case of an offence that relates to functions of the OGA under this Chapter,".

59 In section 29 (requirement for public register) at the end insert—

"(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."

60 In section 31 (termination of licences: regulations), after subsection (3) insert—

"(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."

61 In section 33 (enhanced petroleum recovery: power to make orders), after subsection (1) insert—

"(1A) Before making an order under subsection (1), the Secretary of State must consult the OGA."

62 In section 35(1) (interpretation), after the definition of "offshore UK-controlled place" insert—

""the OGA" means the Oil and Gas Authority."

Energy Act 2011

63 The Energy Act 2011 is amended as follows.

64 In section 82 (acquisition of rights to use upstream petroleum infrastructure), for "Secretary of State" (in each place) substitute "OGA".

65 (1) Section 83 (power to give notice under section 82(11) on own initiative) is amended as follows.

(2) In subsection (2), for "Secretary of State may on his or her" substitute "OGA may on its".

(3) In subsection (3), for "Secretary of State" (in both places) substitute "OGA".

(4) In subsection (4), for "Secretary of State" substitute "OGA".

(5) In subsection (5)(d), for "Secretary of State" substitute "OGA".

(6) In the heading, for "Secretary of State" substitute "OGA".

66 In section 84 (compulsory modification of upstream petroleum infrastructure), for "Secretary of State" (in each place) substitute "OGA".

67 In section 85 (variation of notices under sections 82 and 84), for "Secretary of State" (in each place) substitute "OGA".

68 In section 86 (publication of notices and variations), for "Secretary of State" (in each place) substitute "OGA".

69 In section 87 (powers to require information), for "Secretary of State" (in each place, including in the heading) substitute "OGA".

70 (1) Section 88 (enforcement) is amended as follows.

(2) In subsection (1), for "Secretary of State" (in each place) substitute "OGA".

(3) In subsection (9), for "Secretary of State" substitute "OGA".

71 In section 89 (minor, consequential and supplemental provision), for "Secretary of State" (in both places) substitute "OGA".

72 In section 90(1) (interpretation), after the definition of "gas processing facility" insert —

""the OGA" means the Oil and Gas Authority;".

Infrastructure Act 2015

73 The Infrastructure Act 2015 is amended as follows.

74 Omit section 42 (levy on holders of certain energy industry licences).

75 In section 55(4)(b) (statutory instruments subject to affirmative procedure), omit "or 42(11)".

76 Omit Schedule 7 (the licensing levy).

PART 2

SECONDARY LEGISLATION

Storage of Carbon Dioxide (Licensing etc) Regulations 2010

77 The Storage of Carbon Dioxide (Licensing etc) Regulations 2010 (S.I. 2010/2221) are amended as follows.

78 In regulation 1(3) (interpretation), in the definition of "the authority", for "Secretary of State" substitute "Oil and Gas Authority".

79 In regulation 3(1)(a) (applications for a licence), for "Department of Energy and Climate Change" substitute "Oil and Gas Authority".

80 In paragraph 2(3)(a) of Schedule 1 (application for consent to close storage site), for "Department of Energy and Climate Change" substitute "Oil and Gas Authority".

Offshore Petroleum Licensing (Offshore Safety Directive) Regulations 2015

81 In regulation 2(1) (interpretation) of the Offshore Petroleum Licensing (Offshore Safety Directive) Regulations 2015 (S.I. 2015/385), in the definition of "licensing authority", for "Secretary of State for Energy and Climate Change" substitute "Oil and Gas Authority".

SCHEDULE 2

Section 72

ABANDONMENT OF OFFSHORE INSTALLATIONS

Petroleum Act 1998

1 Part 4 of the Petroleum Act 1998 (abandonment of offshore installations) is amended as follows.

2 Before section 29 insert—

"**28A Restriction on abandonment**

(1) A person to whom a notice may be given under section 29(1) in relation to an offshore installation or submarine pipeline may not abandon, or begin or continue the decommissioning of, the installation or pipeline unless an abandonment programme approved by the Secretary of State has effect in relation to the installation or pipeline.

(2) A person who without reasonable excuse contravenes subsection (1) is guilty of an offence."

3 (1) Section 29 (preparation of programmes) is amended as follows.

(2) After subsection (1) insert—

"(1A) The power to give a notice under subsection (1) is exercisable—

(a) on the Secretary of State's own motion, or

(b) at the request of any person to whom the notice may be given (whether or not the notice is given to that person)."

(3) After subsection (2) insert—

"(2A) A person to whom a notice under subsection (1) is given—

(a) must consult the OGA before submitting the abandonment programme to the Secretary of State, and

(b) must frame the programme so as to ensure (whether by means of the timing of the measures proposed, the inclusion of provision for collaboration with other persons, or otherwise) that the cost of carrying it out is kept to the minimum that is reasonably practicable in the circumstances.

(2B) When consulted under paragraph (a) of subsection (2A) the OGA must (in particular) consider and advise on—

(a) alternatives to abandoning or decommissioning the installation or pipeline, such as re-using or preserving it, and

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(b) how to comply with paragraph (b) of that subsection."

(4) In subsection (3), after "such" insert "other".

4 (1) Section 32 (approval of programmes) is amended as follows.

(2) After subsection (2) insert—

"(2A) The modifications or conditions may (in particular) include modifications or conditions—

(a) which are intended (whether by means of the timing of the measures proposed, the inclusion of provision for collaboration with other persons, or otherwise) to reduce the total cost of carrying out the programme, provided that they do not increase the total costs to be met by any person who is to be subject to obligations under the programme or under any other abandonment programme;

(b) requiring the persons who submitted the programme to carry out and publish or make available to the Secretary of State and the OGA a review of the programme and its implementation including, where relevant, recommendations as to the contents and implementation of future abandonment programmes."

(3) At the end insert—

"(6) Before reaching a decision under this section the Secretary of State must—

(a) consult the OGA, and

(b) take into account the cost of carrying out the programme that has been submitted and whether it is possible to reduce that cost by modifying the programme or making it subject to conditions.

(7) When consulted under subsection (6)(a), the OGA must (in particular) consider and advise on—

(a) alternatives to abandoning or decommissioning the installation or pipeline, such as re-using or preserving it, and

(b) whether section 29(2A)(b) has been complied with and, if it has not been, modifications or conditions that would enable it to be complied with."

5 In section 33 (failure to submit programme), after subsection (3) insert—

"(3A) When preparing an abandonment programme under this section the Secretary of State must—

(a) consult the OGA, and

(b) frame the programme so as to ensure (whether by means of the timing of the measures proposed, the inclusion of provision for collaboration with other persons, or otherwise) that the cost of carrying it out is kept to the minimum that is reasonably practicable in the circumstances.

(3B) When consulted under paragraph (a) of subsection (3A), the OGA must (in particular) consider and advise on—

(a) alternatives to abandoning or decommissioning the installation or pipeline, such as re-using or preserving it, and

(b) how to comply with the requirement in paragraph (b) of that subsection."

6 (1) Section 34 (revision of programmes) is amended as follows.

(2) After subsection (4) insert—

"(4A) A person who makes a proposal under subsection (1) that is likely to have an effect on the cost of carrying out the programme must frame it so as to ensure (whether by means of the timing of the measures proposed, the inclusion of provision for collaboration with other persons, or otherwise) that the cost of carrying out the programme as proposed to be altered is kept to the minimum that is reasonably practicable in the circumstances.

(4B) Where the Secretary of State makes a proposal under subsection (1)(a) the purpose of which is to reduce the total cost of carrying out a programme, the proposal may not increase the total costs to be met by any person who is to be subject to obligations under the programme or under any other abandonment programme."

(3) After subsection (7) insert—

"(7A) If it appears to the Secretary of State that what is proposed under subsection (1) is likely to have an effect on the cost of carrying out the programme, the Secretary of State must, before making a determination under subsection (7)—

(a) consult the OGA, and

(b) take that effect into account.

(7B) When consulted under subsection (7A)(a) the OGA must (in particular) consider and advise on—

(a) alternatives to abandoning or decommissioning the installation or pipeline, such as re-using or preserving it, and

(b) whether subsection (4A) applies and, if so, whether it has been complied with."

7 After section 34 insert—

"**34A Amendment of programmes**

(1) This section applies where an abandonment programme approved by the Secretary of State includes provision by virtue of which the programme may be amended.

(2) A person who proposes to make an amendment under such a provision that is likely to have an effect on the cost of carrying out the programme must frame the amendment so as to ensure (whether by means of the timing of the measures proposed, the inclusion of provision for collaboration with other persons, or otherwise) that the cost of carrying out the programme as proposed to be amended is kept to the minimum that is reasonably practicable in the circumstances.

(3) If it appears to the person who proposes to make the amendment that subsection (2) applies, the person must consult the OGA before making the amendment.

(4) When consulted under subsection (3) the OGA must (in particular) consider and advise on—

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(a) alternatives to abandoning or decommissioning the installation or pipeline, such as re-using or preserving it, and

(b) whether subsection (2) applies and, if so, whether it has been complied with.

(5) Any person who has the function of approving amendments made under a provision mentioned in subsection (1) must, when exercising the function, take into account the effect of the proposed amendment on the cost of carrying out the programme."

8 After section 36 insert—

"**36A Reduction of costs of carrying out programmes**

(1) This section applies where an abandonment programme approved by the Secretary of State has effect in relation to an installation or pipeline.

(2) The Secretary of State may, for the purpose of reducing the total cost of carrying out the programme, by written notice require any person who submitted the programme to take, or refrain from taking, action of a description specified in the notice.

(3) The notice may, in particular, require—

(a) changes to the times at which the measures proposed in the programme are to be carried out;

(b) the persons who are under a duty to secure that the programme is carried out to collaborate with other persons.

(4) The programme, and any condition to which it is subject, has effect subject to any notice given under this section.

(5) A notice given under this section may not increase the total costs to be met by any person who is to be subject to obligations under the programme or under any other abandonment programme.

(6) The Secretary of State may not give a notice to a person under this section without first giving the person an opportunity to make written representation as to whether the notice should be given.

(7) A person to whom a notice is given under this section who without reasonable excuse fails to comply with the notice is guilty of an offence.

(8) If a notice under this section is not complied with, the Secretary of State may—

(a) do anything necessary to give effect to the notice, and

(b) recover from the person to whom the notice was given any expenditure incurred under paragraph (a).

(9) A person liable to pay any sum to the Secretary of State by virtue of subsection (8) must also pay interest on that sum for the period beginning with the day on which the Secretary of State notified the person of the sum payable and ending with the date of payment.

(10) The rate of interest payable in accordance with subsection (9) is a rate determined by the Secretary of State as comparable with commercial rates."

9 In section 37 (default in carrying out programmes), after subsection (1) insert—

"(1A) If it appears to the Secretary of State that the proposed remedial action is likely to have an effect on the cost of carrying out the programme, the Secretary of State must—

(a) consult the OGA before giving a notice under subsection (1), and

(b) take that effect into account when deciding whether to give the notice.

(1B) When consulted under subsection (1A)(a), the OGA must consider and advise on the likely effect of the proposed remedial action on the cost of carrying out the programme."

10 In section 40 (offences: penalties)—

(a) after "section" insert "28A,", and

(b) after "33," insert "36A,".

11 (1) Section 41 (offences: general) is amended as follows.

(2) In subsection (1)—

(a) after "section" insert "28A,", and

(b) after "33," insert "36A,".

(3) In subsection (2)—

(a) after "section" insert "28A,", and

(b) after "33," insert "36A,".

(4) In subsection (3)—

(a) after "section" insert "28A,", and

(b) after "33," insert "36A,".

(5) In subsection (5), after "section" insert "28A, 36A or".

12 (1) Section 42 (validity of Secretary of State's acts) is amended as follows.

(2) In subsection (2), after paragraph (e) insert—

"(ea) the giving of a notice under section 36A(2);".

(3) In subsection (5), after paragraph (e) insert—

"(ea) in relation to the giving of a notice under section 36A(2), means the requirements of section 36A(6);".

Energy Act 2008

13 (1) Section 30 of the Energy Act 2008 (abandonment of carbon storage installations) is amended as follows.

(2) In subsection (1), after "subsections" insert "(1A),".

(3) After that subsection insert—

"(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."

(4) For subsection (4A) substitute—

"(4A) The power in subsection (4)—

Status: *This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.*

(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."