

## SCHEDULE 2

### PROVISIONS TO BE INCLUDED IN A STORAGE PERMIT

#### **Financial security**

- 7.—(1) The operator shall maintain a financial security that—
- (a) is of an amount (“the secured amount”) sufficient to ensure that the obligations specified in sub-paragraph (5) can be met;
  - (b) is in force before the commencement of injection; and
  - (c) subject to sub-paragraph (2), remains in force until the licence is terminated.
- (2) If the storage permit is revoked, the financial security shall remain in force—
- (a) until a new storage permit is granted; or
  - (b) if the storage site is closed following such revocation, until the licence is terminated and the financial contribution obligation is fulfilled.
- (3) Following receipt of each report made by the operator in accordance with paragraph 3(1) to (5), the authority shall assess whether the secured amount is appropriate in the light of—
- (a) the assessed risk of leakage; and
  - (b) the estimated costs of meeting the obligations specified in sub-paragraph (5).
- (4) If, following that assessment, the authority decides that the secured amount is to be adjusted—
- (a) the authority shall notify the operator of the new amount that is required; and
  - (b) if the secured amount is less than that new amount, the operator shall within three months of receiving that notification—
    - (i) ensure that the secured amount is increased to the new amount; and
    - (ii) furnish evidence of such increase to the authority.
- (5) The obligations are—
- (a) all obligations of the operator arising under the storage permit, including those arising in respect of the closure of the storage site and during the period between such closure and the termination of the licence;
  - (b) the obligation to pay the authority’s costs under regulation 10(4)(b) or 12(6);
  - (c) any obligations of the operator arising in respect of the storage site under legislation implementing the ETS Directive; and
  - (d) the obligation to provide the financial contribution to the authority in accordance with Article 20(1) of the Directive.
- (6) Where the storage permit is revoked—
- (a) the obligations of the operator under this paragraph continue in effect until the licence is terminated, but
  - (b) the assessment by the authority under sub-paragraph (3) is to be made at such intervals as the authority may determine.