
DRAFT STATUTORY INSTRUMENTS

2006 No.

The Oil Taxation (Market Value of Oil) Regulations 2006

Valuing Category 1 oil

Adjustment factor — Brent blend

14.—(1) The adjustment factor for Brent blend is found as follows.

(2) Find the daily average of the differentials from the reference value quoted in the relevant reports for each of the days—

- (a) during the period which begins 21 days, and ends 14 days before the notional delivery day, and
- (b) in respect of which at least one such report is produced,

as follows.

(3) Find the Argus Crude differential for a particular day by taking the value shown as the “Brent” assessment and subtracting from it the value shown as “Dated BFO” in that report.

(4) Find the ICIS differential for a particular day by taking the value shown as the “Brent” assessment and subtracting from it the value shown as “Dated BFO” in that report.

(5) Find the Platts differential for a particular day by taking the value for “Brent Assessment 10 — 21 days out” in Platts Crude Oil Marketwire and subtracting from it the value for “North Sea Dated Strip” in that report.

(6) In this regulation “Platts Crude Oil Marketwire” means the report of that name published by Platts, a division of the McGraw-Hill Companies, whose registered office is Two Penn Plaza, 25th Floor, New York, N.Y. 10121-2298.

(7) If any of the reports referred to in this regulation contains more than one value for the relevant quote for any of these days, the result for that report for that day is the arithmetical mean of those values.

(8) Find the average of the daily averages found in accordance with this regulation for each of the days specified in paragraph (2).

(9) The result is the adjustment factor for Brent blend.