

ENERGY ACT 2008

EXPLANATORY NOTES

Part 1, Chapter 1: Gas Importation and Storage Zones

Commentary on Sections

Section 1: Exploitation of areas outside the territorial sea for gas importation and storage

7. [Article 56\(1\)](#) of UNCLOS provides that the rights of the coastal state in respect of the exclusive economic zone include, amongst other things, the exploration and exploitation of the seabed and its subsoil, and the waters above it. It also provides jurisdiction for the establishment and use of installations and structures in the area.
8. The United Kingdom has previously claimed a number of rights under Article 56(1), but has not yet claimed rights in relation to the unloading and storage of gas. The purpose of this section is to claim those rights, by providing for their ownership to be vested in the Crown within areas designated as “Gas Importation and Storage Zones”.
9. *Subsection (1)* vests in the Crown the rights defined by *subsections (2) and (3)*. The rights are those relating to the following activities:
 - a) unloading gas to installations or pipelines;
 - b) storing gas, whether or not it is intended to be recovered; and
 - c) exploring for suitable sites for the purpose of “(a)” or “(b)”.
10. *Subsections (4) and (6)* define what is meant by “gas” for these purposes. The definition covers, in particular, both combustible gases (for the purposes of activities within Chapter 2 of this Part – Importation and storage of combustible gas), and carbon dioxide (for the purposes of activities within Chapter 3 – Storage of carbon dioxide).
11. *Subsection (5)* provides for Her Majesty to make an Order in Council designating an area as a Gas Importation and Storage Zone. Such Orders will be subject to negative resolution procedure (see section 94).
12. This approach reflects the one taken in section 84 of the [Energy Act 2004 \(c.20\)](#) (exploitation of areas outside the territorial sea for energy production) to establish Renewable Energy Zones for the purpose of offshore renewable electricity projects such as offshore wind farms.