

2013 No. 1138

ENVIRONMENTAL PROTECTION

PETROLEUM

The Gas and Petroleum (Consents) Charges Regulations 2013

<i>Made</i> - - - -	<i>14th May 2013</i>
<i>Laid before Parliament</i>	<i>20th May 2013</i>
<i>Coming into force</i> - -	<i>17th June 2013</i>

The Secretary of State, in exercise of the powers conferred by section 188(1) to (5) of the Energy Act 2004^(a), makes the following Regulations.

The Secretary of State has consulted organisations in the United Kingdom appearing to the Secretary of State to be representative of those persons who will be affected by the Regulations.

Citation and commencement

1. These Regulations may be cited as the Gas and Petroleum (Consents) Charges Regulations 2013 and come into force on 17th June 2013.

Interpretation

2. In these Regulations—

“carbon dioxide appraisal and storage licence” means a licence granted by the Secretary of State under section 18 of the Energy Act 2008^(b) in respect of an activity within section 17(2) of that Act;

“carbon dioxide storage proposal” means a proposal for the storage of carbon dioxide and any associated works submitted pursuant to a carbon dioxide appraisal and storage licence;

“development and production programme” means a programme submitted pursuant to a petroleum licence setting out the measures proposed to be taken in connection with the development and production of a petroleum field;

“development plan” means a plan submitted pursuant to a gas storage licence setting out the measures proposed to be taken in connection with the development of a gas storage field;

“gas storage licence” means a licence granted by the Secretary of State under section 4 of the Energy Act 2008 in respect of any activity within section 2(3) of that Act;

“licensee” means the holder of a relevant licence;

(a) 2004 c.20.
(b) 2008 c.32.

“petroleum licence” means a licence granted by the Secretary of State to search and bore for and get petroleum pursuant to section 3 of the Petroleum Act 1998(a);

“pipeline deposit proposal” means a proposal—

(a) to place any material on the seabed for the protection or support of a pipeline during its construction; or

(b) for the maintenance of a pipeline,

where that proposal is submitted pursuant to a pipeline works authorisation;

“pipeline works authorisation” means an authorisation given by the Secretary of State in accordance with section 14(1) of the Petroleum Act 1998;

“relevant licence” means, as appropriate, a carbon dioxide appraisal and storage licence, a gas storage licence or a petroleum licence;

“well” includes borehole;

“well suspension” means the suspension of the use of a well such that it may be re-used for the purpose of drilling or other works.

Charges payable for consents and pipeline works authorisations

3.—(1) A licensee must pay a charge where the licensee applies to the Secretary of State for consent to—

(a) a carbon dioxide storage proposal;

(b) a development and production programme;

(c) a development plan; or

(d) a pipeline deposit proposal.

(2) A person who applies to the Secretary of State for a pipeline works authorisation must pay a charge.

(3) The amount of the charge under paragraphs (1) and (2) is determined by the formula—

$$£500 \times A \times B.$$

(4) In paragraph (3), reference to—

A is to the number of days; and

B is to the number of officers,

which the Secretary of State estimates will be required to consider whether or not to grant the consent or authorisation.

(5) A charge payable under paragraph (1) or (2) must be paid within 30 days of the Secretary of State sending a charges determination under regulation 4(3)(a) unless the Secretary of State notifies the licensee or person, as appropriate, in writing that they may pay the charge at a later date.

(6) In paragraph (4), “officer” means a person engaged on behalf of the Secretary of State to carry out any function in respect of which the relevant charge is payable.

Requests to determine charges

4.—(1) A licensee, or person, who intends to apply for a consent or authorisation described in regulation 3(1) or (2) must, before submitting the application, make a written request to the Secretary of State to determine the charge payable (“a charges request”).

(2) A charges request must include sufficient information to enable the Secretary of State to determine the charge payable, including—

(a) a draft of the relevant proposal, programme, plan or authorisation; and

(a) 1998 c.17.

- (b) any associated documentation which the licensee or person, as appropriate, proposes to submit with the application.
- (3) The Secretary of State must as soon as practicable after receiving a charges request—
 - (a) determine the charge payable; and
 - (b) notify the licensee, or person, who has made the charges request in writing of the determination.

Charges payable for other consents

5.—(1) The table in paragraph (3) sets out charges payable in respect of applications to the Secretary of State for consent to various activities and matters.

(2) A licensee who makes an application for consent to an activity or matter in the table must pay the relevant charge when the application is made, unless the Secretary of State notifies the licensee in writing that the charge may be paid at a later date.

(3) The table referred to in paragraph (1)—

Charges table

<i>Activity or matter requiring consent</i>	<i>Charge payable</i>
Methodology proposed for the measurement of petroleum	£920
Drill a primary well	£647
Drill a sidetrack well branching off from the principal well to a target location different from that of the principal well	£532
Fit or refit equipment in a well for the purpose of enabling hydrocarbon production or injection	£506
Get petroleum from a licensed area	£994
Variation of a consent to get petroleum from a licensed area	£994
Flare or vent petroleum from a well	£714
Variation of a consent to flare or vent petroleum from a well	£714
Well suspension	£532
Put back into use any well subject to a well suspension	£506
Abandon a well permanently	£506
Change of licensee	£252
Change of the beneficiary of a petroleum field or subarea	£252
Change of the operator of a petroleum field or subarea	£900

Charges: general

6.—(1) A charge payable under these Regulations must be paid—

- (a) to the Secretary of State; and
- (b) in such manner as the Secretary of State from time to time determines.

(2) A charge is not paid under these Regulations until the Secretary of State receives that charge in cleared funds.

14th May 2013

Michael Fallon
Minister of State
Department of Energy and Climate Change

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision for the Secretary of State to make a charge when a person applies for the consent or authorisation of the Secretary of State to a matter under a carbon dioxide appraisal and storage licence, a gas storage licence, or a petroleum licence.

The charge payable for an application in respect of the matters described in regulation 3(1) or 3(2) is determined by the Secretary of State according to the formula in regulation 3(3). Before making such an application, the person that intends to make it must request that the Secretary of State determine the charge, as provided for by regulation 4. The Secretary of State must notify the person who requests the determination of a charge of the amount payable.

Regulation 5 sets out the charges applicable for other consents and approvals. Under regulation 6, a charge payable under these Regulations must be paid to the Secretary of State and is not paid unless the Secretary of State holds the charge in cleared funds.

A full impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector is available from the Department of Energy and Climate Change, 3 Whitehall Place, London, SW1A 2AW and is published with the Explanatory Memorandum alongside the instrument on <http://www.legislation.gov.uk>.

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