



Energy Act 2023

2023 CHAPTER 52

PART 1

LICENSING OF CARBON DIOXIDE TRANSPORT AND STORAGE

CHAPTER 5

TRANSFER SCHEMES

50 Transfer schemes

- (1) This section applies where—
 - (a) a termination event has arisen in relation to a licence, and
 - (b) the economic regulator has complied with its duties under section 17 in relation to the termination event.
- (2) The Secretary of State may make a scheme for the transfer of designated property, rights or liabilities of the licence holder to a person falling within [subsection \(3\)](#), or two or more of those persons, with the objective of—
 - (a) securing that the activities authorised by the licence continue in a manner which—
 - (i) is efficient and economical, and
 - (ii) ensures the safety and security of the transport and storage network, or the part of that network, to which the licence relates, or
 - (b) facilitating the cessation of the transportation and injection of carbon dioxide authorised by the licence and ensuring the safety and security of the transport and storage network, or the part of that network, to which the licence relates.
- (3) The persons to whom a scheme may transfer designated property, rights or liabilities are—
 - (a) the Secretary of State;

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- (b) any person the Secretary of State considers to be an appropriate person to achieve the objective in [subsection \(2\)\(a\)](#) or (as the case may be) [\(b\)](#).
- (4) In determining whether a person is an appropriate person for the purposes of [subsection \(3\)\(b\)](#), the Secretary of State must take into account whether the person would be able to meet the conditions and requirements of any licence or permit that would be transferred to the person under the proposed scheme.
- (5) The Secretary of State may not make a scheme without the consent of—
 - (a) the licence holder, and
 - (b) where the scheme would transfer designated property, rights and liabilities to a person or persons falling within [subsection \(3\)\(b\)](#), each such person.
- (6) In [this section](#)—
 - “designated”, in relation to a scheme, means specified in or determined in accordance with the scheme;
 - “termination event” has the meaning given by section 17.

51 Consultation in relation to transfers

- (1) If the Secretary of State proposes to make a scheme under [section 50](#), the Secretary of State must consult the licence holder mentioned in [section 50\(2\)](#) (“the proposed transferor”) before making the scheme.
- (2) If the Secretary of State proposes to make a scheme under [section 50](#) which transfers designated property, rights or liabilities to a person or persons falling within [section 50\(3\)\(b\)](#) (“the proposed transferee or transferees”), the Secretary of State must consult before making the scheme—
 - (a) the proposed transferee or transferees, and
 - (b) where a proposed transferee is not a public authority—
 - (i) the economic regulator,
 - (ii) the Health and Safety Executive,
 - (iii) the Oil and Gas Authority,
 - (iv) the appropriate devolved authorities (if any), and
 - (v) such other persons as the Secretary of State considers appropriate.
- (3) The matters on which the Secretary of State is to consult the proposed transferor, and the proposed transferee or transferees, must include the provision the proposed scheme should make.
- (4) The matters on which the Secretary of State is to consult a body or person falling within [subsection \(2\)\(b\)\(i\) to \(v\)](#) must include whether the proposed transferee is an appropriate person, or whether the proposed transferees are appropriate persons, for the purposes of [section 50\(3\)\(b\)](#).
- (5) For the purposes of [subsection \(2\)\(b\)\(iv\)](#) the “appropriate devolved authorities” are—
 - (a) the Welsh Ministers, if provision making the proposed scheme would be within the legislative competence of Senedd Cymru if it were contained in an Act of the Senedd (ignoring any requirement for the consent of a Minister of the Crown imposed under Schedule 7B to the Government of Wales Act 2006);

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- (b) the Scottish Ministers, if provision making the proposed scheme would be within the legislative competence of the Scottish Parliament if it were contained in an Act of that Parliament;
 - (c) the Department for the Economy in Northern Ireland, if provision making the proposed scheme—
 - (i) would be within the legislative competence of the Northern Ireland Assembly if it were contained in an Act of that Assembly, and
 - (ii) would not, if it were contained in a Bill in the Northern Ireland Assembly, result in the Bill requiring the consent of the Secretary of State under section 8 of the Northern Ireland Act 1998.
- (6) In [this section](#), “designated” has the same meaning as in [section 50](#).

52 Conduct of transfer schemes

[Schedule 4](#) contains further provision about transfer schemes under [section 50](#).