



# Energy Act 2023

## 2023 CHAPTER 52

### PART 2

#### CARBON DIOXIDE CAPTURE, STORAGE ETC AND HYDROGEN PRODUCTION, TRANSPORT AND STORAGE

### CHAPTER 2

#### DECOMMISSIONING OF CARBON STORAGE INSTALLATIONS

##### *Abandonment of carbon storage installations etc*

#### **95 Provisions relating to Part 4 of the Petroleum Act 1998**

- (1) Section 30 of the Energy Act 2008 (abandonment of installations) is amended in accordance with subsections (2) to (6).
- (2) In subsection (1), for “, (2)” substitute “to (2)”.
- (3) After subsection (1A) insert—

“(1AA) Part 4 of the 1998 Act, in its application in relation to carbon storage installations, has effect with the modifications set out in [subsection \(1AB\)](#).

(1AB) The modifications are as follows—

  - (a) in section 30 of the 1998 Act, for subsections (5) and (6) substitute—

“(5) This subsection applies to a person in relation to a carbon storage installation if—

    - (a) the person has the right—
      - (i) to use a controlled place for the storage of carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal),

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- (ii) to convert any natural feature in a controlled place for the purpose of storing carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal), or
- (iii) to explore a controlled place with a view to, or in connection with, the carrying on of the activities within [sub-paragraph \(i\)](#) or [\(ii\)](#), and
- (b) either—
  - (i) any activity mentioned in [subsection \(6\)](#) is carried on from, by means of or on the installation, or
  - (ii) the person intends to carry on an activity mentioned in that subsection from, by means of or on the installation,

or if the person had such a right when any such activity was last so carried on.
- (6) The activities referred to in [subsection \(5\)](#) are—
  - (a) the use of a controlled place for the storage of carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal) in the exercise of the right mentioned in [subsection \(5\)\(a\)](#);
  - (b) the conversion of any natural feature in a controlled place for the purpose of storing carbon dioxide (with a view to its permanent disposal, or as an interim measure prior to its permanent disposal) in the exercise of the right mentioned in [subsection \(5\)\(a\)](#);
  - (c) the exploration of a controlled place in the exercise of the right mentioned in [subsection \(5\)\(a\)](#) with a view to, or in connection with, the carrying on of activities within [paragraph \(a\)](#) or [\(b\)](#) of this subsection;
  - (d) the conveyance in the controlled place mentioned in [subsection \(5\)\(a\)](#) of carbon dioxide by means of a pipe or system of pipes, in the exercise of the right mentioned in [subsection \(5\)\(a\)](#); and
  - (e) the provision of accommodation for persons who work on or from an installation which is or has been maintained, or is intended to be established, for the carrying on of an activity falling within any of paragraphs [\(a\)](#) to [\(d\)](#) of this subsection.”;
- (b) in section 30(7) of that Act, in the words before paragraph (a), for “(c)” substitute “(e)”;
- (c) in section 31 of that Act, for subsection (B1) substitute—
 

“(B1) This subsection applies to an activity if—

  - (a) where the activity is within [paragraph \(a\)](#), [\(b\)](#) or [\(c\)](#) of section 30(6), the controlled place mentioned in that paragraph is one for which the installation is, or is to be, established or maintained;

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- (b) where the activity is within [paragraph \(d\)](#) of section 30(6), the conveyance of the carbon dioxide relates to a controlled place for which the installation is, or is to be, established;
  - (c) where the activity is within [paragraph \(e\)](#) of section 30(6), the installation is in a controlled place in respect of which P has a licence under section 18 of the Energy Act 2008.”;
  - (d) in section 31 of that Act, omit subsection (C1);
  - (e) in section 45 of that Act, in the appropriate place insert—
    - ““controlled place” has the same meaning as in section 17 of the Energy Act 2008;”.
- (4) After subsection (4A) insert—
  - “(4B) The powers in subsections (2)(b) and (4) include power to amend or repeal subsections (1AA) and (1AB).”
- (5) In subsection (5), for the words from “falling” to the end substitute “which is or has been maintained, or is intended to be established, for the purposes of an activity mentioned in section 17(2)(a), (b) or (c) to which subsection (6) applies.”
- (6) In subsection (6), for the words from the beginning to “it” substitute “This subsection applies to any activity which is carried on from, by means of or on an installation which”.
- (7) The power of the Scottish Ministers under section 30(2)(b) of the Energy Act 2008 to modify Part 4 of the Petroleum Act 1998 in its application to certain carbon storage installations includes power to make any modifications of that Part of that Act (in its application to the installations in question) that the Scottish Ministers consider appropriate in consequence of provision made by or under section [92](#) or [93](#).
- (8) The power of the Secretary of State under section 30(4) of the Energy Act 2008 to modify Part 4 of the Petroleum Act 1998 in its application to certain carbon storage installations includes power to make any modifications of that Part of that Act (in its application to the installations in question) that the Secretary considers appropriate in consequence of provision made by or under section [92](#) or [93](#).
- (9) In section 29 of the Petroleum Act 1998 (preparation of programmes), in subsection (6), for the words from “in question,” to the end substitute “in question if the Secretary of State has under section 32—
  - (a) rejected that programme, or
  - (b) approved it (whether or not the approval has been withdrawn).”
- (10) Section 38A of the Petroleum Act 1998 (protection of funds set aside for the purposes of abandonment programme) has effect as if the reference in subsection (1) of that section to the performance of obligations under an approved abandonment programme included a reference to the meeting of liabilities in respect of decommissioning costs in relation to carbon storage installations.
- (11) In this section—
  - “carbon storage installation” has the same meaning as in section 30 of the Energy Act 2008;
  - “decommissioning costs” has the meaning given by [section 92](#).

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#### **Commencement Information**

**II** [S. 95](#) in force at 26.12.2023, see [s. 334\(3\)\(b\)](#)

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