STATUTORY INSTRUMENTS

2016 No. 904

ENERGY

The Oil and Gas Authority (Fees) Regulations 2016

Made - - - -	*7th September 2016*
Laid before Parliament	*12th September 2016*
Coming into force - -	*1st October 2016*

The Secretary of State for Business, Energy and Industrial Strategy makes the following Regulations in exercise of the powers conferred by section 12(1), (2), (5) and (6) of the Energy Act 2016(**1**).

Citation and commencement

1. These Regulations may be cited as the Oil and Gas Authority (Fees) Regulations 2016 and come into force on 1st October 2016.

Interpretation

2. In these Regulations—

"the 1998 Act" means the Petroleum Act 1998(**2**);

"the 2008 Act" means the Energy Act 2008(**3**);

"the 2016 Act" means the Energy Act 2016;

"carbon dioxide appraisal and storage licence" means a licence granted under section 18 of the 2008 Act (licences) in respect of an activity within section 17(2) of that Act (prohibition on unlicensed activities)(**4**);

"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;

(**1**) 2016 c. 20. Section 12(9) of the Act provides that "prescribed" means prescribed by regulations.
(**2**) 1998 c. 17.
(**3**) 2008 c. 32.
(**4**) Section 17 was amended by S.I. 2011/2453 and S.S.I. 2011/224. Section 18 was amended by the Energy Act 2016, Schedule 1, paragraph 53; S.I. 2011/2453 and S.S.I. 2011/224.

"gas storage licence" means a licence granted under section 4 of the 2008 Act (licences) in respect of any activity within section 2(3) of that Act (prohibition on unlicensed activities)(**5**);

"licensee" means the holder of a relevant licence;

"petroleum licence" means a licence granted under section 3 of the 1998 Act (searching for, boring and getting petroleum) or under section 2 of the Petroleum (Production) Act 1934 (licences to search for and get petroleum)(**6**);

"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 OGA(**7**) in accordance with section 15 of the 1998 Act (submarine pipelines: authorisations)(**8**);

"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.

Applications of a prescribed description

3.—(1) The following applications are prescribed for the purposes of section 12(1)(d) of the 2016 Act (powers of the OGA to charge fees)—

(a) an application for consent to a development and production programme;

(b) an application for consent to the methodology proposed for the measurement of petroleum;

(c) an application for consent to drill a primary well;

(d) an application for consent to drill a sidetrack well branching off from the principal well to a target location different from that of the principal well;

(e) an application for consent to fit or refit equipment in a well for the purpose of enabling hydrocarbon production or injection;

(f) an application for consent to get petroleum from a licensed area;

(g) an application for a variation of a consent to get petroleum from a licensed area;

(h) an application for consent to flare petroleum from a well;

(i) an application for a variation of a consent to flare petroleum from a well;

(j) an application for consent to a well suspension;

(k) an application for consent to put back into use any well subject to a well suspension;

(l) an application for consent to abandon a well permanently;

(m) an application for consent to a change of licensee of a petroleum licence;

(**5**) Section 2 was amended by the Deregulation Act 2015 (c. 20), section 14(2). Section 4 was amended by the Energy Act 2016, Schedule 1, paragraph 42.
(**6**) 1934 c. 36. That Act was repealed by the Petroleum Act 1998, Schedule 5, Part 1.
(**7**) The OGA is defined as the Oil and Gas Authority in section 1(4) of the Energy Act 2016.
(**8**) Section 15 was amended by the Energy Act 2011 (c. 16), Schedule 2, paragraphs 8 and 9; the Energy Act 2016, Schedule 1, paragraph 15; S.I. 2000/1937 and S.I. 2011/2305.

(n) an application for consent to a change of the beneficiary of rights granted by a petroleum licence; and

(o) an application for approval of the appointment of an operator under a petroleum licence.

(2) An application for consent to a pipeline deposit proposal is prescribed for the purposes of section 12(1)(e) of the 2016 Act.

(3) The following applications are prescribed for the purposes of section 12(1)(h) of the 2016 Act—

(a) an application for consent to a carbon dioxide storage proposal; and

(b) an application for consent to a development plan.

Estimated fees payable for consents and pipeline works authorisations

4.—(1) A licensee must pay a fee where the licensee applies to the OGA for consent to—

(a) a carbon dioxide storage proposal;

(b) a development and production programme; or

(c) a development plan.

(2) A person must pay a fee where the person applies to the OGA for—

(a) a consent to a pipeline deposit proposal; or

(b) a pipeline works authorisation.

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

$£500 \times A \times B.$

(4) In paragraph (3), reference to—

A is the number of days; and

B is the number of officers,

which the OGA estimates will be required to determine the application.

(5) The licensee or person must pay any fee payable under paragraph (1) or (2) within 30 days of the OGA notifying the licensee or person of the determination under regulation 5(3) unless the OGA notifies the licensee or person, as appropriate, in writing that the licensee or person may pay the fee at a later date.

(6) In paragraph (4), "officer" means a person engaged by the OGA to carry out the function in respect of which the relevant fee is payable.

Requests to determine fees under regulation 4

5.—(1) A licensee or person who intends to make an application set out in regulation 4(1) or (2) must, before submitting the application, make a written request to the OGA to determine the fee payable ("a fee request").

(2) A fee request must include sufficient information to enable the OGA to determine the fee payable, including—

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

(b) any associated documentation which the licensee or person, as appropriate, proposes to submit with the application.

(3) The OGA must as soon as practicable after receiving a fee request—

(a) determine the fee payable; and

(b) notify the licensee or person who has made the fee request, in writing, of the determination.

Fixed fees payable for other consents

6.—(1) A licensee who makes an application to the OGA for consent to an activity or matter listed in the first column of the table following paragraph (2) must pay the corresponding fee in the second column of that table.

(2) The licensee must pay any fee payable under paragraph (1) at the time of making the application, unless the OGA notifies the licensee in writing that the fee may be paid at a later date.

Fees for other consents

Activity or matter requiring consent	*Fee payable*
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 of a petroleum licence	£252
Change of the beneficiary of rights granted by a petroleum licence	£252
Appointment of an operator under a petroleum licence	£900

Fees payable for applications for petroleum licences

7.—(1) A person who makes an application for a petroleum licence listed in the first column of the table following paragraph (2) must pay the corresponding fee in the second column of that table.

(2) The terms referred to in the table have the meaning given in regulation 2 of the Petroleum Licensing (Applications) Regulations 2015 (interpretation)(**9**).

Fees for petroleum licences

Type of licence	*Fee payable*
Landward petroleum exploration licence	£500
Seaward petroleum exploration licence	£500
Methane drainage licence	£50

(**9**) S.I. 2015/766.