STATUTORY INSTRUMENTS

2015 No. 1661

PETROLEUM

The Oil and Gas Authority (Levy) Regulations 2015

Made - - - -	*8th September 2015*
Laid before Parliament	*9th September 2015*
Coming into force - -	*1st October 2015*

The Secretary of State for Energy and Climate Change makes the following Regulations in exercise of the powers conferred by section 42(1) of, and paragraphs 3 and 5 to 7 of Schedule 7 to, the Infrastructure Act 2015(**1**).

Citation and commencement

1. These Regulations may be cited as the Oil and Gas Authority (Levy) Regulations 2015 and come into force on 1st October 2015.

Interpretation

2. In these Regulations—

"charging period" has the meaning given in regulation 4;

"licensee" means a person holding a petroleum licence;

"offshore exploration licence" means a petroleum licence of the sort referred to in regulation 2(2)(a) of the Offshore Exploration (Petroleum, and Gas Storage and Unloading) (Model Clauses) Regulations 2009(**2**), relating to an area any part of which lies within offshore waters;

"offshore licence" means an offshore exploration licence or an offshore production licence;

"offshore production licence" means a petroleum licence which is not an offshore exploration licence, relating to an area any part of which lies within offshore waters;

"offshore waters" means—

(a) the waters comprising the territorial sea of the United Kingdom, and

(b) the sea in any area for the time being designated under section 1(7) of the Continental Shelf Act 1964(**3**);

(**1**) 2015 c. 7.
(**2**) S.I. 2009/2814.
(**3**) 1964 c. 29.

"petroleum licence" means a licence under—

(a) section 2 of the Petroleum (Production) Act 1934(**4**) (licences to search for and get petroleum), or

(b) section 3 of the Petroleum Act 1998(**5**) (searching for, boring for and getting petroleum).

Liability to pay the levy

3.—(1) Except where paragraph (2) applies, where at the relevant time a licensee is the licensee of one or more offshore production licences, that licensee is liable to pay, in respect of the charging period, a levy of £2,759.30 for each such licence of which that licensee is the holder.

(2) Where at the relevant time the Secretary of State has, in accordance with the terms of an offshore production licence,—

(a) given a consent to the licensee to—

(i) erect or carry out any relevant works (within the meaning of the licence) either in the licensed area or elsewhere, for the purpose of getting petroleum from that area or for the purpose of conveying to a place on land petroleum got from that area; or

(ii) get petroleum from that area otherwise than in the course of searching for petroleum, drilling wells or testing wells; or

(b) approved a programme, the approval of which allows the licensee to undertake any of the matters referred to in paragraph (2)(a) of this regulation; or

(c) served such a programme on the licensee,

the licensee is liable to pay, in respect of the charging period, a levy of £30,422.92 for each such licence of which that licensee is the holder.

(3) Where at the relevant time the licensee is the licensee of an offshore exploration licence, the licensee is liable to pay, in respect of the charging period, a levy of £2,759.30 for that licence.

(4) For the purpose of this regulation the "relevant time" means 12.01a.m. on 1st October 2015.

The charging period

4. The charging period is a six month period beginning on 1st October 2015 and ending on 31st March 2016.

Payment of the levy

5. Where a licensee of an offshore licence is liable to pay a levy to the Secretary of State in accordance with these Regulations, the Secretary of State must notify that licensee in writing of—

(a) the amount of the levy for which that person is liable;

(b) the date by which the amount is required to be paid; and

(c) details of how the payment can be made.

Interest payable on late payment of the levy

6.—(1) Where any amount of the levy notified to the licensee of an offshore licence is not paid in accordance with a notice under regulation 5, the licensee shall be liable to pay to the Secretary of State interest, calculated in accordance with paragraph (2), on the amount of the levy which remains unpaid.

(**4**) 1934 c. 36.
(**5**) 1998 c. 17.