



Petroleum and Submarine Pipe-lines Act 1975

1975 CHAPTER 74

PART I

THE BRITISH NATIONAL OIL CORPORATION

Constitution

1 Constitution of the Corporation

- (1) There shall be a body corporate, to be called the British National Oil Corporation (and hereafter in this Act referred to as " the Corporation "), which shall be constituted in accordance with the following provisions of this section.
- (2) The Corporation shall consist of not less than eight and not more than twenty persons appointed by the Secretary of State to be members of the Corporation from among persons appearing to him to have had wide experience of, and shown capacity in, activities connected with petroleum, other industrial, commercial or financial matters, administration or the organisation of workers.
- (3) The Secretary of State—
 - (a) shall appoint one member to be the chairman of the Corporation;
 - (b) may appoint another member or other members to be the deputy chairman or deputy chairmen of the Corporation;
 - (c) shall ensure that two members are persons employed in the civil service of the State ;
 - (d) shall in appointing members have regard to the desirability of there being members who are familiar with the special requirements and circumstances of particular areas of the United Kingdom.
- (4) The provisions of Schedule 1 to this Act shall have effect with respect to the Corporation.

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- (5) It is hereby declared that the Corporation is not to be regarded as a servant or (except in pursuance of an express provision in that behalf made by or under this Act) as an agent of the Crown or as enjoying any status, privilege or immunity of the Crown or (subject to section 9 of this Act) as exempt from any tax, duty, rate, levy or other charge whatsoever, whether general or local, and that its property is not to be regarded as property of or held on behalf of the Crown ; but nothing in this Act shall be construed as derogating from any privilege, immunity or exemption of the Crown in relation to any matter as respects which the Corporation acts as agent of the Crown by virtue of such an express provision as aforesaid.
- (6) In Part II of Schedule 1 to the House of Commons Disqualification Act 1975, after the entry relating to the British Gas Corporation there shall be inserted the words " The British National Oil Corporation " ; and in Part II of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975, after the entry relating to the British Airways Board there shall be inserted the words aforesaid.

General functions of the Corporation

2 **General powers**

- (1) Subject to the following provisions of this Part of this Act, the Corporation shall have power—
- (a) to search for and get petroleum existing in its natural condition in strata in any part of the world;
 - (b) to move, store and treat petroleum and anything derived from it;
 - (c) to buy, sell and otherwise deal in petroleum and anything derived from it;
 - (d) to perform for any Minister of the Crown or Northern Ireland department such services connected with petroleum and anything derived from it as the Minister or department may request the Corporation to perform on his or its behalf;
 - (e) without prejudice to the generality of the preceding paragraph, to do anything required for the purpose of giving effect to agreements entered into by the Secretary of State with a view to securing participation by the Government of the United Kingdom, or by the Corporation or any other body on behalf of the Government, in activities connected with petroleum beneath controlled waters;
 - (f) to provide any person with advice or assistance of any kind, including research services and training facilities, as respects any matter in which the Corporation has skill or experience;
 - (g) to do anything which the Corporation considers is calculated to facilitate, or is conducive or incidental to, the performance of any of the Corporation's functions.
- (2) Without prejudice to the generality of the powers conferred by the preceding subsection, those powers include in particular power—
- (a) to provide and operate pipe-lines, tanker-ships and refineries in connection with petroleum ;
 - (b) to carry out research in connection with petroleum or anything derived from it and to promote activities for the purpose of turning to account the results of such research.

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- (3) It is hereby declared that the preceding provisions of this section relate only to the capacity of the Corporation as a body corporate and that nothing in those provisions authorises the Corporation to disregard any enactment or rule of law.
- (4) The Corporation shall not, except with the consent of the Secretary of State and in accordance with any conditions specified in the instrument signifying his consent, exercise its powers—
 - (a) to search for or get petroleum in any area outside Great Britain and controlled waters ;
 - (b) to refine crude liquid petroleum or to treat, buy, sell or otherwise deal in anything derived from petroleum ;
 - (c) to promote or participate in the formation of, or acquire or relinquish membership of or any interest in or security issued by, a body corporate;
 - (d) to borrow or lend money, to charge any of its actual or future assets or to guarantee the performance by another person of any obligation ;
 - (e) to promote or oppose in Parliament any Bill or any order under the Private Legislation Procedure (Scotland) Act 1936;
 - (f) to provide any person outside the United Kingdom with advice or assistance;and the Secretary of State shall not give his consent for the exercise of any power mentioned in paragraph (c) or (d) of this subsection except with the approval of the Treasury.

3 General duties

- (1) It shall be the duty of the Corporation, in formulating and carrying out plans for the general conduct of its undertaking and the undertakings of its subsidiaries, to act on lines settled from time to time by the Corporation with the approval of the Secretary of State.
- (2) It shall be the duty of the Corporation to ensure that, where the Corporation proposes to engage to a substantial extent in an activity in which it is not currently engaged or to increase substantially the extent of any activity in which it is currently engaged, the Corporation gives notice of the proposal to the Secretary of State before carrying out the proposal.
- (3) It shall be the duty of the Corporation to tender advice to the Secretary of State with respect to any matter connected with petroleum as to which the Corporation considers it appropriate to provide advice for the Secretary of State or he requires the Corporation to give him advice.
- (4) It shall be the duty of the Corporation, from time to time when the Corporation considers it appropriate or the Secretary of State so requires,—
 - (a) to undertake a review of the affairs of the Corporation and its subsidiaries for the purpose of determining how the management of the activities of the Corporation and its subsidiaries can most efficiently be organised; and
 - (b) to make a report to the Secretary of State upon the Corporation's conclusions arising from the review.
- (5) It shall be the duty of the Corporation, if so required by the Secretary of State, to undertake on behalf of the Crown such activities as the Secretary of State may specify with respect to-

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- (a) any pipe-lines and any installations for the storage of petroleum which belong to or are held on behalf of the Crown;
- (b) any petroleum belonging to or held on behalf of the Crown.

4 Directions by Secretary of State

- (1) The Secretary of State may, after consultation with the Corporation, give to the Corporation such general or specific directions as the Secretary of State thinks fit.
- (2) Nothing in any provision of this Act, excluding the preceding subsection, which provides for the giving of a direction or notice to the Corporation by the Secretary of State or for the making in any form by the Secretary of State of a requirement relating to the Corporation shall be construed as prejudicing the generality of the preceding subsection.

Financial provisions

5 General financial duties

- (1) The Secretary of State may, by notice given to the Corporation, require the Corporation to perform such duties of a financial nature as are specified in the notice, and it shall be the duty of the Corporation to comply with the notice.
- (2) A notice in pursuance of this section shall not be given except with the approval of the Treasury and after consultation with the Corporation.
- (3) A notice in pursuance of this section may—
 - (a) specify different duties in respect of different activities of the Corporation;
 - (b) relate to a period beginning before the notice is given;
 - (c) contain such incidental and supplemental provisions as the Secretary of State considers appropriate; and
 - (d) be varied or revoked by a subsequent notice in pursuance of this section.
- (4) The Secretary of State may, with a view to deciding whether to give a notice to the Corporation in pursuance of this section or what the terms of such a notice should be, require the Corporation to furnish him with proposals for expenditure by the Corporation or any of its subsidiaries which are prepared in such a form and by reference to such factors and for such periods as the Secretary of State may specify; and it shall be the duty of the Corporation to comply with the requirement.

6 Borrowing powers etc.

- (1) Any sum required by the Corporation for the purpose of performing its functions may be borrowed by the Corporation in sterling from the Secretary of State or, with the consent of or in accordance with a general authority given by the Secretary of State, in any currency from a person other than the Secretary of State.
- (2) The Secretary of State shall not give consent or an authority in pursuance of the preceding subsection except with the approval of the Treasury.
- (3) The aggregate amount outstanding at any time in respect of money borrowed temporarily by the Corporation and relevant subsidiaries shall not exceed such amount as is for the time being specified by the Secretary of State, and the aggregate

amount outstanding at any time in respect of the principal of any money borrowed by the Corporation or relevant subsidiaries and the sums of which the repayment is guaranteed by the Corporation or relevant subsidiaries shall not exceed £600 million or such larger amount, not exceeding £900 million, as is for the time being specified by an order made by the Secretary of State.

- (4) In calculating any amount outstanding for the purposes of the preceding subsection any money borrowed by the Corporation from a relevant subsidiary or by a relevant subsidiary from the Corporation or another relevant subsidiary shall be disregarded.

7 Loans by Secretary of State

- (1) The Secretary of State may, with the approval of the Treasury, lend to the Corporation any sums which the Corporation has power to borrow from the Secretary of State by virtue of the preceding section.
- (2) Any sum lent by the Secretary of State in pursuance of the preceding subsection shall be paid by him into the National Oil Account established by this Act.
- (3) Any loan which the Secretary of State makes in pursuance of subsection (1) of this section shall be repaid to him at such times and by such methods, and interest on the loan shall be paid to him at such rates and at such times, as the Secretary of State may with the approval of the Treasury from time to time determine.
- (4) The Treasury may issue out of the National Loans Fund to the Secretary of State such sums as are necessary to enable him to make loans in pursuance of subsection (1) of this section ; and any sums received by the Secretary of State in pursuance of the preceding subsection shall be paid into that Fund.
- (5) It shall be the duty of the Secretary of State as respects each financial year—
- (a) to prepare, in such form as the Treasury may direct, an account of sums issued to him in pursuance of the preceding subsection or received by him in pursuance of subsection (3) of this section in that year and of the disposal of the sums by him ; and
 - (b) to send the account to the Comptroller and Auditor General not later than the end of the month of November next following that year ;
- and the Comptroller and Auditor General shall examine, certify and report on the account and shall lay copies of it and of his report on it before each House of Parliament.

8 Guarantees

- (1) The Treasury may guarantee, in such manner and on such conditions as they think fit, the repayment of the principal of and the payment of interest on any sums which the Corporation borrows from a person other than the Secretary of State.
- (2) Immediately after a guarantee is given under this section the Treasury shall lay a statement of the guarantee before each House of Parliament; and where any sum is issued for fulfilling a guarantee so given the Treasury shall, as soon as possible after the end of each financial year (beginning with that in which the sum is issued and ending with that in which all liability in respect of the principal of the sum and in respect of interest thereon is finally discharged), lay before each House of Parliament a statement relating to that sum.

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- (3) Any sums required by the Treasury for fulfilling a guarantee under this section shall be paid out of the Consolidated Fund.
- (4) If any sums are issued in fulfilment of a guarantee given under this section, the Corporation shall make to the Treasury, at such times and in such manner as the Treasury from time to time direct, payments of such amounts as the Treasury so direct in or towards repayment of the sums so issued and payments of interest, at such rate as the Treasury so direct, on what is outstanding for the time being in respect of sums so issued.
- (5) Any sums received by the Treasury in pursuance of the preceding subsection shall be paid into the Consolidated Fund.

9 Exemption from petroleum revenue tax and stamp duty. 10. Accounts and audit

- (1) Petroleum revenue tax shall not be payable by the Corporation or a relevant subsidiary.
- (2) Stamp duty shall not be payable on any instrument as to which the Corporation certifies to the Commissioners of Inland Revenue that it was executed—
 - (a) solely for the purpose of transferring property from a Minister of the Crown to the Corporation; or
 - (b) solely for the purpose of transferring, in pursuance of a direction given by virtue of section 12(3) of this Act, property to the Corporation or any of its subsidiaries from the British Gas Corporation or any of its subsidiaries,
 and shall not be payable on any instrument as to which the British Gas Corporation certifies to the said Commissioners that it was executed solely for the purpose of transferring, in pursuance of such a direction, property to the British Gas Corporation or any of its subsidiaries from the British National Oil Corporation or any of its subsidiaries.
- (3) No such instrument as is mentioned in the preceding subsection shall be deemed to be duly stamped unless it is stamped with the duty to which it is liable apart from that subsection or is stamped in accordance with section 12 of the Stamp Act 1891 with a particular stamp denoting that it is not chargeable with any duty or that it is duly stamped.

- 10** (1) It shall be the duty of the Corporation—
- (a) to keep proper accounts and proper records in relation to the accounts ; and
 - (b) to prepare in respect of each accounting year, in such form as the Secretary of State may specify with the approval of the Treasury, a statement of those accounts showing the state of affairs and, subject to the following subsection, the profit or loss of the Corporation and giving separate information with respect to, and showing as far as may be the financial and operating results of, each of the main activities of the Corporation.
- (2) If the Secretary of State with the approval of the Treasury gives notice to the Corporation requiring it to prepare statements of accounts in accordance with this subsection, it shall be the duty of the Corporation to prepare, in respect of each accounting year during which the notice is in force and in the form specified in the notice, statements of the consolidated accounts of the group consisting of the Corporation and its subsidiaries, or, if the notice so requires, of the group consisting of the Corporation and any specified subsidiary or subsidiaries of the Corporation, showing—

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- (a) the state of affairs and the profit or loss of the group in question; and
- (b) the financial and operating results as far as may be of each of the main activities of the group in question ;

and a notice in pursuance of this subsection may provide that the statement of accounts to be prepared by the Corporation in pursuance of the preceding subsection in respect of any accounting year during which the notice is in force shall not be required to show the Corporation's profit or loss.

- (3) If the Secretary of State with the approval of the Treasury gives notice to the Corporation requiring it to prepare statements of accounts in pursuance of this subsection, it shall be the duty of the Corporation to prepare, in respect of each accounting year while the notice is in force and in the form specified in the notice, statements of accounts showing—

- (a) the state of affairs and the profit or loss of such of the following as are specified in the notice, namely—
 - (i) a group consisting of such of the Corporation's subsidiaries as are so specified ; and
 - (ii) each of the Corporation's subsidiaries so specified; and
- (b) if the notice so requires, the financial and operating results as far as may be of each of the main activities of the group or of each subsidiary in question.

- (4) The accounts kept and the statements prepared in pursuance of the preceding provisions of this section shall be audited by auditors appointed annually by the Secretary of State; and a person shall not be qualified to be so appointed unless he is a member of one or more of the following bodies—

the Institute of Chartered Accountants in England and Wales;
the Institute of Chartered Accountants of Scotland ;
the Association of Certified Accountants ;
the Institute of Chartered Accountants in Ireland ;
any other body of accountants established in the United Kingdom and for the time being recognised for the purposes of section 161(1)(a) of the Companies Act 1948 by the Secretary of State;

but a Scottish firm may be so appointed if each of the partners is qualified to be so appointed.

- (5) As soon as any accounts and statements have been audited in pursuance of the preceding subsection, the auditors shall send to the Secretary of State copies of the statements and any report made by the auditors on the accounts or statements and shall send to the Corporation a copy of any such report; and it shall be the duty of the Secretary of State to lay before each House of Parliament a copy of every document received by him in pursuance of this subsection.

Miscellaneous

11 Provision by Corporation of information for Secretary of State

It shall be the duty of the Corporation to provide the Secretary of State with such information as he may from time to time require with respect to the property, activities or proposed activities of the Corporation or any of its subsidiaries; but a requirement in pursuance of this section shall not impose upon the Corporation the duty of providing

the Secretary of State with information which the Corporation does not possess and cannot reasonably be expected to obtain.

12 Co-ordination of activities of Corporation and British Gas Corporation and their subsidiaries

- (1) If the Secretary of State gives to the Corporation and the British Gas Corporation notice requiring them to consider together the relevant activities specified in the notice with a view to determining the extent (if any) to which those activities can, in the national interest, best be carried on by one or both of the corporations or any of their subsidiaries, it shall be the duty of the corporations to comply with the notice and to make to the Secretary of State, before such date as he may specify after consulting the corporations, a report upon their conclusions in consequence of complying with the notice.
- (2) It shall be the duty of the Secretary of State to lay before each House of Parliament a copy of each report made in pursuance of the preceding subsection.
- (3) The Secretary of State may, after considering any report made in pursuance of subsection (1) of this section and laying a copy of it before each House of Parliament and after consulting the said corporations about it, give to those corporations or either of them such directions as he considers appropriate with a view to securing that the arrangements which he considers are best in the national interest are made with respect to the activities in question ; and, without prejudice to the operation of section 16(2) of this Act, it shall be the duty of the British Gas Corporation to comply with any directions given to it in pursuance of this subsection.
- (4) In subsection (1) of this section " relevant activities " means any activities in which one of the said corporations or any of its subsidiaries and the other of those corporations or any of its subsidiaries are engaged or might in the opinion of the Secretary of State become engaged; and the power to give directions which is conferred by the preceding subsection is without prejudice to the generality of the power to give directions which is conferred by section 7 of the Gas Act 1972.

13 Transfer to Corporation of shares of NCB (Exploration) Ltd

On the day on which this section comes into force there shall by virtue of this section be transferred to and vest in the Corporation the interest of NCB (Coal Products) Limited in shares issued by National Coal Board (Exploration) Limited; and the first-mentioned company shall be entitled to receive from the Corporation a sum equal to the face value of those shares.

14 Control of subsidiaries

- (1) It shall be the duty of the Corporation to ensure, so far as it is able to do so, that no person is appointed as a director of a subsidiary of the Corporation unless his appointment has been approved by the Secretary of State.
- (2) It shall be the duty of the Corporation to ensure that a relevant subsidiary does not, except with the consent of the Secretary of State and in accordance with any conditions specified in the instrument signifying his consent,—

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- (a) exercise any power corresponding to a power for the exercise of which the Corporation is required by virtue of subsection (4) of section 2 of this Act to obtain such consent; or
- (b) issue any of its shares, stock or debentures to a person other than the Corporation ;

and the Secretary of State shall not give his consent in pursuance of this subsection in relation to a power corresponding to such a power as is mentioned in paragraph (c) or (d) of that subsection except with the approval of the Treasury.

- (3) It shall be the duty of the Corporation to ensure that, where a relevant subsidiary proposes to engage to a substantial extent in an activity in which it is not currently engaged or to increase substantially the extent of any activity in which it is currently engaged, the subsidiary gives notice of the proposal to the Secretary of State before carrying out the proposal.
- (4) It shall be the duty of the Corporation to ensure—
 - (a) that no relevant subsidiary borrows money otherwise than from the Corporation or from another relevant subsidiary except with the consent of the Secretary of State given with the approval of the Treasury; and
 - (b) that all sums received by a relevant subsidiary from any source or standing to the credit of a relevant subsidiary in any bank account, except such sums as the Secretary of State specifies from time to time for the purposes of this paragraph with the approval of the Treasury, are paid into the National Oil Account.

15 Annual report

- (1) It shall be the duty of the Corporation to make to the Secretary of State, as soon as possible after the end of each accounting year, a report on the performance of its functions during that year.
- (2) The report for any accounting year shall include—
 - (a) such information as the Secretary of State may specify with respect to the plans and the past and present activities of the Corporation ;
 - (b) particulars of any consents in pursuance of section 2(4), any directions in pursuance of section 4 and any notices in pursuance of section 5 of this Act which the Secretary of State has given during that year, except any particulars as to which he has given notice to the Corporation that in his opinion the publication of them would be contrary to the national interest or to the commercial interests of the Corporation or some other person;
 - (c) the text of any report made to the Secretary of State during that year in pursuance of section 3(4)(b) of this Act and a statement about changes in the management of the activities of the Corporation and its subsidiaries which have been or are to be made in consequence of the review to which the report relates;
 - (d) a statement of the amount by way of petroleum revenue tax and the amount by way of corporation tax which the Corporation estimates would, but for section 9(1) of this Act, have been payable by the Corporation and relevant subsidiaries in respect of their profit for that year;
 - (e) particulars of the remuneration paid by the Corporation to its members during that year.

- (3) The Secretary of State shall lay before each House of Parliament a copy of each report made to him in pursuance of this section.

16 Supplemental

- (1) Except where the context otherwise requires, in this Part of this Act the following expressions have the following meanings—
- " accounting year " means the period of twelve months ending with the 31st March in any year except that—
- (a) the first accounting year of the Corporation shall, if the Secretary of State so directs, be such period shorter or longer than twelve months (but not longer than two years) and ending on a 31st day of March as is specified in the direction; and
 - (b) the Secretary of State may by order direct that for a reference in the preceding provisions of this definition to 31st March there shall be substituted a reference to 31st December; and
- " petroleum " means any of the following (other than coal) namely—
- (a) mineral oil, natural gas and bituminous shales ;
 - (b) deposits not mentioned in the preceding paragraph from which oil can be extracted by destructive distillation; and
 - (c) hydrocarbons which are related to mineral oil and are not mentioned in the preceding paragraphs.
- (2) It shall be the duty of the Corporation to comply with any directions given to it by the Secretary of State in pursuance of any provision of this Act.
- (3) Section 5 of the Petroleum (Production) Act 1934 (which relates to accounts of receipts and expenditure under that Act) is hereby repealed.

PART II

PETROLEUM PRODUCTION LICENCES

17 Modification of model clauses for incorporation in petroleum production licences

- (1) The model clauses set out in Schedule 4 to the Petroleum (Production) Regulations 1966 as amended by the Petroleum (Production) (Amendment) Regulations 1971 (which are clauses relating to production licences for seaward areas within the meaning of the regulations) shall have effect subject to the provisions of Part I of Schedule 2 to this Act; and in accordance with the preceding provisions of this subsection the said Schedule 4 shall have effect, after the coming into force of this subsection and the said Schedule 2, as set out in Part II of the said Schedule 2 (which reproduces the said Schedule 4 as further amended by the said Part I and with consequential adjustments in the numbering of the model clauses).
- (2) The model clauses set out in Schedule 3 to the Petroleum (Production) Regulations 1966 as amended by the Petroleum (Production) (Amendment) Regulations 1972 (which are clauses relating to production licences for landward areas within the meaning of the regulations) shall have effect subject to the provisions of Part I of Schedule 3 to this Act; and in accordance with the preceding provisions of this

subsection Schedule 3 to the said Regulations of 1966 shall have effect, after the coming into force of this subsection and Schedule 3 to this Act, as set out in Part II of Schedule 3 to this Act (which reproduces Schedule 3 to the said Regulations as further amended by the said Part I and with consequential adjustments in the numbering and side-notes of the model clauses).

- (3) It is hereby declared that the provisions of the Schedule 4 set out in Part II of Schedule 2 to this Act and the provisions of the Schedule 3 set out in Part II of Schedule 3 to this Act may be varied, revoked, modified or excluded as if those provisions were contained in regulations in force by virtue of section 6 of the Petroleum (Production) Act 1934.

18 Incorporation of modified model clauses into existing licences

- (1) Each licence under the Petroleum (Production) Act 1934 incorporating—
- (a) model clauses set out in Schedule 2 to the Petroleum (Production) (Continental Shelf and Territorial Sea) Regulations 1964 (which relates to production licences for areas in controlled waters); or
 - (b) model clauses set out in Schedule 4 to the Petroleum (Production) Regulations 1966 (which relates to production licences in seaward areas within the meaning of the regulations); or
 - (c) model clauses set out in the said Schedule 4 as amended by the Petroleum (Production) (Amendment) Regulations 1971,
- shall have effect, subject to subsections (3) and (4) of this section, as if in the place of those model clauses the licence incorporated all the clauses set out in Part II of Schedule 2 to this Act (which reproduces the model clauses mentioned in paragraph (c) of this subsection with the amendments of them made by Part I of Schedule 2 to this Act and with consequential adjustments in the numbering of the clauses).
- (2) Each licence under the said Act of 1934 incorporating model clauses set out in Schedule 3 to the Petroleum (Production) Regulations 1966 (which relates to production licences for landward areas within the meaning of the regulations) shall have effect, subject to subsection (3) of this section, as if in the place of those model clauses the licence incorporated all the clauses set out in Part II of Schedule 3 to this Act (which reproduces the model clauses set out in Schedule 3 to the said Regulations of 1966 with the amendments of them made by the Petroleum (Production) (Amendment) Regulations 1972 and Part I of Schedule 3 to this Act and with consequential adjustments in the numbering and side-notes of the clauses).
- (3) Clause 2 of the clauses set out in Part II of Schedule 2 to this Act or in Part II of Schedule 3 to this Act is excluded from the clauses incorporated in a licence by virtue of subsection (1) or subsection (2) of this section ; and—
- (a) clause 3 of the clauses incorporated in a licence by virtue of the said subsection (1) shall have effect as if it specified, as the date following which the term of the licence began, the date specified in clause 3 of the clauses replaced by virtue of that subsection ; and
 - (b) nothing in the preceding subsection affects clauses 1 and 3 to 7 of the model clauses set out in Schedule 3 to the said Regulations of 1966 as incorporated in a licence granted before the passing of this Act.
- (4) A licence under the Petroleum (Production) Act 1934 incorporating some but not all of the model clauses mentioned in paragraph (c) of subsection (1) of this section shall have effect as if there were excluded from the model clauses set out in Part II of

Schedule 2 to this Act such of those clauses as correspond to the clauses mentioned in the said paragraph (c) which immediately before the coming into force of that paragraph were not incorporated in the licence; and for the purposes of this subsection a clause mentioned in the said paragraph (c) is incorporated in a licence immediately before the coming into force of that paragraph if any of its provisions is then stated in the licence to be incorporated in the licence with or without modifications.

- (5) It is hereby declared that—
- (a) any alteration of the model clauses set out in Part II of Schedule 2 or Part II of Schedule 3 to this Act which is made after the passing of this Act by virtue of section 6 of the said Act of 1934 does not affect any model clauses as incorporated in a licence by virtue of the preceding provisions of this section; and
 - (b) any model clauses as incorporated in a licence by virtue of those provisions may be altered or deleted by an instrument under seal executed by the Secretary of State and the licensee.

19 Provisions supplementary to s. 18

- (1) In Schedule 2 to each such licence as is mentioned in subsection (1) of the preceding section, sub-paragraphs (1) and (3) of paragraph 3 (which relate to royalties and are superseded by provisions included in Part I of Schedule 2 to this Act) shall cease to have effect; and in Schedule 2 to each such licence as is mentioned in subsection (2) of the preceding section, sub-paragraphs (1) and (3) to (5) of paragraph 2 (which relate to royalties and are superseded by provisions included in Part I of Schedule 3 to this Act) shall cease to have effect.
- (2) Any information which the Commissioners of Inland Revenue possess in connection with petroleum won by virtue of a licence granted under the Petroleum (Production) Act 1934—
- (a) may be disclosed by the Commissioners to the Secretary of State, or to an officer of his who is authorised by him to receive such information, in connection with provisions of the licence relating to royalty payments; but
 - (b) shall not be disclosed by a person to whom it is disclosed in pursuance of this subsection except as authorised by the licence or to a person to whom it could have been disclosed in pursuance of the preceding paragraph or for the purposes of proceedings (which may be arbitration proceedings) in connection with the licence.
- (3) Any act or omission which occurred at a time before a licence was altered by virtue of the preceding section shall not be treated as contravening the provisions of the licence as so altered or as authorising the revocation of the licence if at that time it did not contravene the provisions of the licence or authorise the revocation of it.
- (4) Any reference in any document to provisions of a licence which is altered by virtue of the preceding section shall, except so far as the nature of the document or the context requires otherwise, be construed as a reference to the corresponding provisions of the licence as so altered.
- (5) The issue of an authorisation within the meaning of Part III of this Act shall be deemed not to derogate from a licence.
- (6) If, immediately before the date when clause 22 of the clauses set out in Part II of Schedule 2 or Part II of Schedule 3 to this Act is incorporated in a licence by virtue

of the preceding section, a person is exercising in connection with the licence such a function as is mentioned in that clause, he shall be deemed to be approved on that date by the Secretary of State in pursuance of that clause as respects that function in connection with the licence.

- (7) In subsections (3) to (6) of this section " a licence " means a licence for the time being in force by virtue of the Petroleum (Production) Act 1934.

PART III

SUBMARINE PIPE-LINES

Construction and use of pipe-lines

20 Control of construction and use of pipe-lines in territorial and continental-shelf waters

- (1) No person shall—

- (a) execute in, under or over any controlled waters any works for the construction of a pipe-line except works for the completion of a pipe-line of which the construction was begun before the coming into force of this subsection; or
- (b) use a controlled pipe-line of which the construction was begun after the coming into force of this subsection,

unless he is authorised in writing by the Secretary of State to do so and the works are or the use is in accordance with the terms of the authorisation.

- (2) In this Act—

" controlled pipe-line " means so much of any pipe-line as is in, under or over controlled waters ; and

" controlled waters " means the territorial sea adjacent to the United Kingdom and the sea in any designated area within the meaning of the Continental Shelf Act 1964.

21 Authorisations for pipe-lines

- (1) The provisions of Part I of Schedule 4 to this Act shall have effect with respect to applications for and notice of works, authorisations, and the provisions of Part II of that Schedule shall have effect with respect to notice of other authorisations.
- (2) It shall be the duty of the Secretary of State not to issue an authorisation to a person other than a body corporate.
- (3) Any authorisation in respect of a controlled pipe-line may contain such terms as the Secretary of State thinks appropriate including in particular, without prejudice to the generality of the preceding provisions of this subsection, terms as to—
 - (a) the duration of the authorisation, including the method of ascertaining its duration ;
 - (b) the persons or kinds of persons who are authorised to execute the works in question or to use the pipe-line or are so authorised if the Secretary of State consents to the execution of the works or the use of the pipeline by them;

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- (c) in the case of a works authorisation, the route of the pipe-line, the boundaries within which any works may be executed in pursuance of the authorisation, the design and capacity of the pipe-line or of part of it and the steps to be taken to avoid or reduce interference by the pipe-line with fishing or with other activities connected with the sea or the sea bed or subsoil;
 - (d) the things authorised to be conveyed by the pipe-line ;
 - (e) the steps to be taken for the purpose of ensuring that funds are available to discharge any liability for damage attributable to the release or escape of any thing from the pipe-line ;
 - (f) the transactions relating to the pipe-line which are not to be entered into, and the other things relating to the pipe-line which are not to be done, without the consent of the Secretary of State ;
 - (g) the persons who may be permitted to acquire an interest in the pipe-line and who may not be permitted to retain such an interest;
 - (h) the operation of the pipe-line, including the methods by which it is to be operated and the persons by whom it may be operated;
 - (i) the information to be furnished in respect of the pipeline ; and
 - (j) the giving by the Secretary of State, with respect to matters specified in the authorisation, of directions which shall have effect as terms of the authorisation.
- (4) Except in a case where the Secretary of State considers that there are special circumstances by reason of which the duration of an authorisation should be limited, the terms as to its duration which are included in an authorisation shall provide for its duration to be unlimited unless the authorisation ceases to be in force by virtue of the following provisions of this Part of this Act.
- (5) Where a works authorisation contains a term requiring that the capacity of the controlled pipe-line to which it relates or of any part of the pipe-line shall be greater than that proposed in the application for the authorisation or requiring that any of the route of the pipe-line shall be different from that so proposed then, subject to section 23(4) of this Act, the Secretary of State may serve on the holder of the authorisation, and on any other person who made representations to the Secretary of State that the capacity proposed as aforesaid should be greater or that any of the route so proposed should be different, a notice—
- (a) specifying the sums or the method of determining the sums which the Secretary of State considers should be paid to the holder by the other person for the purpose of defraying so much of the cost of constructing the pipe-line as is attributable to the term ;
 - (b) requiring the other person to make, within a period specified in that behalf in the notice, arrangements which the Secretary of State considers are appropriate for the purpose of securing that those sums will be paid to the holder if he constructs the pipe-line or a relevant part of it in accordance with the term or satisfies the Secretary of State that he will so construct it;
 - (c) providing that the holder may, if such arrangements are not made by the other person within that period, elect in the manner specified in the notice that—
 - (i) the term shall have effect with such modifications as are so specified with a view to eliminating the consequences of the representations of the other person, and
 - (ii) the provisions included in the notice by virtue of the following paragraph shall cease to have effect; and

- (d) authorising the holder, if he satisfies the Secretary of State that the pipe-line or a relevant part of it has been or will be constructed in accordance with the term, to recover those sums from the other person.

22 Compulsory increases in capacity etc of pipe-lines

- (1) If in the case of a controlled pipe-line it appears to the Secretary of State, on the application of a person other than the owner of the pipe-line—
 - (a) that the capacity of the pipe-line can and should be increased by modifying apparatus and works associated with the pipe-line ; or
 - (b) that the pipe-line can and should be modified by installing in it a junction through which a pipe may be connected to the pipe-line,then, subject to subsection (5) of the following section, the Secretary of State may, after giving to the owner of the pipeline an opportunity of being heard about the matter, serve on the owner and the applicant a notice—
 - (i) specifying the modifications connected with the pipe-line which the Secretary of State considers should be made in consequence of the application;
 - (ii) specifying the sums or the method of determining the sums which the Secretary of State considers should be paid to the owner by the applicant for the purpose of defraying the cost of the modifications ;
 - (iii) requiring the applicant to make, within a period specified in that behalf in the notice, arrangements which the Secretary of State considers appropriate for the purpose of securing that those sums will be paid to the owner if he carries out the modifications or satisfies the Secretary of State that he will carry them out;
 - (iv) requiring the owner, if the applicant makes those arrangements within the period aforesaid, to carry out the modifications within a period specified in that behalf in the notice; and
 - (v) authorising the owner, if he satisfies the Secretary of State that he has carried out or will carry out the modifications, to recover those sums from the applicant.
- (2) References in the preceding subsection to modifications include, in the case of modifications of any apparatus and works, references to changes in, substitutions for and additions to the apparatus and works.
- (3) It is hereby declared that for the purposes of section 20(1) of this Act a notice in pursuance of this section requiring a person to carry out modifications authorises him to carry out the modifications; but nothing in Schedule 4 to this Act shall apply to such a notice.

23 Acquisition by persons of rights to use pipe-lines belonging to others

- (1) If a person applies to the Secretary of State for a notice in pursuance of this section which secures to the applicant a right to have conveyed, by a controlled pipe-line of which he is not the owner, quantities specified in the application of things which are of a kind so specified and which the pipe-line is designed to convey, it shall be the duty of the Secretary of State to consider the application and, before he considers it, to give to the owner of the pipe-line and the applicant—
 - (a) notice that he proposes to consider it; and

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- (b) an opportunity, after the expiration of the period of twenty-one days beginning with the date of service of the notice, of being heard with respect to the application.
- (2) Where after considering an application in pursuance of the preceding subsection the Secretary of State is satisfied that, if he served notice in accordance with the following subsection in consequence of the application, the pipe-line in question could be operated in accordance with the notice without prejudicing the efficient operation of it for the purpose of conveying, on behalf of its owner, the quantities which the owner requires or may reasonably be expected to require of the things which may be conveyed by it in pursuance of an authorisation (or, if no authorisation for the use of the pipe-line is required by section 20 of this Act, of the things which the pipe-line is designed to convey), the Secretary of State may serve such a notice on the owner and the applicant.
- (3) A notice served in pursuance of the preceding subsection may contain such provisions as the Secretary of State considers appropriate for all or any of the following purposes, namely—
 - (a) for securing to the applicant, without prejudicing the efficient operation of the pipe-line for the purpose mentioned in the preceding subsection, the right to have conveyed by the pipe-line the quantities specified in the application of the things so specified ;
 - (b) for securing that the exercise of the right is not prevented or impeded;
 - (c) for regulating the charges which may be made for the conveyance of things by virtue of the right;
 - (d) for securing to the applicant the right to have a pipe and apparatus of his connected to the pipe-line by the applicant or the owner ;and such a notice may also authorise the owner to recover from the applicant payments by way of consideration for any such right of such amounts as may be specified in the notice or determined in accordance with provisions in that behalf contained in the notice.
- (4) Where the Secretary of State proposes to serve a notice in pursuance of subsection (5) of section 21 of this Act on a person other than the holder of the relevant authorisation, it shall be his duty before doing so to give that person an opportunity of making an application in pursuance of subsection (1) of this section in respect of the proposed pipe-line to which the authorisation relates; and subsections (1) to (3) of this section shall have effect in relation to such an application made by virtue of this subsection as if for references to a pipe-line and the owner of it there were substituted references to the proposed pipe-line and the proposed owner of it.
- (5) Where the Secretary of State proposes to serve a notice in pursuance of subsection (1) of the preceding section on a person other than the owner of the relevant pipe-line, it shall be his duty before doing so to give that person particulars of the modifications which he proposes to specify in the notice and an opportunity of making an application in pursuance of subsection (1) of this section in respect of the pipe-line; and subsections (1) to (3) of this section shall have effect in relation to such an application made by virtue of this subsection as if for references to a pipe-line there were substituted references to the pipe-line as it would be with those modifications.
- (6) The use of a pipe-line by any person in accordance with a right secured to him by virtue of this section is not a contravention of section 20(1) of this Act; but a person to whom a right is so secured shall not be entitled to assign the right to any other person.

24 Termination of authorisations

- (1) An authorisation shall cease to be in force—
- (a) in the case of an authorisation which does not contain terms providing for its duration to be unlimited, on the expiration of the period of its duration as specified by or ascertained under the terms of the authorisation unless it has previously ceased to be in force by virtue of the following provisions of this subsection ; or
 - (b) if the holder and the Secretary of State agree in writing that the authorisation is to cease to be in force at a particular time during its currency, at that time; or
 - (c) if the Secretary of State serves a notice on the holder in pursuance of—
 - (i) the duty imposed on the Secretary of State by the following subsection, or
 - (ii) the provisions of subsection (4) of this section,at the time specified in the notice.
- (2) If it appears to the Secretary of State that the execution of works authorised by a works authorisation (disregarding the execution of any of the works which he considers should be disregarded for the purposes of this subsection) has not been begun at the expiration of—
- (a) the period of three years beginning with the date when the authorisation is expressed to come into force ; or
 - (b) such longer period beginning with that date as the Secretary of State has, on the application of the holder, specified in a notice served for the purposes of this paragraph on the holder during the said period of three years,
- it shall be the duty of the Secretary of State to serve on the holder a notice stating that the authorisation is to cease to be in force at a time specified in the notice.
- (3) The Secretary of State shall not serve notice in pursuance of an application made by virtue of paragraph (b) of the preceding subsection unless—
- (a) he is satisfied that notice of the application has been served on—
 - (i) the persons on whom, in pursuance of Schedule 4 to this Act, notice was served of the application in consequence of which the relevant authorisation was issued or on such of those persons as the Secretary of State considers appropriate in the circumstances, and
 - (ii) such other persons, if any, as he considers appropriate in the circumstances; and
 - (b) he has considered any representations about the application made by virtue of the said paragraph (b) which were made to him in writing, during such a period as he considers reasonable, by any of the persons as to whom he is satisfied as mentioned in the preceding paragraph.
- (4) If the Secretary of State is of opinion, after giving the holder of an authorisation an opportunity of making representations in writing to him about the matter and considering any such representations then made by the holder, that the holder—
- (a) has contravened a term of the authorisation; or
 - (b) has contravened any provision of a notice which, in pursuance of section 22 or 23 of this Act, was served on him in his capacity as the owner of the pipe-line or the proposed owner of the proposed pipe-line to which the authorisation relates,

the Secretary of State may serve on the holder a notice stating that the authorisation is to cease to be in force at a time specified in the notice; but the Secretary of State shall not serve such a notice on the holder in consequence of a contravention if the Secretary of State considers that, having regard to the nature and consequences of the contravention and to any previous contravention, it would be unreasonable to terminate the authorisation in consequence of the contravention and that the holder has taken adequate steps to prevent similar contraventions in future.

- (5) When an authorisation ceases to be in force it shall be the duty of the Secretary of State to publish in the London and Edinburgh and Belfast Gazettes, or in such of them as he considers appropriate, a notice stating that it has ceased to be in force.

25 Vesting of pipe-lines on termination or subsequent issue of authorisations

- (1) When an authorisation ceases to be in force the controlled pipe-line to which it relates shall, by virtue of this subsection, be transferred to and vest in the Secretary of State free from encumbrances, except that nothing in this subsection prejudices—
- (a) any interest belonging to the Crown Estate or to Her Majesty in right of the Duchy of Lancaster or to the Duchy of Cornwall; or
 - (b) any right conferred by a notice served in respect of the pipe-line in pursuance of section 23 of this Act.
- (2) Where the Secretary of State proposes to issue an authorisation to any person in respect of a pipe-line vested in the Secretary of State by virtue of the preceding subsection he may agree with that person, on terms which may include provision for the making of payments by that person to the Secretary of State, that the authorisation is to include a statement that this subsection applies to the authorisation ; and where an authorisation includes such a statement the pipe-line to which the authorisation relates shall, by virtue of this subsection and at the time specified in that behalf in the authorisation, be transferred to and vest in the holder of the authorisation subject to any interest or right then subsisting in respect of the pipeline by virtue of paragraph (a) or (b) of the preceding subsection.
- (3) It shall be the duty of the Secretary of State to pay into the National Oil Account any sums received by him by way of such payments as are mentioned in the preceding subsection.

Safety and inspection

26 Safety

- (1) The Secretary of State may by regulations make such provision as he considers appropriate for the purpose of securing the proper construction and safe operation of pipe-lines, preventing damage to pipe-lines and securing the safety, health and welfare of persons engaged on pipe-line works ; and, without prejudice to the generality of the preceding provisions of this subsection, regulations in pursuance of this subsection may include provision with respect to the use of any aircraft, vessel, vehicle, structure, plant, equipment or other thing for the purposes of any pipe-line works and with respect to the movement of and the precautions to be taken on or in connection with any of those things which are used for the purposes of any pipeline works or are in the vicinity of a pipe-line or pipe-line works.

- (2) In the preceding subsection " pipe-line works " means works of any of the following kinds, namely—
- (a) assembling or placing a pipe-line or length of pipe-line ;
 - (b) inspecting, testing, maintaining, adjusting, repairing, altering or renewing a pipe-line or length of pipe-line;
 - (c) changing the position of or dismantling or removing a pipe-line or length of pipe-line ;
 - (d) opening the bed of the sea for the purposes of works mentioned in the preceding paragraphs, tunnelling or boring for those purposes and other works needed for or incidental to those purposes ;
 - (e) works for the purpose of determining whether a place is suitable as part of the site of a proposed pipe-line, and the carrying out of surveying operations for the purpose of settling the route of a proposed pipe-line.
- (3) References to a pipe-line in the preceding provisions of this section are to a controlled pipe-line but shall be construed as excluding—
- (a) any pipe-line so far as it forms part of—
 - (i) an offshore installation within the meaning of the Mineral Workings (Offshore Installations) Act 1971, or
 - (ii) such an other installation as is mentioned in section 44(1) of this Act, or
 - (iii) the equipment of a vessel or vehicle ; and
 - (b) any apparatus and works associated with a pipe or system of pipes and prescribed for the purposes of this paragraph.

27 Inspectors etc.

- (1) The Secretary of State may appoint, as inspectors to assist him in the execution of this Part of this Act, such number of persons appearing to him to be qualified for the purpose as he considers appropriate from time to time; and the Secretary of State may make, to or in respect of any person appointed in pursuance of this subsection, such payments by way of remuneration or otherwise as the Secretary of State determines with the approval of the Minister for the Civil Service.
- (2) Provision may be made by regulations with respect to the powers and duties of inspectors appointed in pursuance of the preceding subsection and of any other persons acting on the directions of the Secretary of State in connection with the execution of this Part of this Act and with respect to the facilities to be accorded to such inspectors and other persons; and, without prejudice to the generality of the power conferred by the preceding provisions of this subsection, regulations made in the exercise of that power may include provisions as to—
- (a) powers to inspect pipe-lines;
 - (b) powers to enter upon premises, vessels and installations used or intended to be used in connection with a pipe-line or with activities relating to a pipe-line or a proposed pipe-line;
 - (c) powers to inspect and test equipment and, in special circumstances, to dismantle, test to destruction or take possession of articles of equipment;
 - (d) powers to require, in connection with the inspection of a pipe-line, the carrying out of procedures and the conduct of tests and, in special circumstances, the

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- shutting down of the pipe-line or the discontinuance of the conveyance of things through the pipe-line ;
- (e) powers exercisable in case of immediate or apprehended danger;
 - (f) powers to require the conveyance of persons and things to and from, and the provision for persons of reasonable accommodation and means of subsistence while they are on or in transit to or from, any vessel or installation;
 - (g) duties of persons to keep and produce records and to furnish information.
- (3) Provision may also be made by regulations with respect to the notification of and the holding of public inquiries into accidents connected with pipe-lines; and, without prejudice to the generality of the power conferred by the preceding provisions of this subsection, regulations made in the exercise of that power may include provisions as to—
- (a) powers of entry and inspection for the purposes of an inquiry;
 - (b) powers for such purposes of summoning witnesses to give evidence or produce documents, of taking evidence on oath and of administering oaths or requiring the making of declarations;
 - (c) the making by the Secretary of State of payments to a person holding an inquiry, to any assessor appointed to assist him and to witnesses at an inquiry;
 - (d) the persons by whom and the manner in which the costs of an inquiry, including the remuneration of a person holding the inquiry, are to be defrayed.
- (4) The provision as to costs in pursuance of paragraph (d) of the preceding subsection may include—
- (a) provision for the payment of any costs out of money provided by Parliament;
 - (b) provision requiring any costs to be defrayed by any person who appears to the person holding the inquiry to be responsible in any degree for the accident in question by reason of any act or default of the first-mentioned person or of any servant or agent of his.
- (5) If an inquiry is held by virtue of subsection (3) of this section into an accident which causes the death of any person, no inquiry in respect of the death shall be held in pursuance of the Fatal Accidents Inquiry (Scotland) Act 1895 unless the Lord Advocate directs that such an inquiry is to be held in pursuance of that Act.
- (6) References to a pipe-line in the preceding provisions of this section are to a controlled pipe-line.

Criminal and civil liability

28 Enforcement

- (1) Any person who—
- (a) contravenes any provision of section 20(1) of this Act; or
 - (b) contravenes any provision of a notice which, in pursuance of section 22 or 23 of this Act, was served on him in his capacity as the owner of the pipe-line or the proposed owner of the proposed pipe-line to which the notice relates in a case where no authorisation for the use of the pipe-line is required by section 20(1) of this Act; or

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- (c) makes a statement which he knows is false in a material particular, or recklessly makes a statement which is false in a material particular, for the purpose of inducing the Secretary of State—
- (i) to issue any authorisation ; or
 - (ii) to agree in pursuance of section 24(1)(b) of this Act that an authorisation is to cease to be in force; or
 - (iii) to specify a period in pursuance of section 24(2)(W of this Act; or
 - (iv) not to serve a notice in pursuance of section 24(4) of this Act,
- shall be guilty of an offence and liable on summary conviction to a fine not exceeding £400 or on conviction on indictment to a fine.
- (2) If a person executes any works in contravention of section 20(1) of this Act the Secretary of State may at any time serve on him a notice requiring him to comply with one or both of the following requirements, namely—
- (a) to remove such of the works as are specified in the notice as works to be removed ;
 - (b) to take, in respect of such of the works as are specified in the notice as works which the Secretary of State considers are unsafe, such steps as are specified in the notice as steps which the Secretary of State considers are needed in order to make the works safe.
- (3) It shall be the duty of the recipient of a notice in pursuance of the preceding subsection to comply with the notice within the period specified in that behalf in the notice; and if he fails to perform that duty the Secretary of State may comply with the notice on his behalf and recover from him any expenses reasonably incurred in doing so.
- (4) If a person executes any works in contravention of section 20(1) of this Act and the Secretary of State considers that it is urgently necessary to do such things in relation to the works as he could have required that person to do by a notice in pursuance of subsection (2) of this section, the Secretary of State may do those things and recover from that person any expenses reasonably incurred in doing so.
- (5) The fact that any thing is done or omitted—
- (a) by the recipient of a notice served in pursuance of subsection (2) of this section for the purpose of complying with the notice; or
 - (b) by the Secretary of State in pursuance of subsection (3) or (4) of this section,
- shall not relieve him from liability for any damage which is attributable to the act or omission and for which he would have been liable had the act or omission not been authorised by this section; but the Secretary of State shall be entitled to recover from the person who executed the works in question the amount of any damages which, in consequence of the works, are paid by the Secretary of State by virtue of this subsection.

29 Criminal proceedings

- (1) Proceedings for an offence under subsection (1) of the preceding section or created by regulations made by virtue of this Part of this Act (hereafter in this section referred to as a " relevant offence ") may be taken, and the offence may for incidental purposes be treated as having been committed, in any place in the United Kingdom.

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- (2) No proceedings shall be instituted in England and Wales or Northern Ireland for a relevant offence alleged to have been committed in, under or over controlled waters except—
- (a) in the case of proceedings in England and Wales, by or with the consent of the Director of Public Prosecutions; or
 - (b) in the case of proceedings in Northern Ireland, by or with the consent of the Director of Public Prosecutions for Northern Ireland ; or
 - (c) in any case, by the Secretary of State or a person authorised by him in that behalf.
- (3) In proceedings for a relevant offence an averment in the information, complaint or indictment that anything was done or situated in, under or over controlled waters shall, unless the contrary is proved, be sufficient evidence of the matter stated in the averment.
- (4) Where a relevant offence has been committed by a body corporate and is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a director, manager, secretary or other similar officer of the body corporate or any person who was purporting to act in any such capacity, he as well as the body corporate shall be guilty of that offence and shall be liable to be proceeded against and punished accordingly.
- In this subsection " director ", in relation to a body corporate which—
- (a) is established by or under any enactment for the purpose of carrying on under public ownership any industry or part of an industry or undertaking; and
 - (b) is a body whose affairs are managed by its members,
- means a member of the body corporate.
- (5) In any proceedings for—
- (a) an offence under subsection (1)(a) of the preceding section of executing works or using a pipe-line otherwise than in accordance with the terms of the relevant authorisation; or
 - (b) an offence under subsection (1)(b) of that section of contravening any provision of a notice,
- it shall be a defence to prove that the accused used all due diligence to comply with those terms or, as the case may be, with that provision.
- (6) Section 3 of the Territorial Waters Jurisdiction Act 1878 (which relates to consents for prosecutions) shall not apply to any proceedings for a relevant offence.

30 Civil liability for breach of statutory duty

- (1) Breach of a duty imposed on any person by a provision of regulations which are made in pursuance of this Part of this Act and which state that this subsection applies to such a breach shall be actionable so far, and only so far, as the breach causes personal injury; and references in section 1 of the Fatal Accidents Act 1846, as it applies in England, Wales and Northern Ireland, to a wrongful act, neglect or default shall include references to any such breach which is so actionable.
- (2) Nothing in the preceding subsection prejudices any action which lies apart from the provisions of that subsection.

- (3) A defence to a charge which is available by virtue of section 32(3)(c) of this Act shall not be a defence in any civil proceedings which are brought either in pursuance of this section or otherwise.
- (4) For the purposes of subsection (1) of this section any such regulations as are mentioned in that subsection shall bind the Crown, and references in those regulations to employees shall for those purposes include persons in the service of the Crown ; but nothing in this subsection confers any right of action on a person as a member of the armed forces of the Crown or authorises proceedings against Her Majesty in her private capacity or in right of the Duchy of Lancaster or against the Duke of Cornwall.
- (5) In subsection (1) of this section " personal injury " includes any disease, any impairment of a person's physical or mental condition and any fatal injury.

Supplemental

31 Exclusion etc of application of Part III

- (1) A pipe-line of which no initial or terminal point is situated in the United Kingdom or controlled waters shall be disregarded for the purposes of this Part of this Act except this subsection and the following subsection.
- (2) The Secretary of State may by order provide that provisions of this Part of this Act which are specified in the order shall apply, with such modifications as are so specified or without modification, to the whole or any part of such a pipe-line as is mentioned in the preceding subsection; but an order in pursuance of this subsection shall contain only such provisions as the Secretary of State considers are consistent with the jurisdiction which belongs to the United Kingdom under international law.
- (3) Regulations may provide that prescribed provisions of this Part of this Act shall not apply to a pipe-line of a prescribed kind or shall not apply to such a pipe-line while any condition specified in the regulations is satisfied.

32 Regulations

- (1) It shall be the duty of the Secretary of State, before he makes any regulations in pursuance of this Part of this Act, to consult such organisations in the United Kingdom as he considers are representative of persons who will be affected by the regulations.
- (2) It shall be the duty of the Secretary of State, in making regulations in pursuance of section 26 or 27 of this Act, to have regard to the extent of the jurisdiction which belongs to the United Kingdom under international law.
- (3) Any regulations in pursuance of this Part of this Act may provide—
 - (a) for the creation of offences which, subject to the following paragraph, are punishable on summary conviction by a fine not exceeding £400 and on conviction on indictment by imprisonment for a term not exceeding two years and a fine ;
 - (b) for the maximum punishment for an offence created by the regulations to be less than that authorised by the preceding paragraph and for such an offence to be punishable only on summary conviction;
 - (c) for the matters which are to be a defence to a charge of an offence created by the regulations.

- (4) Regulations in pursuance of this Part of this Act—
- (a) may be limited so as to apply only in prescribed cases or may exclude prescribed cases from the application of the regulations;
 - (b) may specify the conditions which must be satisfied in order that a case may be excluded from the application of the regulations and may provide for any exclusion to cease to operate in a case where the conditions are contravened;
- and the Secretary of State may, by directions given to such persons as he considers appropriate, provide for a case specified in the directions to be excluded from the application of any such regulations and specify the conditions which must be satisfied in order that the exclusion may take effect and provide for the exclusion to cease to operate if the conditions are contravened.

33 Interpretation etc of Part III

- (1) Except where the context otherwise requires, in this Part of this Act " pipe-line " means a pipe or system of pipes (excluding a drain or sewer) for the conveyance of any thing, together with any apparatus and works associated with such a pipe or system ; and for the purposes of this Part of this Act the following apparatus and works and no other shall be treated as associated with such a pipe or system, namely—
- (a) any apparatus for inducing or facilitating the flow of any thing through, or through a part of, the pipe or system ;
 - (b) valves, valve chambers and similar works which are annexed to, or incorporated in the course of, the pipe or system;
 - (c) apparatus for supplying energy for the operation of any such apparatus or works as are mentioned in the preceding paragraphs;
 - (d) apparatus for the transmission of information for the operation of the pipe or system ;
 - (e) apparatus for the cathodic protection of the pipe or system; and
 - (f) a structure used or to be used solely for the support of a part of the pipe or system.
- (2) The Secretary of State may by order provide that a part of a pipe-line specified in the order shall be treated for the purposes of this Part of this Act, except this subsection, as a pipe-line.
- (3) For the purposes of this Part of this Act " owner " in relation to a pipe-line, and " proposed owner " in relation to a proposed pipe-line, mean the person for the time being designated as the owner of the pipe-line, or as the case may be as the proposed owner of the proposed pipe-line, by an order made by the Secretary of State, and an order designating a person as the proposed owner of a proposed pipe-line may also contain provision for him to be designated as the owner of the pipe-line in question at a time determined by or under the order; but it shall be the duty of the Secretary of State—
- (a) before designating a person in pursuance of this subsection, to give him an opportunity of being heard with respect to the matter; and
 - (b) if a person for the time being designated in pursuance of this subsection requests the Secretary of State in writing to cancel the designation, to consider the request and, if the Secretary of State considers it appropriate to do so, to give that person an opportunity of being heard in connection with the request.

- (4) The Secretary of State may by order revoke any order made in pursuance of subsection (2) or (3) of this section.
- (5) Except where the context otherwise requires, in this Part of this Act the following expressions have the following meanings—
- " authorisation " means an authorisation required by section 20 of this Act;
 - " construction " in relation to a pipe-line, includes placing, and cognate expressions shall be construed accordingly;
 - " heard " means heard on behalf of the Secretary of State by a person appointed by him for the purpose;
 - " holder ", in relation to an authorisation, means the person to whom the authorisation was issued;
 - " pipe-line ", in relation to an application for a works authorisation, means the proposed pipe-line in respect of which the application is made ; and
 - " works authorisation " means an authorisation for works for the construction of a pipe-line or for such works and for the use of the pipe-line.
- (6) For the purposes of this Part of this Act, works at any place in, under or over controlled waters for the purpose of determining whether the place is suitable as part of the site of a proposed pipe-line and the carrying out of surveying operations for the purpose of settling the route of a proposed pipe-line are not works for the construction of a pipe-line.
- (7) Any reference in this Part of this Act to a contravention of a provision of that Part or of regulations made or directions given by virtue of that Part includes a reference to a failure to comply with that provision.
- (8) Any reference in this Part of this Act, except this subsection, to that Part includes a reference to Schedule 4 to this Act.
- (9) This Part of this Act, so far as it applies to individuals or bodies corporate, applies to them notwithstanding that they are not British subjects or, as the case may be, are not incorporated under the law of any part of the United Kingdom.

PART IV

REFINERIES

34 Control of construction and extension of refineries

- (1) No person shall execute any works for the construction of a controlled refinery or a controlled extension of a refinery or for converting plant into a controlled refinery, unless—
- (a) he is authorised in writing by the Secretary of State to do so and the works are in accordance with the terms of the authorisation ; or
 - (b) the works are executed in accordance with planning permission in force in pursuance of the Town and Country Planning Act 1971 and granted (otherwise than by a development order within the meaning of that Act) either before the passing of this Act or in consequence of an application for such permission which was made before 7th December 1974.
- (2) In this Part of this Act—

Status: This is the original version (as it was originally enacted).

" refinery " means crude petroleum distillation plant which is designed for the treatment of crude liquid petroleum ;

" controlled refinery " means a refinery designed to be capable of treating more than one million tons a year of the kind of crude liquid petroleum which it is designed to treat;

" controlled extension ", in relation to a refinery, means works designed to extend, adapt or be used in conjunction with the refinery, or to extend or adapt works so used, and to increase by more than half a million tons a year the quantity of crude liquid petroleum which the refinery apart from the works is capable of treating; and

" authorisation " means an authorisation required by the preceding subsection;

and for the purposes of this Part of this Act the quantity of crude liquid petroleum which any plant is or will be capable of treating shall be determined on the assumption that throughout every day the plant is or will be capable of being used to its maximum capacity and is or will be so used.

- (3) The Secretary of State may by order provide that for any number of tons for the time being specified in the preceding subsection there shall be substituted another number specified in the order; and the order may—
- (a) without prejudice to the generality of section 46(1)(d) of this Act, contain such transitional provisions as the Secretary of State considers appropriate in consequence of any amendment of that subsection made by the order (including provision dispensing with authorisations in cases for which they would not be required apart from the order); and
 - (b) vary or revoke any previous order made in pursuance of this subsection.

35 Authorisations to construct or extend refineries

- (1) It shall be the duty of the Secretary of State—
- (a) to satisfy himself before he issues an authorisation that it is consistent with the national policy relating to petroleum to authorise the execution of the works in question;
 - (b) not to issue an authorisation to a person other than a body corporate.
- (2) An authorisation may contain such terms as the Secretary of State thinks appropriate including in particular, without prejudice to the generality of the preceding provisions of this subsection, terms as to—
- (a) the duration of the authorisation, including the method of ascertaining its duration;
 - (b) the persons or kinds of persons who are authorised to execute the works in question or are so authorised if the Secretary of State consents to the execution of the works by them ;
 - (c) the area in which the works may be executed ;
 - (d) the conditions (which may include conditions requiring the execution of further works) which are to be satisfied before any works authorised by the authorisation are used;

and the Secretary of State may, with the consent of the body to which an authorisation was issued, alter any of its terms at any time.

- (3) Where an authorisation contains such conditions as are mentioned in paragraph (d) of the preceding subsection, no person shall, before the conditions are satisfied, use any works of which the execution was authorised by the authorisation except to the extent specified, in a notice given by the Secretary of State to the body to which the authorisation was issued, as the extent to which the works may be used notwithstanding that any of the conditions is not satisfied; and the Secretary of State may at any time revoke such a notice by a further notice so given.
- (4) Where an authorisation contains such conditions as are mentioned in the said paragraph (d), a notice given as aforesaid which states that such of them as are specified in the notice are satisfied shall be conclusive evidence for the purposes of this Part of this Act that, on and after the date on which the notice is given, the conditions so specified are satisfied.
- (5) If it appears to the Secretary of State that since the issue of an authorisation there has been a change in the control of the body to which it was issued, it shall be his duty to give to that body a notice—
- (a) cancelling the authorisation at a time specified in the notice; or
 - (b) identifying the change and stating that he has decided not to cancel the authorisation in consequence of it; or
 - (c) stating that he proposes to cancel the authorisation unless, before a time specified in the notice, such requirements as are so specified with respect to the control of that body are satisfied;

and where it appears to the Secretary of State that any requirement specified in a notice served by virtue of paragraph (c) of this subsection is not satisfied at the time specified in the notice he may give to that body a further notice cancelling the authorisation at a time specified in the further notice.

- (6) There is a change in the control of a body to which an authorisation was issued whenever a person has control of that body who did not have control of it when the authorisation was issued; and subsections (2) and (4) to (6) of section 302 of the Income and Corporation Taxes Act 1970 shall apply, for the purpose of determining whether for the purposes of this subsection a person has or had control of such a body, with the following modifications—
- (a) for the words " the greater part" wherever they occur in the said subsection (2) there shall be substituted the words " one-third or more "; and
 - (b) in the said subsection (6), for the word " may" there shall be substituted the word " shall " , the words from " and such attributions " onwards shall be omitted and in the other provisions of that subsection any reference to an associate of a person shall be construed as including only a relative of his (as defined by section 303(4) of that Act), a partner of his and a trustee of a settlement (as defined by section 454(3) of that Act) of which he is a beneficiary.
- (7) If an authorisation contains such conditions as are mentioned in subsection (1)(d) of this section and, at the time when apart from this subsection the authorisation is cancelled or otherwise ceases to be in force, any works authorised by the authorisation have been executed and any of those conditions is not satisfied, the authorisation shall, so far only as it contains the unsatisfied conditions, continue in force until those conditions are satisfied.

36 Planning permission for works requiring authorisations

- (1) An application made after the coming into force of this section for planning permission for works for the construction or extension of any refinery or for converting plant into a refinery shall be of no effect unless it is accompanied by—
 - (a) a copy of an authorisation in force for all of those works in the area of the local planning authority for which an authorisation is required; or
 - (b) a certificate signed by or on behalf of the applicant and stating that no authorisation is required for any of those works in that area.
- (2) Where at the time when this section comes into force—
 - (a) an application for planning permission made after 6th December 1974 is pending or any appeal to the Secretary of State connected with such an application is pending or the time within which such an appeal may be begun has not expired ; and
 - (b) if the application had been made after the coming into force of this section it would have been of no effect by virtue of the preceding subsection,
the application shall be of no effect, or as the case may be the appeal shall be stayed or not begun, until the authority to which the application was made is furnished with such a copy or certificate as is mentioned in that subsection in respect of the works to which the application relates.
- (3) Where by virtue of the preceding subsection a prohibition imposed by that subsection on the beginning of an appeal ceases to be so imposed, the appeal may be begun during a period which begins with the cesser and is equal to so much of the time within which the appeal could have been begun apart from the prohibition as was unexpired when the prohibition was so imposed.
- (4) In the preceding provisions of this section " local planning authority " and " planning permission " have the same meanings as in the Town and Country Planning Act 1971.

37 Inspectors

- (1) The Secretary of State may appoint, as inspectors to assist him in the execution of this Part of this Act, such number of persons appearing to him to be qualified for the purpose as he considers appropriate from time to time; and the Secretary of State may make, to or in respect of any person appointed in pursuance of this subsection, such payments by way of remuneration or otherwise as the Secretary of State determines with the approval of the Minister for the Civil Service.
- (2) An inspector appointed in pursuance of the preceding subsection may, at all reasonable times and on producing written evidence of his authority if required to do so,—
 - (a) inspect any refinery and for that purpose enter on any land on or near which any part of the refinery is situated;
 - (b) without prejudice to the preceding paragraph, inspect any land on which a refinery is being provided and for that purpose enter on the land and any land near it;
 - (c) require any person having control of any refinery or land which the inspector is authorised to inspect or enter by virtue of either of the preceding paragraphs to give the inspector such assistance and afford him such facilities as the inspector may reasonably ask for in connection with the powers conferred on him in relation to the refinery or land by either of those paragraphs;

- (d) require any body to which an authorisation for the time being in force has been issued to produce and permit the inspector to inspect any documents in that body's possession or control which relate to the issued share capital of that body;
- (e) require any person to produce and permit the inspector to inspect any documents in that person's possession or control which relate to—
 - (i) any works for the provision or extension of a refinery, or
 - (ii) the use of any works at a time when a notice in pursuance of section 35(3) of this Act was in force in respect of them.

38 Offences

- (1) Any person who—
 - (a) contravenes any provision of section 34(1) or 35(3) of this Act; or
 - (b) makes a statement which he knows is false in a material particular or recklessly makes a statement which is false in a material particular—
 - (i) for the purpose of inducing the Secretary of State to issue or to alter or not to cancel an authorisation or to give a notice in pursuance of section 35(3) or (4) of this Act, or
 - (ii) in any document purporting to be such a certificate as is mentioned in section 36(1)(b) of this Act,shall be guilty of an offence and liable on summary conviction to a fine not exceeding £400 or on conviction on indictment to a fine.
- (2) Any person who—
 - (a) wilfully obstructs an inspector appointed in pursuance of the preceding section in the exercise of the powers conferred on him by paragraph (a) or (b) of subsection (2) of that section; or
 - (b) without reasonable excuse fails to provide facilities or assistance or to produce or permit the inspection of any document which he is required to provide or produce in pursuance of any other paragraph of that subsection,shall be guilty of an offence and liable on summary conviction to a fine not exceeding £400.
- (3) Where an offence under any of the preceding provisions of this section has been committed by a body corporate and is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a director, manager, secretary or other similar officer of the body corporate or any person who was purporting to act in any such capacity, he as well as the body corporate shall be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

In this subsection "director", in relation to a body corporate which—
 - (a) is established by or under any enactment for the purpose of carrying on under public ownership any industry or part of an industry or undertaking; and
 - (b) is a body whose affairs are managed by its members,means a member of the body corporate.
- (4) No proceedings shall be instituted in England and Wales for an offence under any of the preceding provisions of this section except by or with the consent of the Director of Public Prosecutions or by the Secretary of State or a person authorised by him in that behalf.

39 Modifications of Part IV for Scotland and Northern Ireland

(1) This Part of this Act shall have effect in its application to Scotland with the following modifications, namely—

- (a) in section 34(1)(b) for the words "Town and Country Planning Act 1971" there shall be substituted the words " Town and Country Planning (Scotland) Act 1972 ";
- (b) in section 36(1)(a) for the words "area of the local" there shall be substituted the words " district of the ";
- (c) in section 36(2) for the word " stayed " there shall be substituted the word " sisted "; and
- (d) for subsection (4) of section 36 there shall be substituted

“(4) In the preceding provisions of this section (4) In the preceding provisions of this section " planning authority" and "planning permission" have the same meanings as in the Town and Country Planning (Scotland) Act 1972.”

(2) This Part of this Act shall have effect in its application to Northern Ireland with the following modifications, namely—

- (a) for any reference to the Secretary of State there shall be substituted a reference to the Department of Commerce for Northern Ireland except in section 34(3), 36(2)(a) and 37 and in subsection (4) of section 38 so far as it relates to an offence under subsection (2) of that section and to an offence under subsection (3) of that section committed by reference to an offence under subsection (2);
- (b) in section 34(1)(b) for the words " Town and Country Planning Act 1971 " there shall be substituted the words " Planning (Northern Ireland) Order 1972 " and for the words " that Act" there shall be substituted the words " that Order ";
- (c) in section 36(1) the words " in the area of the local planning authority" in paragraph (a) and the words " in that area " in paragraph (b) shall be omitted ;
- (d) in section 36(2) for the words "Secretary of State" there shall be substituted the words " Planning Appeals Commission " and for the words " authority to which the application was made " there shall be substituted the words " Department of Housing, Local Government and Planning for Northern Ireland ";
- (e) in section 36(4) for the words from "' local planning authority'" onwards there shall be substituted the words " ' planning permission' has the same meaning as in the Planning (Northern Ireland) Order 1972 ";
- (f) in section 37(1) after the words " assist him " there shall be inserted the words " and the Department of Commerce for Northern Ireland ";
- (g) in section 38(4) for the words " England and Wales" there shall be substituted the words " Northern Ireland " and after the word "Prosecutions" there shall be inserted the words " for Northern Ireland ".

PART V

MISCELLANEOUS AND GENERAL

Miscellaneous

40 The National Oil Account

- (1) There shall be an account, to be called the National Oil Account (and hereafter in this section referred to as "the Account"), which subject to the following provisions of this section shall be under the control and management of the Secretary of State.
- (2) There shall be paid into the Account, in addition to any sums required to be paid into it by virtue of any other provision of this Act,—
 - (a) all sums received by the Corporation from any source or standing to the credit of the Corporation in any bank account, except such sums as the Secretary of State specifies from time to time for the purposes of this paragraph with the approval of the Treasury;
 - (b) all sums which, after the coming into force of this paragraph, are received by the Secretary of State by virtue of the Petroleum (Production) Act 1934 or from the sale of any petroleum delivered to him under the terms of a licence granted in pursuance of that Act;
 - (c) all sums which are payable to the Corporation in respect of services performed by the Corporation for a Minister of the Crown or a Northern Ireland department.
- (3) There shall be paid out of the Account, in addition to any sums required to be paid out of it by virtue of any other provision of this Act,—
 - (a) such sums as the Secretary of State considers are needed to enable the Corporation and any relevant subsidiary to defray expenditure properly chargeable to revenue or capital account;
 - (b) any sums which, after the coming into force of this paragraph, are payable by the Secretary of State by reference to any licence granted in pursuance of the Petroleum (Production) Act 1934 ;
 - (c) any sums which the Treasury direct are to be paid out of the Account to a Minister of the Crown or a Northern Ireland department in respect of the revenue accruing to the Minister or department in connection with such services as are mentioned in paragraph (c) of the preceding subsection ;and when the Secretary of State considers and the Treasury agree that the amount standing to the credit of the Account exceeds the amount required for the purposes of the Account the Secretary of State shall pay the excess into the Consolidated Fund.
- (4) It shall be the duty of the Secretary of State as respects the financial year ending on 31st March 1976 and each subsequent financial year—
 - (a) to prepare, in such form as he may determine with the approval of the Treasury, an account of the sums paid into and out of the Account in that year; and
 - (b) to send a copy of the account to the Comptroller and Auditor General not later than the end of the month of November next following that year;

and the Comptroller and Auditor General shall examine, certify and report on each account of which a copy is sent to him in pursuance of this subsection and shall lay copies of it and of his report on it before each House of Parliament.

41 Payments to petroleum licence holders etc from the Account

- (1) The Secretary of State may by order make provision for the making by the Corporation, or by another person specified in the order, of payments to or in respect of persons who are or have been entitled to the benefit of licences granted in pursuance of the Petroleum (Production) Act 1934 and are parties to such agreements as are mentioned in section 2(1)(e) of this Act or similar participation agreements made with title Corporation or a relevant subsidiary; and, without prejudice to the generality of the power conferred by the preceding provisions of this subsection, such an order may include provision for the making of payments—
 - (a) to the Secretary of State in settlement of any sums payable to him by such persons in pursuance of licences so granted;
 - (b) to the Commissioners of Inland Revenue in settlement of any sums payable by such persons by way of petroleum revenue tax, income tax or corporation tax.
- (2) An order in pursuance of this section may be varied or revoked by a subsequent order in pursuance of this section.
- (3) Where any person has paid to the Secretary of State a sum by way of royalty under the terms of a licence granted in pursuance of the Petroleum (Production) Act 1934, the Secretary of State may with the approval of the Treasury repay to him the whole or a part of that sum if the Secretary of State considers it expedient to do so for the purpose of facilitating or maintaining the development of the petroleum resources of the United Kingdom ; and any repayment and right to a repayment in pursuance of this subsection shall be disregarded for the purposes of income tax, corporation tax and petroleum revenue tax.
- (4) Any sums required for making payments in pursuance of the preceding subsection or an order made by virtue of this section shall be paid by the Secretary of State out of the National Oil Account.

42 Loans etc to promote development of United Kingdom petroleum resources

- (1) Where it appears to the Secretary of State expedient to do so for the purpose of facilitating or maintaining the development of the petroleum resources of the United Kingdom, he may with the approval of the Treasury—
 - (a) make loans to an oil company on terms determined by him; or
 - (b) guarantee on such terms the repayment of the principal of and the payment of interest on loans made to an oil company by another person.
- (2) Any sums required by the Secretary of State for the purposes of the preceding subsection shall be defrayed out of money provided by Parliament; but the aggregate amount for the time being outstanding in respect of the principal of loans made in pursuance of that subsection shall not exceed £50 million and the aggregate amount of the principal sums in respect of which guarantees in pursuance of that subsection are for the time being in force and of the payments on account of principal sums which have been made by the Secretary of State under such guarantees and not recovered by him shall not exceed a further £600 million.
- (3) Immediately after a loan is made or a guarantee is given in pursuance of subsection (1) of this section, the Secretary of State shall lay a statement relating to it before each House of Parliament; and where any sum is issued for fulfilling a guarantee so given the Secretary of State shall, as soon as possible after the end of each financial year (beginning with that in which the sum is issued and ending with that in which all

liability in respect of the principal of the sum and in respect of interest thereon is finally discharged), lay before each House of Parliament a statement relating to that sum.

- (4) In subsection (1) of this section " oil company " means a body corporate which, in the opinion of the Secretary of State, has as its principal object—
- (a) the production or refining of petroleum or the production and refining of petroleum ; or
 - (b) the supplying of petroleum in a case where any of its other objects is one of those mentioned in the preceding paragraph.

43 Payments in respect of Burmah Oil Co. Ltd

The Secretary of State may, out of money provided by Parliament, pay to the Bank of England (hereafter in this section referred to as " the Bank ") such sums, not exceeding in the aggregate £350 million, as may be needed, in pursuance of arrangements made between the Secretary of State and the Bank, for the purpose of making good any losses sustained by the Bank in consequence of guarantees given by the Bank in respect of loans to the Burmah Oil Company Limited or any of that Company's subsidiaries or in consequence of loans made by the Bank to that Company or any of its subsidiaries.

44 Extension of Mineral Workings (Offshore Installations) Act 1971

- (1) The Mineral Workings (Offshore Installations) Act 1971, except section 1, shall have effect as if any reference to an offshore installation within the meaning of that Act included a reference to any other installation, whether floating or not, which—
- (a) is maintained or intended to be established, in controlled waters or waters in the United Kingdom, for use in connection with the conveyance of things by means of a pipe constructed in or under the sea ; and
 - (b) is, or when established will be, capable of being manned by one or more persons ;

and in relation to any such other installation subsection (4) of section 3 of that Act (which includes the concession owner among the persons having the duty to ensure that regulations under that section relating to an installation are complied with) shall have effect as if references to the concession owner were omitted.

- (2) In relation to any such offshore installation which comprises only apparatus or works which are associated with a pipe or system of pipes for the purposes of Part III of this Act and are capable of being manned by one or more persons, the said subsection (4) shall have effect as if references to the concession owner were omitted except, in a case where the concession owner has the right to exploit the mineral resources in the area in which the installation is situated, in relation to minerals from those resources which are included among the things in connection with the conveyance of which the installation is or was or will be for use.
- (3) At the end of section 12(3) of the said Act of 1971 (which provides that references in that Act to an offshore installation do not include an installation which at the relevant time consists exclusively of a pipe-line) there shall be inserted the words " and do not include any apparatus and works which are treated as associated with a pipe or system of pipes in pursuance of section 33(1) of the Petroleum and Submarine Pipe-lines Act 1975 and are at the relevant time incapable of being manned by one or more persons ".
- (4) Provision may be made by regulations as to what things are, for the purposes of subsection (1) or (2) of this section or any provision of section 12 of the said Act of

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1971 as amended by this section, capable or incapable of being manned by one or more persons.

- (5) It is hereby declared that the powers to make regulations conferred by section 6 of the said Act of 1971 include power to make regulations—
- (a) providing for an inspector appointed in pursuance of that section to enter upon any premises or vessel used or intended to be used in connection with an offshore installation within the meaning of that Act and to inspect the premises or vessel and anything on the premises or vessel which is used or intended to be used as aforesaid; and
 - (b) requiring the payment of fees in connection with any examination or test required by regulations under that section and of fees for the issue of certificates in pursuance of regulations under that section.

General

45 Amendments of enactments

- (1) It is hereby declared that the reference to pipe-lines under the high seas in section 8(1) of the Continental Shelf Act 1964 (which among other things relates to the punishment of persons who damage such pipe-lines) includes pipe-lines under the territorial sea adjacent to the United Kingdom.
- (2) In section 23 of the Prevention of Oil Pollution Act 1971 (which among other things authorises the Secretary of State to exempt vessels from provisions of that Act) the words " any vessels or classes of vessels " shall be omitted and at the end of the section there shall be inserted the words "—
 - (a) any vessels or classes of vessels ;
 - (b) any discharge of, or of a mixture containing, crude oil produced as a result of operations for the exploration of the sea-bed and subsoil or the exploitation of their natural resources in a case where the discharge occurs in the course of such operations or is from a pipe-line or a place on land."
- (3) Nothing in the Dumping at Sea Act 1974 shall apply to anything done—
 - (a) for the purpose of constructing or maintaining a pipeline as respects any part of which an authorisation (within the meaning of Part III of this Act) is in force; or
 - (b) for the purpose of establishing or maintaining an offshore installation within the meaning of the Mineral Workings (Offshore Installations) Act 1971 or any such other installation as is mentioned in section 44(1) of this Act.

46 Orders and regulations

- (1) Any power conferred by this Act to make an order or regulations—
 - (a) includes power to make different provision by the order or regulations for different circumstances and to include in the order or regulations such incidental, supplemental and transitional provisions (including, in the case of regulations, provisions for the payment of fees in respect of consents and certificates required by the regulations) as the Secretary of State considers appropriate in connection with the order or regulations; and
 - (b) shall be exercisable by statutory instrument;

and any statutory instrument made by virtue of this subsection, except an instrument containing only an order made by virtue of section 6(3), 33(2), (3) or (4) or 49(2) of this Act, shall be subject to annulment in pursuance of a resolution of either House of Parliament.

- (2) No order shall be made in pursuance of section 6(3) of this Act unless a draft of the order has been approved by a resolution of the House of Commons.

47 Expenses

Any administrative expenses of the Secretary of State or a government department which are attributable to this Act shall be defrayed out of money provided by Parliament.

48 Interpretation etc-general

- (1) In this Act—

" controlled pipe-line " and " controlled waters " have the meanings assigned to them by section 20(2) of this Act;

" the Corporation " has the meaning assigned to it by section 1(1) of this Act;

" enactment " includes an enactment of the Parliament of Northern Ireland or of the Northern Ireland Assembly;

" functions " includes powers and duties;

" notice " means notice in writing;

" prescribed " means prescribed by regulations;

" regulations " means regulations made by the Secretary of State;

" relevant subsidiary " means a wholly owned subsidiary of the Corporation; and

" subsidiary " shall be construed in accordance with section 154 of the Companies Act 1948 or section 148 of the Companies Act (Northern Ireland) 1960 and " wholly owned subsidiary " shall be construed in accordance with section 150(4) of the said Act of 1948 or section 144(5) of the said Act of 1960.

- (2) Subsections (1) to (3) of section 49 of the Pipe-lines Act 1962 (which relates to the service of documents in pursuance of that Act) shall have effect as if references to that Act included references to this Act and as if after the words " arrangements agreed " in subsection (3) there were inserted the words " or in accordance with regulations made by virtue of the Petroleum and Submarine Pipe-lines Act 1975 " ; and in the application of this subsection to Northern Ireland the said subsections (1) to (3) shall have effect as if they extended to Northern Ireland.

- (3) Except so far as this Act expressly provides otherwise and subject to the provisions of section 33 of the Interpretation Act 1889 (which relates to offences under two or more laws), nothing in this Act—

(a) confers a right of action in any civil proceedings (other than proceedings for the recovery of a fine) in respect of any contravention of this Act or an instrument made in pursuance of this Act;

(b) affects any restriction imposed by or under any other enactment, whether public, local or private; or

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- (c) derogates from any right of action or other remedy (whether civil or criminal) in proceedings instituted otherwise than under this Act.
- (4) References in this Act to any enactment are references to it as amended by or under any other enactment.
- (5) Without prejudice to the generality of the preceding subsection, references in this Act to licences granted under the Petroleum (Production) Act 1934 include references to licences granted under section 2 of that Act as applied by section 1(3) of the Continental Shelf Act 1964; but nothing in this Act affects the extent of the said Act of 1934.

49 Short title, commencement and extent

- (1) This Act may be cited as the Petroleum and Submarine Pipe-lines Act 1975.
- (2) This Act shall come into force on such day as the Secretary of State may by order appoint; and, without prejudice to the generality of section 46(1)(a) of this Act, different days may be appointed in pursuance of this subsection for different provisions of this Act and for such different purposes of the same provision as may be specified in the order.
- (3) This Act, except Part II and Schedules 2 and 3, extends to Northern Ireland and the following provisions of this Act extend to controlled waters and places above and below those waters, namely,—
 - (a) Parts II and III and Schedules 2 and 3 ;
 - (b) sections 44 and 45 ; and
 - (c) sections 46 and 48 and this section so far as they relate to any provision mentioned in paragraph (a) or (b) of this subsection.