



# Oil and Gas (Enterprise) Act 1982

## 1982 CHAPTER 23

### PART II

#### GAS

##### *Use by other persons of pipe-lines belonging to Gas Corporation*

#### **15 Construction of pipe-lines by Gas Corporation**

- (1) The Gas Corporation shall not at any time execute any works for the construction of a high pressure pipe-line unless, not less than two years (or such shorter period as the Secretary of State may allow) before that time, it has given notice to the Secretary of State stating that it intends to execute the works.
- (2) A notice under subsection (1) above shall—
  - (a) specify the points between which the proposed pipe-line is to run and be accompanied by a map (drawn to a scale not less than 1:1,500,000) on which is delineated the route which it is proposed to take ;
  - (b) specify the length, diameter and capacity of the proposed pipe-line, the kind of gas which it is designed to convey and the quantities of gas which the Gas Corporation requires or expects to require to be conveyed by the pipe-line in order to secure the performance by the Corporation of its statutory duties and contractual obligations; and
  - (c) contain such other particulars (if any) as may be prescribed by regulations made by the Secretary of State.
- (3) The Secretary of State shall cause to be published in such publication or publications as he considers appropriate notice of the receipt by him of any notice under subsection (1) above; and a notice so published shall—
  - (a) specify the points between which the proposed pipe-line is to run;
  - (b) name a place or places where a copy of the notice under subsection (1) above (and of the map accompanying it) may be inspected free of charge, and copies thereof may be obtained at a reasonable charge, at all reasonable hours; and

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- (c) specify the time within which, and the manner in which, representations may be made as to the matters mentioned in paragraphs (a) and (b) of subsection (4) below.
- (4) Where in the light of any such representations duly made the Secretary of State is satisfied—
- (a) that a demand exists or is likely to arise for the conveyance of gas of, or of a kind similar to, the kind specified in the notice under subsection (1) above; and
  - (b) that the routes along which the gas will require to be conveyed will severally be, as to the whole or any part thereof, the same or substantially the same as the route or any part of the route so specified,
- then, subject to subsection (6) and section 17(4) below, the Secretary of State may give directions to the Corporation in accordance with subsection (5) below.
- (5) Directions under subsection (4) above may—
- (a) require the Gas Corporation to secure that the pipe-line, or any length of it specified in the directions, shall be so constructed as to be capable of conveying quantities so specified of gas of, or of a kind similar to, the kind specified in the notice under subsection (1) above;
  - (b) specify the sums or the method of determining the sums which the Secretary of State considers should be paid to the Corporation by such of the persons who made representations to the Secretary of State as are specified in the directions for the purpose of defraying so much of the cost of constructing the pipe-line as is attributable to that requirement;
  - (c) specify the arrangements which the Secretary of State considers should be made by each of those persons, within a period specified in that behalf in the directions, for the purpose of securing that those sums will be paid to the Corporation if it constructs the pipe-line in accordance with that requirement;
  - (d) provide that the Corporation may, if such arrangements are not made by any of those persons within the period aforesaid, elect in the manner specified in the directions that the requirement shall have effect with such modifications as are so specified with a view to eliminating the consequences of the representations made by that person.
- (6) The Secretary of State shall not give directions under subsection (4) above without first giving the Gas Corporation particulars of the requirement he proposes to specify in the directions and an opportunity of being heard about the matter; and the said particulars must be given to the Corporation within six months of the Secretary of State receiving the notice under subsection (1) above.
- (7) If, after a notice under subsection (1) above has been given to the Secretary of State, the execution of the works to which the notice relates has not been substantially begun at the expiration of three years from the date on which it was given to him, or at the expiration of any extension of that period which he may allow, the notice shall be treated as invalid for the purposes of that subsection except as regards works previously executed.
- (8) This section shall not apply as respects works for the completion of a pipe-line of which the construction was begun before the commencement date or, if the Secretary of State so directs in the case of any works, within three years of that date.
- (9) In this section and sections 16 and 17 below—
- "gas" has the same meaning as in Part III of the 1972 Act;

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" high pressure pipe-line " means any pipe-line which—  
(a) has a design operating pressure exceeding 7 bars; or  
(b) is of a class specified in an order made by the Secretary of State ;  
" pipe-line " has the same meaning as in the Pipe-lines Act 1962;  
" statutory duties", in relation to the Gas Corporation, means the duties imposed on the Corporation by section 2(1) of and paragraph 2 of Schedule 4 to the 1972 Act.

## **16 Increase of capacity etc. of pipe-lines belonging to Gas Corporation**

- (1) If in the case of a pipe-line belonging to the Gas Corporation it appears to the Secretary of State, on the application of a person other than the Corporation—  
(a) that the pipe-line can and should be modified by installing in it a junction through which another pipe-line may be connected to the pipe-line ; or  
(b) in the case of a high pressure pipe-line, that the capacity of the pipe-line can and should be increased by modifying apparatus and works associated with the pipeline,

then, subject to section 17(4) below, the Secretary of State may, after giving to the Corporation an opportunity of being heard about the matter, give directions to the Corporation in accordance with subsection (2) below in consequence of the application.

- (2) Directions under this section may—  
(a) specify the modifications which the Secretary of State considers should be made in consequence of the application ;  
(b) specify the sums or the method of determining the sums which the Secretary of State considers should be paid to the Gas Corporation by the applicant for the purpose of defraying the cost of the modifications ;  
(c) specify the arrangements which the Secretary of State considers should be made by the applicant, within a period specified in that behalf in the directions, for the purpose of securing that those sums will be paid to the Corporation if it carries out the modifications ;  
(d) require the Corporation, if the applicant makes those arrangements within the period aforesaid, to carry out the modifications within a period specified in that behalf in the directions.
- (3) References in subsections (1) and (2) above to modifications include, in the case of modifications to any apparatus and works, references to changes in, substitutions for and additions to the apparatus and works ; and the reference in subsection (1) above to apparatus and works associated with a pipe-line shall be construed in accordance with section 65(2) of the Pipe-lines Act 1962.

## **17 Acquisition of rights to use pipe-lines belonging to Gas Corporation**

- (1) If a person applies to the Secretary of State for directions under this section which enable the applicant to secure a right to have conveyed, by a pipe-line belonging to the Gas Corporation, during a period specified in the application quantities so specified of gas which is of a kind so specified and is of, or of a kind similar to, the kind which the pipe-line is designed to convey, it shall be the duty of the Secretary of State—  
(a) to decide whether the application is to be considered further or rejected;  
(b) to serve notice of his decision on the applicant; and

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- (c) in the case of a decision that the application is to be considered further, to give the Corporation notice that it is to be so considered and an opportunity of being heard about the matter.
- (2) Where, after further considering an application under subsection (1) above, the Secretary of State is satisfied that the giving of directions under this section would not prejudice the conveyance by the pipe-line of—
- (a) the quantities of gas which the Gas Corporation requires or may reasonably be expected to require to be conveyed by the pipe-line in order to secure the performance by the Corporation of its statutory duties and contractual obligations ; and
  - (b) the quantities of gas which any person who has a right to have gas conveyed by the pipe-line is entitled to require to be so conveyed in the exercise of that right,
- the Secretary of State may give such directions to the Corporation.
- (3) Directions under this section may—
- (a) specify the terms on which the Secretary of State considers the Gas Corporation should enter into an agreement with the applicant for all or any of the following purposes—
    - (i) for securing to the applicant the right to have conveyed by the pipe-line during the period specified in the directions the quantities so specified of gas which is of the kind so specified ;
    - (ii) for securing that the exercise of that right is not prevented or impeded ;
    - (iii) for regulating the charges which may be made for the conveyance of gas by virtue of that right;
    - (iv) for securing to the applicant the right to have a pipe-line of his connected to the pipe-line by the Corporation;
  - (b) specify the sums or the method of determining the sums which the Secretary of State considers should be paid by way of consideration for any such right; and
  - (c) require the Corporation, if the applicant pays or agrees to pay those sums within a period specified in that behalf in the directions, to enter into an agreement with him on the terms so specified.
- (4) Where the Secretary of State proposes to give directions to the Gas Corporation under section 15(4) or 16 above, it shall be his duty before doing so—
- (a) in the case of directions under section 15(4) above, to give to any person whom he proposes to specify in the directions particulars of the requirement he proposes so to specify and an opportunity of making an application under subsection (1) above in respect of the proposed pipe-line; and
  - (b) in the case of directions under section 16 above, to give to the applicant particulars of the modifications he proposes to specify in the directions and an opportunity of making such an application in respect of the pipeline ;
- and subsections (1) to (3) above 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 proposed pipe-line or, as the case may be, the pipe-line as it would be with those modifications.
- (5) Any reference in this section to a right to have a quantity of gas of any kind conveyed by a pipe-line is a reference to a right—
- (a) to introduce that quantity of gas of that kind at one point in the pipe-line ; and

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- (b) to take off such quantity as may be appropriate of gas of, or of a kind similar to, that kind at another point in the pipe-line.
- (6) Any reference in a deed or other instrument or document to the functions of the Gas Corporation shall be taken to include a reference to any obligations arising under an agreement entered into by the Corporation in pursuance of directions given under this section.