
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations transfer certain functions from the Secretary of State to the Oil and Gas Authority (the “OGA”) and make various amendments and revocations consequential to the transfer of functions to the OGA under the Energy Act 2016 (c. 20).

Regulation 2 makes provision for the continuity of acts, instruments and documents relating to functions being transferred to the OGA. In particular, it provides that any instrument (e.g., licence) made before the relevant date has effect, so far as is appropriate in connection with a transferred function, as if references to the Secretary of State were or included references to the OGA. It also provides for the continuing validity of things done before the transfer of functions. Regulation 3 provides for a review by the Secretary of State of regulation 2.

Regulations 5, 6, 13 to 15, 19, 23 and 25 make consequential amendments to regulations relating to functions transferred to the OGA, as well as making provision for the Secretary of State to review those regulations, where appropriate. Those functions concern the licensing of petroleum exploration and production, the licensing of the storage and unloading of combustible gas (including exploration) and the licensing of the storage of carbon dioxide (in England and Wales). The amendments made to the model clauses for licences by regulations 13(24)(a), (26), (34)(a) and (43), 14(14), (16), (23)(a) and (27) and 15(13)(a), (19)(a) and (24) retain references to “Minister” in those provisions which relate to the Secretary of State’s environmental, conservation or pollution prevention obligations.

Regulations 4, 7 to 12, 16, 18, 20, 21, 24 and 26 make consequential amendments to legislation relating to other matters to reflect the role of the OGA, as well as making provision for the Secretary of State to review those regulations, where appropriate. The legislation relates to the taxation of oil and gas (regulation 4); the Secretary of State’s environmental, conservation and pollution prevention obligations (regulations 7 to 10, 12, 16, 21); the obligations of the Health and Safety Executive in relation to offshore installations (regulations 11 and 24); the licensing of the storage of carbon dioxide in Scotland (regulation 18) and town and country planning (in England and Wales, regulations 20 and 26).

Regulations 14(2), 17(3), 22 and 25(5) revoke existing provisions relating to the fees charged by the Secretary of State for applications for licences and various consents, which in future will be charged by the OGA instead.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sectors is foreseen.