



Energy Act 2023

2023 CHAPTER 52

PART 2

CARBON DIOXIDE CAPTURE, STORAGE ETC AND HYDROGEN PRODUCTION, TRANSPORT AND STORAGE

CHAPTER 2

DECOMMISSIONING OF CARBON STORAGE INSTALLATIONS

Change of use relief

96 Change of use relief: installations

- (1) Section 30A of the Energy Act 2008 (installations converted for CCS demonstration projects) is amended as follows.
- (2) For the heading substitute “Change of use relief for certain installations”.
- (3) In subsection (1), for “by order” insert “, on an application made by a relevant person, by notice”.
- (4) Omit subsections (2) and (3).
- (5) Before subsection (4) insert—
 - “(3A) The Secretary of State must consult the Oil and Gas Authority before deciding—
 - (a) whether to designate an installation under subsection (1);
 - (b) whether to make a certification under subsection (5)(b).”
- (6) For subsection (4) substitute—
 - “(4) An eligible CCS installation qualifies for change of use relief if—

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- (a) the Secretary of State has given a CCS-related abandonment programme notice to a person in relation to the abandonment of the installation, and
 - (b) the trigger event has occurred in relation to the installation.
- (4A) In subsection (4) “CCS-related abandonment programme notice” means an abandonment programme notice given under section 29 of the 1998 Act in that section’s application in relation to carbon storage installations (by virtue of section 30 of this Act).”
- (7) For subsection (5) substitute—
- “(5) The trigger event occurs in relation to an eligible CCS installation when—
- (a) a decommissioning fund (as defined in section 92(7) of the Energy Act 2023) has been established for providing security for the discharge of liabilities in respect of decommissioning costs in relation to the installation, and
 - (b) the Secretary of State certifies by notice in writing (an “approval notice”) that one or more relevant persons have paid into the fund an amount or amounts the total of which is not less than the required amount.
- (5A) In [subsection \(5\)](#)—
- (a) “relevant person” means a person of a description specified in regulations made by the Secretary of State;
 - (b) “the required amount” means an amount determined by the Secretary of State in accordance with regulations made by the Secretary of State.
- (5B) Where the Secretary of State gives an approval notice in relation to an eligible CCS installation the Secretary of State must—
- (a) give a copy of the approval notice to every person to whom a notice has been given under section 29(1) of the 1998 Act in relation to the installation, and
 - (b) publish a notice that—
 - (i) specifies the installation, and
 - (ii) states that the Secretary of State has given an approval notice under subsection (5)(b) in relation to it.”
- (8) In subsection (11), for “an order made” substitute “a notice given”.
- (9) After subsection (11) insert—
- “(11A) The Secretary of State must publish a notice given under subsection (1).”
- (10) In subsection (12)—
- (a) for ““CCS demonstration project” and “commercial electricity generation” have the same meanings” substitute “has the same meaning”;
 - (b) omit the definition of “carbon storage facility”;
 - (c) at the appropriate places insert—
 - ““decommissioning costs” has the meaning given by [section 92](#) of the Energy Act 2023;”;

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““relevant person” means a person to whom a notice may be given under section 29(1) of the 1998 Act in relation to an offshore installation (within the meaning given by section 44 of the 1998 Act);”.

Commencement Information

II S. 96 in force at 26.12.2023, see s. 334(3)(b)

97 Change of use relief: carbon storage network pipelines

- (1) Section 30B of the Energy Act 2008 (submarine pipelines converted for CCS demonstration projects) is amended as follows.
- (2) For the heading substitute “Change of use relief: carbon storage network pipelines”.
- (3) For “CCS pipeline”, in each place it occurs, substitute “carbon storage network pipeline”.
- (4) In subsection (1), for “by order” insert “, on an application made by a relevant person, by notice”.
- (5) After subsection (1) insert—
 - “(1A) The Secretary of State must consult the Oil and Gas Authority before deciding—
 - (a) whether to designate a pipeline under subsection (1);
 - (b) whether to make a certification under subsection (3)(b).”
- (6) For subsection (2) substitute—
 - “(2) An eligible carbon storage network pipeline qualifies for change of use relief if—
 - (a) the Secretary of State has given a CCS-related abandonment programme notice to a person in relation to the abandonment of the pipeline, and
 - (b) the trigger event has occurred in relation to the pipeline.
 - (2A) In subsection (2) “CCS-related abandonment programme notice” means an abandonment programme notice under section 29 of the 1998 Act given at a time when the pipeline is used, or is to be used wholly or mainly—
 - (a) for the purpose of disposing of carbon dioxide by way of geological storage, or
 - (b) as a licensable means of transportation.”
- (7) For subsection (3) substitute—
 - “(3) The trigger event occurs in relation to an eligible carbon storage network pipeline when—
 - (a) a decommissioning fund (as defined in section 92(7) of the Energy Act 2023) has been established for providing security for the discharge of liabilities in respect of decommissioning costs in relation to the pipeline, and
 - (b) the Secretary of State certifies by notice in writing (an “approval notice”) that one or more relevant persons have paid into the fund an

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amount or amounts the total of which is not less than the required amount.

(3A) In [subsection \(3\)](#)—

- (a) “relevant person” means a person of a description specified in regulations made by the Secretary of State;
- (b) “the required amount” means an amount determined by the Secretary of State in accordance with regulations made by the Secretary of State.

(3B) Where the Secretary of State gives an approval notice in relation to an eligible carbon storage network pipeline, the Secretary of State must—

- (a) give a copy of the approval notice to every person to whom a notice has been given under section 29(1) of the 1998 Act in relation to the pipeline, and
- (b) publish a notice that—
 - (i) specifies the pipeline, and
 - (ii) states that the Secretary of State has given an approval notice under [subsection \(3\)\(b\)](#) in relation to it.”

(8) In subsection (6), for “an order made” substitute “a notice given”.

(9) After subsection (6) insert—

“(6A) The Secretary of State must publish a notice given under subsection (1).”

(10) In subsection (7)—

- (a) for “and “CCS demonstration project” have the same meanings” substitute “has the same meaning”;
- (b) omit the definition of “carbon storage facility”;
- (c) at the appropriate places insert—
 - ““decommissioning costs” has the meaning given by [section 92](#) of the Energy Act 2023;”;
 - ““geological storage”, in relation to carbon dioxide, has the same meaning as in [Part 1](#) of the Energy Act 2023 (see [section 55](#) of that Act);”;
 - ““licensable means of transportation” has the meaning given by [section 2\(3\)](#) of the Energy Act 2023;”;
 - ““relevant person” means a person to whom a notice may be given under section 29(1) of the 1998 Act in relation to a submarine pipeline;”.

Commencement Information

I2 [S. 97](#) in force at 26.12.2023, see [s. 334\(3\)\(b\)](#)

98 Change of use relief: supplementary

(1) In the Energy Act 2008, after section 30B insert—

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“30C Relief under sections 30A and 30B: supplementary

- (1) The Secretary of State may by regulations make provision about the obtaining of information required, and sharing of information held, for the purposes of functions of the Secretary of State under sections 30A and 30B, including provision—
 - (a) for the Secretary of State to require the holder of a licence under [section 7](#) of the Energy Act 2023, or a person who qualifies for change of use relief under section 30A or 30B, to provide information to the Secretary of State;
 - (b) authorising His Majesty’s Revenue and Customs (or anyone acting on their behalf) to disclose to the Secretary of State information held as mentioned in section 18(1) of the Commissioners for Revenue and Customs Act 2005;
 - (c) for the enforcement of any requirement imposed by virtue of the regulations.
- (2) For the purposes of [subsection \(1\)](#), a person “qualifies for change of use relief” if—
 - (a) but for section 30A(6) they would be a person to whom a notice may be given under section 29(1) of the Petroleum Act 1998 in relation to a carbon storage installation, or
 - (b) but for section 30B(4) they would be a person to whom a proposal may be made under section 29(1) of the Petroleum Act 1998 in relation to a submarine pipeline.
- (3) In this section—

“carbon storage installation” has the same meaning as in section 30 of the Energy Act 2008;

“submarine pipeline” has the same meaning as in Part 4 of the 1998 Act (see section 45 of that Act).”
- (2) In section 105 of the Energy Act 2008 (Parliamentary control of subordinate legislation), in subsection (2) omit paragraph (aa).

Commencement Information

I3 [S. 98](#) in force at 26.12.2023, see [s. 334\(3\)\(b\)](#)

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Change of use relief.