STATUTORY INSTRUMENTS

2026 No. 853

OFFSHORE INSTALLATIONS

The Offshore (Oil and Gas) Installation and Pipeline Abandonment Charges (Revocation) Regulations 2026

Made - - - -	*16th July 2026*
Laid before Parliament	*20th July 2026*
Coming into force - -	*30th September 2026*

The Secretary of State makes these Regulations, with the consent of the Treasury, in exercise of the powers conferred by section 38C(1), (2)(b), (4), (6), (7) and (8) of the Petroleum Act 1998(**1**).

In accordance with section 38C(7) of that Act, the Secretary of State has consulted organisations in the United Kingdom appearing to the Secretary of State to be representative of those persons who are likely to be affected by the Regulations.

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Offshore (Oil and Gas) Installation and Pipeline Abandonment Charges (Revocation) Regulations 2026 and come into force on 30th September 2026.

(2) These Regulations extend to England and Wales, Scotland and Northern Ireland.

Interpretation

2. In these Regulations—

"the 1998 Act" means the Petroleum Act 1998;

"the 2012 Regulations" means the Offshore (Oil and Gas) Installation and Pipeline Abandonment Fees Regulations 2012(**2**);

"abandonment programme charges" means charges for, or in connection with, abandonment programme functions including the payment of expenses incurred by the Secretary of State;

"abandonment programme function" means a function of the Secretary of State under Part 4(**3**) of the 1998 Act, relating to the abandonment of—

(**1**) 1998 c. 17. Section 38C was inserted by section 299(1) of the Energy Act 2023 (c. 52).
(**2**) S.I. 2012/949.
(**3**) Section 28A was inserted by the Energy Act 2016 (c. 20), section 72, Schedule 2, paragraph 2; section 29 was amended by the Energy Act 2016, Schedule 2, paragraphs 2, 3(3) and 3(4) and the Energy Act 2023 (c. 52), section 299(4); section 30 was amended by the Energy Act 2008 (c. 32), section 72 and Schedule 1, paragraph 10; section 31 was amended by the Energy Act 2008, section 72(7) and Schedule 6, paragraph 1; section 32 was amended by the Energy Act 2016 (c. 20), Schedule 2,

(a) an offshore installation(**4**), or

(b) a submarine pipeline(**5**), except a carbon dioxide submarine pipeline;

"carbon dioxide submarine pipeline" means a submarine pipeline that(**6**)—

(a) is, or has been, maintained, or

(b) is intended to be established,

by a person for the purposes of an activity mentioned in section 17(2)(a), (b) or (c) of the Energy Act 2008(**7**);

"charging period" means a three month period beginning on 1st January, 1st April, 1st July or 1st October;

"section 29 notice" means a written notice given by the Secretary of State in accordance with section 29(1) of the 1998 Act;

"section 29 notice holder" means a person who has been given a section 29 notice.

Commencement of work date

3.—(1) Where a section 29 notice has been given in relation to an offshore installation or a submarine pipeline, before the coming into force of these Regulations, the "commencement of work date" relating to that offshore installation, or that submarine pipeline, is the date these Regulations come into force.

(2) Where no section 29 notice had been given in relation to an offshore installation or a submarine pipeline, before the coming into force of these Regulations, the "commencement of work date" is the date of service of the first section 29 notice in relation to an offshore installation or a submarine pipeline, as applicable.

(3) A section 29 notice holder is liable to pay abandonment programme charges notified under regulation 4(1) in relation to an offshore installation or a submarine pipeline, in respect of abandonment programme functions that the Secretary of State carries out on or after the relevant commencement of work date.

Notice of abandonment programme charges

4.—(1) Except as specified in regulation 8, the Secretary of State may recover abandonment programme charges where the Secretary of State has given a section 29 notice holder a section 29 notice of such charges that have been incurred during a charging period.

(2) The Secretary of State is not required to notify a section 29 notice holder that no abandonment programme charges have been incurred during a charging period.

(3) The notice under paragraph (1) must specify—

(a) the charging period to which the charges apply, and

(b) the amount of the charges and how that amount has been calculated.

paragraph 4(2) and (3); section 33 was amended by the Energy Act 2016, Schedule 2, paragraph 5 and the Energy Act 2023, section 299(5); section 34A was inserted by the Energy Act 2016, Schedule 2, paragraph 7, section 35 was amended by the Energy Act 2023, section 299(6); section 37 was amended by the Energy Act 2008, Schedule 2, paragraph 9; section 38 was amended by the Energy Act 2008, section 73; sections 38A and 38B were inserted by the Energy Act 2008, section 74(1); section 38C was inserted by the Energy Act 2023, section 299(1); and section 45 was amended by the Energy Act 2008, Schedule 5, paragraph 11 and the Marine and Coastal Access Act 2009 (c. 23), Schedule 8, paragraph 8.

(**4**) "Submarine pipeline" is defined in section 45 of the 1998 Act.

(**5**) "Submarine pipeline" is defined in section 45 of the 1998 Act.

(**6**) "Submarine pipeline" is defined in section 45 of the 1998 Act.

(**7**) 2008 c. 32.

Payment of abandonment programme charges

5.—(1) A section 29 notice holder must pay the charges notified under regulation 4(1) before the end of the period of 30 days beginning with the day after the day on which the notice was given by the Secretary of State under regulation 4(1).

(2) All section 29 notice holders for the offshore installation or submarine pipeline to which a notice under regulation 4(1) relates are jointly and severally liable to pay the charges notified under regulation 4(1).

Calculation of abandonment programme charges

6.—(1) The abandonment programme charges for a charging period for a particular offshore installation or submarine pipeline are to be calculated as (A x B) + (C x D) + (E x F) + G where—

A is the number of hours of work carried out on abandonment programme functions in the charging period by non-specialist administration officers;

B is £130;

C is the number of hours work carried out on abandonment programme functions in the charging period by non-specialist decommissioning officers;

D is £132;

E is the number of hours work carried out on abandonment programme functions in the charging period by specialist environmental officers;

F is £256;

G is expenses incurred by the Secretary of State for work commissioned in relation to abandonment programme functions.

(2) In this regulation—

"environmental function" means the abandonment programme function of considering the environmental effects of an abandonment programme and modifications and conditions in relation to those effects;

"non-specialist administration officer" means a person engaged by or on behalf of the Secretary of State to provide administrative support to non-specialist decommissioning officers or specialist environmental officers;

"non-specialist decommissioning officer" means a person engaged by or on behalf of the Secretary of State to carry out abandonment programme functions other than environmental functions;

"specialist environmental officer" means a person engaged on behalf of the Secretary of State to carry out environmental functions.

Notices

7. The following provisions apply to a notice served by the Secretary of State under regulation 4(1)—

(a) the notice must be in writing;

(b) the deemed date of service is as follows unless the contrary is shown—

(i) in the case of email or other electronic communication, the date the notice is electronically sent;

(ii) in the case of delivery by hand, the date of delivery;

(iii) in the case of postal delivery, the date that is the third day after the day the notice is posted;

(c) the Secretary of State may effect service by service on the last known electronic or postal address of a section 29 notice holder;

(d) service on one section 29 notice holder in relation to a particular offshore installation or submarine pipeline is to be treated as effective service on all section 29 notice holders who have received a section 29 notice in relation to that offshore installation or submarine pipeline;

(e) the section 29 notice holders for a particular offshore installation or submarine pipeline may make representations to the Secretary of State proposing an agreed address for service of notices and the Secretary of State must have regard to such representations.

Saving provisions

8.—(1) The Secretary of State may not recover abandonment programme charges under these Regulations for any work in respect of which a fee remains payable under an existing charging provision by virtue of regulation 3 of the Energy Act 2023 (Commencement No.5, Saving Provisions) Regulations 2026(**8**).

(2) For the purposes of this regulation, the existing charging provisions are the following sections as they had effect immediately before the appointed day—

(a) section 29;

(b) section 34.

Revocation

9. Except insofar as regulation 8 applies, the 2012 Regulations are revoked.

Michael Shanks
Minister of State
16th July 2026 Department for Energy Security and Net Zero

Deirdre Costigan
Christian Wakeford
Two of the Lords Commissioners of His
15th July 2026 Majesty's Treasury

(**8**) S.I. 2026/846 (C. 72).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations introduce charges for or in connection with the carrying out by the Secretary of State of the Secretary of State's functions under Part 4 of the Petroleum Act 1998 (c. 17) ("the 1998 Act").

Part 4 of the 1998 Act provides for the abandonment of offshore installations and submarine pipelines. The Secretary of State may by written notice under section 29 of the 1998 Act (a "section 29 notice") require a person to submit a programme setting out the measures proposed to be taken in connection with the abandonment of an offshore installation or submarine pipeline (an "abandonment programme").

Regulation 2 includes a definition of an "abandonment programme function", as a function relating to an offshore installation, or a submarine pipeline that is not a carbon dioxide submarine pipeline.

Regulation 3 determines the "commencement of work date", being the date from which the carrying out of an abandonment programme function becomes chargeable under these Regulations.

Regulation 4 provides for abandonment programme charges to refer to a charging period set out in a notice that the Secretary of State must serve on a section 29 notice holder (as defined in regulation 2(2)) in order to recover charges. A charging period is defined in regulation 2(2) and is quarterly. The Secretary of State is not required to serve a notice for a charging period during which no charges are incurred.

Regulation 5 sets out that the charge is to be paid by a section 29 notice holder within the 30 day period following the service of a notice under regulation 4(1). In line with Part 4 of the 1998 Act, there is joint and several liability for all persons served with a section 29 notice.

Regulation 6 sets out the methodology for calculating the charge. It is an hourly rate for each official multiplied by the time spent by that official on the abandonment programme during the charging period. The charges also include expenses paid by the Secretary of State for work commissioned in relation to abandonment programme functions.

Regulation 7 makes provision for notices served under the Regulations. It enables the Secretary of State to serve a single notice requiring payment of abandonment charges, that will be effective against all persons served with a section 29 notice in relation to a specific offshore installation or submarine pipeline.

There are existing fees payable when an abandonment programme is submitted for approval and when a revision is requested. These fees are set out in the Offshore (Oil and Gas) Installation and Pipeline Abandonment Fees Regulations 2012 (S.I. 2012/949) ("the 2012 Regulations"). The 2012 Regulations are saved by the Energy Act 2023 (Commencement No. 5, Savings Provisions) Regulations 2026 (S.I. 2026/846 (C. 72)) ("the 2026 Commencement Regulations") for certain transitional purposes. Regulation 8 is intended to make clear that the Secretary of State cannot recover through charges the costs of carrying out any work in respect of which a fee remains payable under section 29 or 34 of the 1998 Act in consequence of Regulation 3 of the 2026 Commencement Regulations.

The enabling powers for the 2012 Regulations are repealed by section 299(3) to (7) of the Energy Act 2023 which comes into force on 30th September 2026 pursuant to the 2026 Commencement Regulations, except to the extent they are saved for transitional purposes by those 2026 Commencement Regulations

Regulation 9 revokes the 2012 Regulations, except where they apply to the transitional situations in regulation 8.

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