



North Sea
Transition
Authority

Response to the consultation on information and sample related matters in Carbon Dioxide Appraisal and Storage and Petroleum Licences

Date of publication 6 April 2023

This response can be found on the NSTA's website: <https://www.nstauthority.co.uk/news-publications/consultations/2023/>.

© NSTA Copyright 2023

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the [NSTA open user licence](#).

This document is available in large print, audio and braille on request.

Please email: correspondence@nstauthority.co.uk with the version you require.

Enquiries to:

North Sea Transition Authority

3rd Floor

1 Marischal Square

Broad Street

Aberdeen

AB10 1BL

Email: Informationandsamples.consultation@NSTAuthority.co.uk

Contents

General information _____	1
Introduction and background _____	2
Part 1: Principle of data retention, reporting and disclosure for carbon storage Licences ____	3
Part 2: Principle of requiring Information and Sample Plans and Information and Sample Coordinators _____	6
Part 3: Principle of ISPs at additional licence events? _____	7
Part 4: Principle of NSTA general data gathering power _____	8
Conclusion and next steps _____	9
Regulatory Impact Assessment _____	10
Annex 1: List of respondents _____	11

General information

Purpose of this document

This document sets out the North Sea Transition Authority's ('**NSTA**') response to its consultation on the principle of disclosing information and samples reported to the **NSTA** from carbon storage activities under a carbon dioxide appraisal and storage licence ('**CS licence**'); on the principle of having Information and Samples Plans ('**ISP**') and Information and Samples Coordinators ('**ISC**') for CS licences; on the principle of requiring ISPs at additional licence events for petroleum licences; and on the principle of an NSTA general data gathering power.

This response issued: 6 April 2023

Territorial extent: United Kingdom and United Kingdom Continental Shelf ('**UKCS**')

Additional copies:

Other versions of the document in Braille, large print, audio or Welsh can be made available on request. Please contact us using the 'enquiries' details to request alternative versions.

Quality assurance:

This consultation has been carried out in principle with the [government's consultation principles](#).

If you have any complaints about the consultation process (as opposed to comments about the issues which are the subject of the consultation) please address them to:

NSTA consultation co-ordinator
Sanctuary Buildings
20 Great Smith Street
London
SW1P 3BT

Email: NSTAconsultationcoordinator@NSTAauthority.co.uk

Introduction and background

1. This document summarises the responses to the NSTA's consultation¹ on information and sample related matters in Carbon Dioxide Appraisal and Storage and Petroleum Licences.
2. The consultation was conducted between 18 January and 1 March 2023. The consultation sought views on the principles of retention and reporting of information and samples from CS licences due to the connection between retention, reports and the subsequent disclosure of information and samples. In addition, the consultation sought views on whether a change of control of a licensee and an operator change in a licence subarea, for both petroleum licences and CS licences, should require an ISP.
3. The NSTA received eleven responses from industry bodies, other government organisations, current and potential carbon storage licensees and service companies with an interest in carbon storage related information and samples, and an NGO. The list of respondents can be found in Annex 1.
4. The respondents were overwhelmingly in favour of the proposals, as set out in more detail in the section below. The NSTA has therefore proposed to the Department for Energy Security and Net Zero that an amendment to introduce the carbon storage data measures set out in Parts one and two of this response document is tabled at the Commons committee stage of the Energy Bill debates. This is subject to approval by Parliamentary process.
5. If the amendment is accepted and the Bill gets Royal Assent, the NSTA will seek to use the new enabling powers to introduce secondary legislation setting out the detailed data retention, reporting and disclosure requirements for carbon storage licensees. There would be further engagement on any proposed secondary legislation in due course.

¹ <https://www.nstauthority.co.uk/media/8688/nsta-consultation-ccs-data-disclosure-final.pdf>

Part 1: Principle of data retention, reporting and disclosure for carbon storage licences

Introduction and background

6. The consultation asked five questions regarding whether, in principle, similar information and sample retention and reporting requirements, currently in place for petroleum licensees, should exist for CS Licensees and whether the NSTA should, in principle, have similar powers to disclose reported information following a period of confidentiality.

Q1 Do you agree that in principle similar data gathering powers should apply to CS licences as are currently in place for petroleum licences?

Summary of responses received

7. All respondents supported the principle that similar data gathering powers should apply to CS licences as are currently in place for petroleum licences.

NSTA response

8. The NSTA welcomes the overwhelmingly supportive response to the principle that similar data gathering powers should apply to CS licences as are currently in place for petroleum licences. This reflects what has worked well in respect to petroleum licences so that information and samples from CS licences create value for carbon storage licensees and all other stakeholders in the UKCS.
9. The Energy Act 2016 petroleum related information and samples powers have provided a positive step change in the reporting and disclosure of information and samples. We understand that although the information and sample types created by petroleum licensees and carbon storage licensees are similar, we need to be cognisant of the difference in data acquisition methods and resulting data types and we understand that proposed secondary legislation needs to cover all relevant data types.

Q2 Do you agree that in principle, information and samples from carbon storage activities that are reported to the NSTA should be disclosed following a period of confidentiality?

Summary of responses received

10. Nine respondents supported the principle that information and samples from carbon storage activities that are reported to the NSTA should be disclosed following a period of confidentiality. Two respondents disagreed that there should be any period of confidentiality, but they did agree with the principle of disclosure.

NSTA response

11. The NSTA welcomes respondents' support for the proposals and agrees that the timely disclosure of information is highly valuable to individual licensees and collectively across the entire carbon dioxide storage industry. Disclosure of information and samples will allow a nascent industry to thrive, although the NSTA understands there needs to be a balance between allowing companies to get their return on investment in data acquisition, and the need for information to be disclosed, for the greater good of industry.

Q3 Do you agree that the disclosure of carbon storage information and samples by the NSTA would be of benefit to the carbon storage industry and also to the petroleum industry and other users of, or those with an interest in, the UKCS?

Q4 Do you have any comments on the principle of disclosure of carbon storage related information and samples by the NSTA?

Q5 Do you have any comments on specific information and samples that should be retained, reported and disclosed from carbon storage related activities (e.g. from a specific tool, operation or activity that is specific to carbon storage)?

Summary of responses received

12. All respondents agreed that the disclosure of carbon storage information and samples by the NSTA would be of benefit to the carbon storage industry and also to the petroleum industry and other users of, or those with an interest in, the UKCS

13. Eight respondents provided detailed comments on the principle of disclosure of carbon storage related information and samples. Some of the general points raised include:

- a. the view that collaboration, engagement and willingness to share appraisal data is likely crucial for building a carbon storage network and maximising UK storage potential.
- b. the view that disclosure of information and samples would help maintain public confidence in carbon storage projects.
- c. similar disclosure periods to the petroleum licence regulations will enable streamlined activity and to make it a simple process for people to understand the framework.
- d. the proposed approach encourages knowledge sharing, this could be transformative for the CCUS sector and help ensure the UK is on track to deliver net zero targets.

14. Eight respondents provided specific comments to Q5, these covered feedback on the type of data which would be collected in the exploration, appraisal and operation of a carbon storage site, and a suggestion for the NSTA to ensure any guidance documents are revised to allow for emerging technologies to be captured.

NSTA response

15. This is a response to Q3, Q4 and Q5.
16. The NSTA is pleased that all respondents agreed that the disclosure of carbon storage information and samples by the NSTA would be of benefit to the carbon storage industry and also to the petroleum industry and other users of, or those with an interest in, the UKCS. The NSTA acknowledges matters raised, such as sensitivities and other commercial and confidentiality concerns regarding appraisal phase data when carbon storage Licensees may be competing for emitters, and this will be given due consideration.
17. The NSTA note that confidentiality periods for petroleum related data are not entirely uniform (i.e. wellbore, seismic, production etc.) and see no reason for not having differing confidentiality periods that consider various data types and various sensitivities. Careful consideration will be given to how the requirements for carbon storage Licenses should differ from the petroleum related requirements. The NSTA considers the current guidance² to be a good starting point in respect to which information and samples should be retained, reported and subsequently disclosed.

² <https://www.nstauthority.co.uk/media/8703/retention-of-information-and-samples-guidance-jan-2023-final.pdf> and <https://www.nstauthority.co.uk/media/8012/guidance-on-reporting-disclosure-august-2021-final.pdf>

Part 2: Principle of requiring Information and Sample Plans and Information and Sample Coordinators

Introduction and Background

18. The consultation asked two questions about the principle of requiring Information and Samples Plans ('ISP') and Information and Sample Coordinators ('ISC') for CS licences.

Q6 Do you agree in principle that there is a benefit in having ISPs, similar to those required in respect of petroleum data, for CS licences?

Q7 Do you agree in principle that there is a benefit in having ISCs for CS licences?

Summary of responses received

19. Nine respondents agreed that in principle there is a benefit in having ISPs, similar to those required in respect of petroleum data, for CS licences. Two respondents responded with 'not applicable'.

20. Ten respondents agreed in principle that that there is a benefit in having Information and Samples Coordinators for CS licences. One respondent responded with 'not applicable'.

NSTA response

21. This is a response to Q6 and Q7.

22. The NSTA welcomes respondents' positive feedback and support for the requirement of ISPs for carbon storage licence events and ISCs for CS licences.

Part 3: Principle of ISPs at additional licence events?

Introduction and background

23. The consultation asked two questions if, in principle, an ISP should be required at additional licence events.

-
- Q8** Do you agree that in principle, operator changes (both Exploration Operator and Storage Operator) should require an ISP for CS licences?
- Q9** Do you agree that in principle, a change of control should require an ISP for CS licences?
- Q10** Do you agree that in principle, licence subarea operator changes should require an ISP for petroleum licences?
- Q11** Do you agree that in principle, a change of control should require an ISP for petroleum licences?
-

Summary of responses received

24. Nine respondents supported the principle that operator changes (both Exploration Operator and Storage Operator) should require an ISP for CS licences responded affirmatively. Two respondents responded with 'not applicable'.
25. Eight respondents supported the principle that a change of control should require an ISP for CS licences. Three respondents responded with 'not applicable'.
26. Eight respondents agreed in principle that licence subarea operator changes should require an ISP for petroleum licences. Three respondents responded with 'not applicable'.
27. Seven respondents agreed that in principle a change of control should require an ISP for petroleum licences. Four respondents responded with 'not applicable'.

NSTA response

28. This is a response to Q8, Q9, Q10 and Q11.
29. The NSTA thanks respondents for their feedback on the principle of requiring an ISP at additional licence events including a change in licence operator and a change of control. We agree that requiring an ISP at these licence events would reduce the risk of data loss and ensure that all reporting obligations are fulfilled.
30. At this stage, the NSTA reserves its position with respect to considering how to take these proposals forward with the Department for Energy Security and Net Zero in the future and have the same set of 'licence events' requiring an ISP over petroleum and CS licences.

Part 4: Principle of NSTA general data gathering power

Introduction and Background

31. Through the National Data Repository and the NSTA Data Centre, the NSTA is ensuring industry, academia and the wider public have ready access to timely and transparent data. This data creates the conditions for the investment and innovation necessary to support energy security and to enable the energy transition.
32. The questions in this part asked if, in principle, a general information gathering power, together with associated safeguards, whereby the NSTA could request information in a required format that is relevant and proportionate for it to exercise any of its statutory functions.

Q12 Do you agree that in principle the NSTA should have a general information gathering power related to its functions?

Q13 Are there any restrictions and/or limitations on the exercise of such a general information gathering power you consider would be appropriate?

Summary of responses received

33. Eight respondents supported the principle of a NSTA general information gathering power. Three respondents did not support the principle of a NSTA general information gathering power.
34. Six respondents provided specific comments on the appropriate restrictions and limitations on the exercise of such a general information gathering power. The following comments are indicative and cover the feedback provided:
- Limitations should address factors including confidentiality periods given the potentially commercially sensitive nature of information which could be covered.
 - Overlap between the data gathering powers of regulators should be avoided.

NSTA response

35. This is a response to Q12 and Q13.
36. It is clear from the feedback that most respondents share the opinion that the NSTA would benefit from a general information gathering power to address gaps in its current data powers, subject to appropriate restrictions.
37. The NSTA shares the opinion of those who responded that such a general information gathering power should be linked to the NSTA's regulatory powers and functions and should be subject to appropriate safeguards. These include confidentiality and seeking the views of appropriate persons with respect to such data.

Conclusion and next steps

38. The NSTA has proposed to the Department for Energy Security and Net Zero that an amendment to introduce the carbon storage data measures described in Parts one and two of this document is tabled at the Commons committee stage of the Energy Bill debates. This is subject to approval by Parliamentary process.
39. If the amendment is accepted and the Bill gets Royal Assent, the NSTA will seek to use the new enabling powers to introduce secondary legislation setting out the detailed data retention, reporting and disclosure requirements for carbon storage licensees. There would be further engagement on any proposed secondary legislation in due course.
40. The NSTA thanks respondents for their feedback on the principle of the requirements for ISPs at additional petroleum licence events. The NSTA agrees that requiring an ISP for carbon storage and petroleum licences at operator changes and a change of control would reduce the risk of data loss and ensure that all reporting obligations are fulfilled. At this stage we are reserving our position with respect to considering this feedback further and exploring with the Department for Energy Security and Net Zero how to take this proposal forward at an appropriate time.
41. The NSTA thanks respondents for their feedback on the principle of a new general data gathering power. The NSTA shares the opinion of those who responded that such a general information gathering power should be tied to the NSTA's regulatory powers and functions and should be subject to appropriate safeguards. At this stage we are reserving our position with respect to considering this feedback further and exploring with the Department for Energy Security and Net Zero how to take this proposal forward at an appropriate time.

Regulatory Impact Assessment

The Energy Act 2016 outlines the preparation and agreement of ISPs and provision of ISCs. The NSTA recognises that the CS licensees work within tighter financial margins and an efficient digital process for reporting information will help keep costs down. Furthermore, reporting information will negate the need for licensees to retain it for longer than required, further reducing costs. There is also an industry wide benefit to be had from the disclosure of information and samples, while also maintaining the balance by allowing companies to get returns on investment on the data acquisition by having suitable confidentiality periods in place.

The NSTA expects that ISPs should be no more onerous than the existing plans made to facilitate the transfer of information and samples between two parties, who are following commonly accepted industry best practice. Therefore, the NSTA expects that the burden on industry on account of an ISP will be minimal, as licensees are already required to hold and transfer data under their licence obligations.

It is also anticipated that there will be no additional burden due to naming ISCs as they are expected to be named from within the organisation and companies are not expected to appoint any specially designated personnel for this role. It is anticipated that there will be a minimal cost to businesses to familiarise themselves with the guidance.

Annex 1: List of respondents

bp

British Geological Survey (BGS)

Carbon Capture and Storage Association (CCSA)

Carbon Storage licensee

Energeo Alliance

ExxonMobil International Limited

Offsite Archive Storage and Integrated Services (UK) Ltd (OASIS)

Osokey Limited

storeCO2 UK Limited

UK Offshore Energies Association Limited (OEUK)

Uplift

© NSTA copyright 2023

North Sea Transition Authority

NSTA HQ: 3rd Floor, 1 Marischal Square, Broad Street, Aberdeen, AB10 1BL.

The North Sea Transition Authority is the business name for the Oil & Gas Authority, a limited company registered in England and Wales with registered number 09666504 and VAT registered number 249433979. Our registered office is at Sanctuary Buildings, 20 Great Smith Street, London, United Kingdom, SW1P 3BT.

For information about how we process data and monitor communications please see our Data Protection Statement and for terms of use please see our Terms and Conditions, both available on our website

www.NSTAuthority.co.uk