



North Sea  
Transition  
Authority

# Response to the consultation on proposals to introduce new and amended NSTA fees

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The document can be found on the NSTA's website.

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# General information

## **Purpose of this consultation**

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This document sets out the North Sea Transition Authority (NSTA's) response to its consultation on proposals to introduce new and amended NSTA fees.

Issued: 2 March 2026

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

## **Additional copies:**

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## **Quality assurance**

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This consultation has been carried out in line 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:

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# Introduction and background

1. This document summarises the feedback received to the North Sea Transition Authority's (NSTA)<sup>1</sup> consultation on proposals to introduce new and amended NSTA fees, and sets out the NSTA's response.
2. The consultation was open from 17 June to 12 August 2025, and sought views and feedback in relation to proposed new and amended fees for consents relating to carbon storage licence activities, and proposed new and amended fees for consents relating to petroleum and gas storage licence activities.
3. The NSTA received four responses to the consultation, from two industry associations, one petroleum licensee, and one company that holds both petroleum and carbon storage licences. The list of respondents can be found at Annex 1.
4. The responses were generally supportive of the proposals, though some concerns and comments, as well as requests for clarification, were expressed in relation to some proposals.
5. Following consideration of the feedback, the NSTA will recommend that the Department for Energy Security and Net Zero (DESNZ) introduces legislation for the proposed new and amended fees. Further clarification on the proposed and amended fees is set out, as appropriate, in this response. We expect that the new and amended fees will be introduced with effect from 1 April 2026, with the exception of the fee for 'as built'/'update to records' in respect of the pipeline work authorisations, which will be introduced at a later date.

<sup>1</sup> The North Sea Transition Authority is the business name of the Oil and Gas Authority (OGA). The OGA remains the legal name of the company. NSTA and OGA are used interchangeably in this document.

# Proposed new and amended fees for consents relating to carbon storage licence activities

## Introduction and background

6. The consultation proposed a number of potential new fees and changes to existing fees for carbon storage licensees, and sought feedback on the proposals.

### **New fees for consents in relation to wells used for carbon dioxide appraisal and development**

7. The consultation proposed a number of fixed fees for carbon storage well services and asked:

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**Q1: Do you have any comments on the proposal that the NSTA introduces fixed fees for consents in relation to wells used for carbon dioxide appraisal and development? Do you agree that the rates of the fees should be broadly similar to the equivalent fees for consent for petroleum licences?**

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## Summary of responses received

8. There were three responses to this question, all supporting the principle of the proposal, agreeing with aligning the fee rates with the equivalent petroleum licence consents, and that the cost of each process should be reflected in the fee for the relevant licence.
9. The respondents expressed concern that the introduction of these fees could increase the financial burden on developers when the UK carbon storage industry is still in its early stages, with significant uncertainty around revenue generation. They suggested that the introduction of fees for carbon dioxide wells could be postponed to when projects are better positioned to absorb the costs.
10. There were also suggestions to align processes and requirements with those of for example The Crown Estate and Crown Estate Scotland, to minimise any administrative and regulatory burden.

## NSTA response

11. The NSTA intends to introduce the new fees in Table 1. Note that the proposed fee to “put back into use for carbon storage any carbon storage or petroleum well subject to a well suspension” will not be introduced, as further review by the NSTA has confirmed that this service will be covered by other fees. The proposed rates will be as set out in Table 1.

**Table 1: Carbon storage well fee rates**

Drill a primary carbon dioxide storage well, including wells for appraisal, development and injection of carbon dioxide, monitoring, and brine production	<b>£1,210</b>
Drill a sidetrack carbon dioxide storage well branching off from the principal carbon dioxide storage well to a target location different from that of the principal well	<b>£1,010</b>
Fit or refit equipment in a carbon dioxide storage well for the purpose of enabling carbon dioxide appraisal, development and injection or to remove such equipment	<b>£500</b>
Carbon dioxide storage well suspension	<b>£1,050</b>
Abandon a carbon dioxide storage well permanently	<b>£1,050</b>
Re-enter a carbon dioxide storage well to carry out remediation or other works in connection with carbon dioxide storage	<b>£1,050</b>
Standard carbon dioxide storage well injection test	<b>£400</b>
Extended carbon dioxide storage well injection test (taking more than 96 hours),	<b>£1,110</b>

12. While the NSTA recognises that the UK carbon storage industry is still in its early stages, the principles of HM Treasury's *Managing Public Money*<sup>2</sup>, in particular the 'user pays' principle, apply and the services that the NSTA provides with regard to carbon storage well consents are for the benefit of the applicant. The NSTA's services are provided at cost, with no profit element, and the NSTA regularly reviews its fees to ensure that services are provided efficiently and that the costs are kept as low as possible.

13. The NSTA agrees that alignment with other regulators or public bodies in order to streamline or minimise regulatory burdens where possible is critical and works closely with others on this. The NSTA has agreed joint Statements of Intent with both The Crown Estate<sup>3</sup> and Crown Estate Scotland<sup>4</sup>, which identify as a common priority making the best use of available data and evidence, including sharing data in line with confidentiality requirements to support joint coordination of respective activities. The NSTA also works with government and other regulators to explore further opportunities for streamlining and improving requirements.

<sup>2</sup> <https://www.gov.uk/government/publications/managing-public-money>

<sup>3</sup> <https://www.nstauthority.co.uk/media/i5dbbbie/tce-and-nsta-statement-of-intent-october-2024.pdf>

<sup>4</sup> <https://www.nstauthority.co.uk/media/fozo2yms/ces-and-nsta-statement-of-intent-2025.pdf>

### **Amendment to the timesheet-based fee for consents relating to amendment to carbon storage work programmes**

14. The consultation proposed amending the fee for processing applications for amendments to carbon storage work programmes, and asked:

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**Q2. Do you agree that the NSTA should amend the fee for processing applications for amendments to carbon storage work programmes from timesheet-based fee to a fixed fee?**

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### **Summary of feedback received**

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15. All responses supported the proposal and stressed the importance of the NSTA reviewing the fee in the future, especially if further efficiencies are gained by the use of technology (including AI).

### **NSTA response**

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16. The NSTA intends to introduce the amended fixed fee. It is intended that the fee will be £3,280.

17. The NSTA works to ensure that its services are provided in a cost-efficient manner and that all its fees are reviewed regularly to ensure they remain at an appropriate level and reflect the work being done.

### **Fee for 'End Assess Phase Review' of carbon dioxide storage permit applications**

18. The consultation proposed including the costs of the NSTA's work in the End Assess Phase Review in the fee for carbon dioxide storage permit applications and asked:

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**Q3. Do you have any comments on the proposal that the fee for consent to a carbon dioxide storage proposal should include the costs of the NSTA's work carried out in the End Assess Phase Review?**

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### **Summary of feedback received**

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19. Two responses supported the NSTA recovering its End Assess Phase Review costs and encouraged careful consideration to ensure that the initial projects subject to these charges are not disadvantaged as the NSTA refines its processes, noting the early stage of the UK carbon storage industry.

20. One response did not support the inclusion of End Assess Phase Review costs in the overall fee for carbon dioxide storage proposals, suggesting that introducing fees at this stage could deter innovation and investment, particularly for smaller entrants. The respondent suggested that, should the NSTA introduce this fee, the NSTA considers a clear separation of any advisory and regulatory activities, optional pre-application support distinct from the formal consent process, and transparent

cost breakdowns, so applicants can understand what portion of the fee relates to the End Assess Phase.

## **NSTA response**

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21. Taking into account the feedback from the respondents, the NSTA intends to start charging for its work in relation to carbon dioxide storage permit applications from the start of the Define Phase of the process, which begins after the End Assess Phase Review. This is a later stage than originally proposed.
22. The NSTA begins the Define Phase with a kick-off meeting, so it will be clear when the NSTA starts charging for the costs of this work.
23. It is anticipated that the majority of the NSTA's work associated with the technical review of carbon dioxide storage proposals will take place during the Define Phase. The NSTA considers that introducing a fee to cover the costs of this technical review is in line with the 'user pays' principle, while ensuring that projects at the earlier Assess Phase are not disadvantaged. The Define Phase follows the end of the Assess Phase. The costs of the work and discussions carried out by the NSTA during the Assess Phase will not be included in the fee for consent to a carbon dioxide storage proposal. The NSTA considers this provides increased clarification to applicants and reflects experience from the NSTA's work on the first carbon storage permit applications.

## **Fees for withdrawn carbon storage permit applications and interim carbon storage permit fees**

24. The consultation proposed two amendments to the timing of the fee for carbon dioxide storage permit applications and asked:

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### **Q4A. Do you have any comments on the proposal that the NSTA should introduce six-monthly interim fees for carbon storage permit applications?**

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## **Summary of feedback received**

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25. Two responses supported the proposal, agreeing that introducing interim fees is reasonable due to the thorough nature of the approval process, and welcomed clarity on the cost exposure during the application process.
26. One respondent opposed the proposed fee, expressing concerns in relation to financial and administrative burdens before projects are able to generate revenue.

## **NSTA response**

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27. The NSTA intends to introduce six-monthly interim fees for carbon storage permit applications, aiming for this to take effect for applications submitted on or after 1 April 2026.
28. The NSTA recognises that the fee will be charged before the project is revenue generating. This is also the case for the current fee regime as the total fee for the

carbon dioxide storage permit has to be paid before projects are revenue generating. Charging interim fees will not increase the overall cost of the permit but will give licensees greater certainty on when costs fall due, assisting applicants in managing costs. The NSTA considers that any administrative burden is negligible, consisting of an invoice to be paid every six months.

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**Q4B. Do you have any comments on the proposal that the NSTA should introduce a fee for carbon storage permit applications that are withdrawn?**

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### Summary of feedback received

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29. All responses considered that careful thought should be given to whether a withdrawal fee is the most appropriate approach in all circumstances. In particular, it was stated that if applications have to be withdrawn for technical or commercial feasibility reasons when there is a failure rate expected, it provides financial uncertainty for developers.
30. Additionally, it was suggested that the fee could discourage early withdrawal decisions, potentially leading to inefficient use of both operator and NSTA resources.
31. It was suggested that the NSTA could consider a more flexible approach, including, for example, waiving fees for withdrawals made within a defined early-stage window, providing clear guidance on when fees may apply, and encouraging early engagement and pre-application dialogue.
32. It was also suggested that the fee could be introduced at a future date, when the carbon storage industry is more mature.

### NSTA response

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33. The NSTA intends to introduce fees for withdrawn carbon dioxide storage permit applications.
34. The NSTA intends to only charge a fee for work done on carbon storage permit applications once the project moves into the Define Phase. The NSTA considers that this will encourage early-stage engagement on a project before the fee applies. However, once a project moves into the Define Phase, the NSTA will be incurring costs regardless of whether the application is withdrawn at a later stage. It is therefore appropriate that the cost is covered by the applicant.
35. The NSTA recognises that there may be a small number of cases where applications are withdrawn for reasons outside applicants' control. It expects such cases will be rare, but in such circumstances requests for fee waivers will be considered in line with Annex 4.1 of Managing Public Money. This is consistent with the position adopted in respect of withdrawn applications for approvals of Field Development Plans under petroleum licences, as outlined in the 2020 response to the consultation on proposals to introduce new and amended OGA fees<sup>5</sup>.

<sup>5</sup> <https://www.nstauthority.co.uk/news-publications/oga-response-to-the-consultation-on-proposals-to-introduce-new-and-amended-oga-fees/>

### **Fee for periodic assessment of financial security maintained by an operator of a carbon storage site**

36. The consultation proposed introducing a fee for periodic assessment of financial security maintained by an operator of a carbon storage site and asked:

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**Q5. Do you have any comments on the proposal that the NSTA should introduce a timesheet-based fee for periodic assessment of financial security maintained by an operator of a carbon storage site?**

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### **Summary of feedback received**

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37. Two responses supported the proposal, while one response opposed it on the basis that financial information is already provided as part of other processes.

38. All respondents stated that operators are already required to submit financial information as part of the annual Asset Stewardship Survey and as part of the licence application. It was suggested that it would be beneficial to consider how this existing process could be integrated to avoid duplication of effort and ensure a fair and transparent fee structure.

### **NSTA response**

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39. The NSTA intends to introduce a timesheet-based fee for periodic assessment of the amount of financial security maintained by an operator of a carbon dioxide storage site in accordance with the provisions of a carbon dioxide storage permit made on or after 1 April 2026.

40. The NSTA recognises that information on financial security is provided as part of the carbon dioxide storage permitting process. However, this fee relates to an assessment of financial security carried out on an annual basis in respect of each relevant reporting period as outlined in Schedule 2 (*Provisions to be included in a storage permit*) of the Storage of Carbon Dioxide Regulations 2010 and is a separate regulatory requirement.

41. As this is a timesheet-based fee, it will reflect NSTA resource for carrying out the periodic assessments

# Proposed new and amended fees for consents relating to petroleum and gas storage licence activities

## **Introduction and background**

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42. The consultation asked a number of questions in relation to potential new and amended fees for petroleum and gas storage licence holders.

### **Fees for complex onshore facility flaring and venting consent applications and variations**

43. The consultation proposed fees for complex onshore facility flaring and venting consent applications and variations and asked:

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**Q6. Do you have any comments on the proposal that the NSTA should introduce fees for terminal flaring and venting consent variations and complex applications?**

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## **Summary of feedback received**

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44. One response supported the proposed fee, acknowledging that this would reflect the time taken by the NSTA to process variations and 'complex' applications.

45. One response opposed the proposed fee, expressing concern about financial burdens on operators managing mature infrastructure, and considering that introducing fees for variation applications could discourage timely updates and adaptive management.

46. Both responses asked for more clarity on the definition of a 'complex' application.

## **NSTA response**

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47. The NSTA intends to introduce a fixed fee of £360 for variations of consents to flare or vent natural gas from a relevant oil processing facility or a relevant gas processing facility (i.e. terminals) and a timesheet-based fee for complex applications.

48. All of the NSTA's services are provided at cost and do not include any element of profit. The NSTA's fees are reviewed on a regular basis to ensure they remain at an appropriate level and reflect the work being done. The NSTA does not consider that this fee will impose an unnecessary financial burden or discourage timely updates from industry.

49. The definition of a 'complex application' is as set out in the consultation, applications that take more than two staff days for the NSTA to process. This is consistent with the definition used for 'complex' applications for flaring and venting consents for offshore facilities.

### **Fees to nominate a well operator and/or installation operator under the Offshore Petroleum Licensing (Offshore Safety Directive) Regulations 2015**

50. The consultation proposed a fee to cover the NSTA's costs in considering applications for well operator and/or installation operator nominations under the Offshore Petroleum Licensing (Offshore Safety Directive) Regulations 2015 (OSD Regulations) and asked:

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**Q7. Do you have any comments on the proposal that the NSTA should introduce a fixed fee to cover its costs for approval of a 'well operator' and 'installation operator' under the OSD Regulations?**

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### **Summary of feedback received**

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51. The responses queried the basis for introducing a fixed fee for NSTA's approval of well and installation operators under the OSD Regulations, expressing the view that operator approvals appear to be an administrative task that does not require specialist input or significant resource allocation from the NSTA, with the input of the Health and Safety Executive (HSE) and the Offshore Petroleum Regulator for Environment and (OPRED) already subject to a fee.

52. There was also a concern that costs could be duplicated, with no transparent breakdown of the NSTA's administrative cost, and that this proposal would result in an increase of the regulatory burden.

### **NSTA response**

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53. The NSTA intends to introduce a fixed fee of £490 to cover its costs in considering applications for well and/or installation operator nominations.

54. The NSTA is the Licensing Authority under the OSD Regulations with responsibility for considering nominations for a well or installation operator made by licensees. In considering such applications, the NSTA is required to consult with the HSE and OPRED. The existing fee currently only provides for recovery of costs incurred by the HSE and OPRED.

55. The NSTA's work typically involves review and management of applications and requires specialist input, coordination of other applications under the OSD Regulations, which in some cases can impact multiple licences, and ensuring that decisions are made within the required timeframe. The volume of work done by the NSTA is now greater than when the fee was initially introduced. As noted in the consultation, it is expected that the number of applications, and therefore the work associated with providing this service, will increase in the future.

56. Introducing a fee to cover the NSTA's costs for considering nominations for a well or installation operator made by a licensee does not increase the regulatory requirements but is in line with the 'user pays' principle.

## Fee for licence extension clarifications

57. The consultation proposed a fee for licence extension clarifications and asked:

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**Q8. Do you have any comments on the proposal that the NSTA should introduce a fixed fee for licence extension clarifications?**

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## Summary of feedback received

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58. Two responses supported the proposed fixed fee for licence extension clarifications, and a two-tier fee level, recognising that the current single tier system may disadvantage those with very simple extension requests in comparison to those with more complex extension requests. There was a request for more information on how a standard extension would be distinguished from one needing further clarification.

59. One response opposed it, suggesting that the current licence extension process should be replaced with a simpler, streamlined process.

60. There was also a suggestion for an option to pause a licence with minimal evaluation by the NSTA.

## NSTA response

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61. The NSTA intends to introduce a fee of £5,840 for clarifications on licence extension requests.

62. As noted in the consultation, clarification may typically be required where the evaluation of a request necessitates a more detailed consideration, including seeking additional clarifications to the initial application, or where a licensee is seeking approval for the revision of its current licence commitments. Additionally, clarification may be required where there is insufficient or incomplete information provided in an application for licence extension.

63. It is anticipated that typical cases where the fee for clarification will be required are those where following an initial application to the NSTA, the applicant has to submit further information such as a revision, addendum or supplement in support of the application, or where consideration of the initial application results in the NSTA issuing a 'not minded to' letter in response to the application and the applicant is given an opportunity to make further representations.

64. The NSTA will inform the applicant that the additional fee will be charged.

### **Fee for ‘as built’/‘update to records’ Pipeline Works Authorisation (PWA)**

65. The consultation proposed a fee for ‘as built’/‘update to records’ Pipeline Works Authorisations and asked:

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**Q9. Do you have any comments on the proposal that the NSTA should introduce a separate fixed fee for the PWA update to records applications?**

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### **Summary of feedback received**

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66. The responses supported the proposal, noting that such updates are less resource-intensive than full variations, and a lower fee is appropriate under the ‘user-pays’ principle.

### **NSTA response**

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67. The NSTA intends to introduce the fixed fee once the portal for the ‘as built/updates to records’ PWA applications is introduced. Currently, it is anticipated that the fee will be in the region of £610.

### **Fee for gas storage consents**

68. The consultation proposed a fee for gas storage consents and asked:

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**Q10. Do you have any comments on the proposal that the NSTA should introduce a fixed fee for gas storage consents?**

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### **Summary of feedback received**

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69. All responses supported the introduction of a fixed fee for gas storage consents, noting the importance of gas and hydrogen storage in the UK’s energy transition.

70. In setting the level of the fee, responses considered that the fee level should be proportionate to the complexity of the application, noting that storage sites may be substantially different in their purpose (such as carbon dioxide natural gas or hydrogen). It was also suggested that the approval process be as streamlined as possible to minimise any administrative burden.

71. One response encouraged the NSTA to differentiate between mature and nascent technologies (such as hydrogen storage) when setting fees.

### **NSTA response**

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72. The NSTA intends to introduce the fixed fee of £1,440 for applications to store gas pursuant to a gas storage licence, including injection of gas and recovery of stored gas.

73. It is intended that the fee will be the same rate for all gas storage consents, both for natural gas and hydrogen, as it is anticipated that the applications will take approximately the same time and resource to consider. As the NSTA regularly reviews its fees to ensure they remain at an appropriate level and reflect the work being done, this would consider any evidence in support of differentiating between the different types of gas storage consents.

# Conclusion and next steps

74. Following consideration of the feedback received, the NSTA will recommend to DESNZ that it introduces the fees outlined above in secondary legislation. It is intended that, except as where otherwise stated, the proposed fees will be introduced with effect on or after 1 April 2026.

# Regulatory Impact Assessment

The proposed fees are consistent with HM Treasury's 'Managing Public Money' (MPM), to charge users who benefit directly from a service. The fees are calculated at the estimated full cost of providing the service and do not contain any profit element or cross-subsidisation. The regulatory burden to industry from implementation is considered an administrative cost and is very small. In the absence of fees, recovery of NSTA costs would have to be funded via a different route, such as a levy or the taxpayer.

The NSTA has a general duty under the Equality Act 2010 in carrying out its functions to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation;
- advance equality of opportunity between different groups; and,
- foster good relations between different groups.

Further details can be found [here](#).

# Annex 1: list of organisations responding to the consultation

Athena Exploration

Carbon Capture & Storage Association (CCSA)

OEUK

Spirit Energy Limited



North Sea Transition Authority

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