



Department for Energy Security & Net Zero

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Stuart Payne, Chief Executive
North Sea Transition Authority
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Dear Stuart,

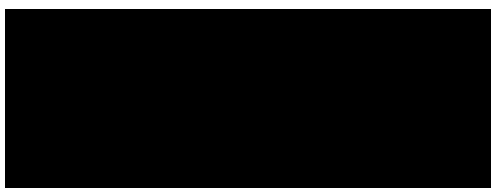
The Government made two manifesto commitments on oil and gas licensing, and the North Sea Future Plan set out how we will deliver them: ending new licences while introducing Transitional Energy Certificates (TECs). This forms part of our approach to securing a managed, orderly and prosperous transition for the North Sea, consistent with our climate obligations. These reforms will be brought forward through legislation when parliamentary time allows. In the meantime, we recognise that a small number of projects may face near-term investment and operational timelines that cannot await the passage of the legislation.

I am therefore asking the NSTA to consider whether there are any such projects that may warrant an earlier licensing decision so that the NSTA can take action to invite, assess and determine applications for them. I would expect the policy intent, including the Government's commitment not to issue new licences to explore new fields and our stated criteria for TECs¹ to be taken into account. This should not be regarded as a new plan or programme of work or wider reopening of licensing, but rather as an interim arrangement for a small number of urgent cases where there is a clear need for a timely decision.

In considering any such projects, I would expect operators to be able to demonstrate committed funding and investment; credible delivery plans; operational activity due to take place in the near term; and a clear rationale for why a decision cannot wait. I anticipate that the number of projects meeting these criteria will be very limited. Any licensing decisions would, of course, remain a matter for the NSTA in accordance with its statutory responsibilities and relevant regulatory requirements.

I would be grateful if you could consider this request and keep my officials informed of any projects that you consider may merit further consideration.

Yours sincerely



¹ [Transitional Energy Certificates - GOV.UK](https://www.gov.uk/transitional-energy-certificates)

MICHAEL SHANKS MP
Minister of State for Energy