

Offshore Petroleum Licensing Bill

MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

[Amendments marked ★ are new or have been altered]

Amendment
No.

Clause 1

BARONESS HAYMAN
BARONESS BLAKE OF LEEDS
LORD RANDALL OF UXBRIDGE
EARL RUSSELL

- 1 Clause 1, page 1, line 3, at end insert –
- “(A1) The OGA must not invite any new seaward area production application licences until the Secretary of State has by regulations brought into effect a ban on flaring and venting relating to new offshore installations other than that required in an emergency.
 - (A2) From two years after the day on which this Act is passed, the OGA must not invite any new seaward area production application licences until the Secretary of State has by regulations brought into effect a ban on flaring and venting relating to existing offshore installations.
 - (A3) A statutory instrument which contains regulations under subsection (A1) or (A2) may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.
 - (A4) In subsections (A1) and (A2) –
 - “flaring” means the burning of hydrocarbons produced during oil and gas extraction;
 - “venting” means the release of un-combusted hydrocarbons directly into the atmosphere.”

Member's explanatory statement

This amendment prevents the invitation of new seaward area production licences until the Secretary of State has introduced a ban on flaring and venting by new offshore installations. It also requires

the Secretary of State to prevent licensing rounds if a wider ban is not in place within two years of Royal Assent.

BARONESS HAYMAN
LORD KNIGHT OF WEYMOUTH

2 Clause 1, page 1, line 3, at end insert –

- “(A1) The OGA must not invite any new seaward area production application licences until the Secretary of State has published a Green Skills Retraining Plan for workers in the oil and gas sector, whether employed or self-employed, and workers who have recently left the oil and gas sector which –
- (a) provides workers with a skills passport which assesses existing skills and training and provides support through access to training, grants, resources and other facilities to enable those wishing to transition to work in sectors that directly contribute to, or indirectly support, the following –
 - (i) compliance with the duty imposed by section 1 of the Climate Change Act 2008,
 - (ii) adaptation to climate change, or
 - (iii) meeting other environmental goals such as restoration or enhancement of the natural environment.
 - (b) As part of the Green Skills Retraining Plan the Secretary of State must establish a Green Skills Retraining Taskforce to coordinate skills in the sectors that contribute to or indirectly support the matters in paragraph (a).”

Member's explanatory statement

This amendment prevents the invitation of new seaward area production licences until the Secretary of State has published a Green Skills Retraining Plan providing support for workers in the oil and gas sector wishing to transition to work in green sectors.

LORD LENNIE

3 Clause 1, page 1, line 6, at end insert –

- “(aa) the climate change test (see section 4ZD);”

Member's explanatory statement

This amendment, together with the other in the name of Lord Lennie, sets out the climate change test to be applied by the Oil and Gas Authority before inviting applications for seaward new production licences.

BARONESS JONES OF MOULSECOOMB

- 4 Clause 1, page 1, line 6, at end insert –
“(aa) the just transition plans test (see section 4ZD);”

EARL RUSSELL
LORD BRUCE OF BENNACHIE

- 5 Clause 1, page 1, line 7, at end insert –
“(c) the cost of living and consumer energy pricing test (see section 4ZD).”

Member's explanatory statement

This amendment and one other in the name of Earl Russell would introduce a cost of living and consumer energy pricing test that the OGA must conduct before inviting applications for seaward area production licences.

EARL RUSSELL

- 6 Clause 1, page 1, line 8, leave out “must” and insert “may”

Member's explanatory statement

This amendment would allow the OGA to consider whether it should invite applications for a seaward area production licence even in the event that all tests are met.

EARL RUSSELL

- 7 Clause 1, page 1, line 9, after “applications” insert “from companies that have publicly stated they will invest half of all profits derived from the granting of an application in the green UK economy.”

Member's explanatory statement

This amendment would mean that only companies that have publicly stated they will invest half of all profits derived from the winning of an application into the green economy can be invited to apply for a production licence.

EARL RUSSELL

- 8 Clause 1, page 1, line 10, at end insert –
“(2A) The OGA must not invite or accept applications from Russian oil and gas companies.”

Member's explanatory statement

This amendment would mean that the OGA cannot invite nor accept an application for a seaward area production licence from a Russian oil and gas company.

LORD RANDALL OF UXBRIDGE
LORD TEVERSON
BARONESS YOUNG OF OLD SCONE
BARONESS WILLIS OF SUMMERTOWN

9 Clause 1, page 1, line 10, at end insert –

- “(2A) Before the OGA invites applications for seaward area production licences under this Act, the Secretary of State must publish a marine spatial prioritisation policy.
- (2B) The marine spatial prioritisation policy must establish a process for prioritising the achievement of relevant targets under the Climate Change Act 2008 and the Environment Act 2021 in any decisions relating to the marine environment made by a body undertaking public functions.
- (2C) No invitations may be made under subsection (2) for applications in respect of a block that does not pass the marine spatial prioritisation test.
- (2D) The marine spatial prioritisation test is not met if the result of any licence granted would be that the cumulative effect of activities in a relevant block, or affecting the environment in a relevant block, would not be compatible with the achievement of priorities set out, and the process established, in the marine spatial prioritisation policy.”

Member's explanatory statement

This amendment requires the Secretary of State to publish a “marine spatial prioritisation policy” before the OGA can invite applications for oil and gas exploration or development and for a spatial prioritisation test to be passed before applications for a block can be made. The test would ensure that allocation of sea space is compatible with nature and climate targets.

BARONESS WILLIS OF SUMMERTOWN
THE LORD BISHOP OF NORWICH
LORD RANDALL OF UXBRIDGE
BARONESS YOUNG OF OLD SCONE

10 Clause 1, page 1, line 20, at end insert –

- “(6) A notice under subsection (2) must not invite applications in respect of any block that would include exploration or development within or under a Marine Protected Area, and must specify that no application will be considered that would include exploration or development within or under a Marine Protected Area.
- (7) For the purposes of this section, “Protected Area” includes Special Areas of Conservation, Special Protection Areas, Marine Conservation Zones, Nature Conservation Marine Protected Areas, Highly Protected Marine Areas, Sites of Special Scientific Interest, Areas of Special Scientific Interest and Ramsar sites.”

Member's explanatory statement

This amendment would rule out the issuing of notices for applications for production licences in Marine Protected Areas.

BARONESS JONES OF MOULSECOOMB

- 11★** Clause 1, page 1, line 23, after "natural gas" insert "crude oil, and petroleum products"

Member's explanatory statement

This amendment would mean that the carbon intensity test applies to gas, oil, and any other petroleum products on an equal basis, and probes why the government has chosen to only apply the test to natural gas.

BARONESS BLAKE OF LEEDS
LORD BRUCE OF BENNACHIE

- 12** Clause 1, page 2, line 1, leave out "liquefied"

Member's explanatory statement

This amendment, together with the other in the name of Baroness Blake of Leeds, would require the carbon intensity of domestic natural gas to be assessed against the carbon intensity of all natural gas imported into the UK.

BARONESS JONES OF MOULSECOOMB

- 13★** Clause 1, page 2, line 1, leave out "liquified natural gas" and insert "the equivalent products"

Member's explanatory statement

This amendment would mean that the carbon intensity test applies to gas, oil, and any other petroleum products on an equal basis, and probes why the government has chosen to use liquified natural gas as the comparator, which has a higher carbon intensity than natural gas imported by pipeline.

BARONESS JONES OF MOULSECOOMB

- 14★** Clause 1, page 2, line 6, leave out from "intensity" to end of line 9 and insert "in relation to any natural gas, crude oil, or petroleum product, means the carbon dioxide emissions attributable to its production"

Member's explanatory statement

This amendment, together with others, seeks to ensure that the carbon intensity test is applied to all relevant products arising from the extraction of crude oil, and probes why the government has chosen to only apply the test to natural gas.

BARONESS BLAKE OF LEEDS
LORD BRUCE OF BENNACHIE

- 15 Clause 1, page 2, line 7, leave out “liquefied”

Member's explanatory statement

This amendment, together with the other in the name of Baroness Blake of Leeds, would require the carbon intensity of domestic natural gas to be assessed against the carbon intensity of all natural gas imported into the UK.

BARONESS JONES OF MOULSECOOMB

- 16★ Clause 1, page 2, line 12, leave out from “production” to end of line 13 and insert “includes all relevant processes for the product to be extracted, transported and delivered in usable form to its final consumer”

Member's explanatory statement

This amendment seeks to ensure that all relevant carbon dioxide emissions are taken into account when applying the test, so that domestic and imported products are compared on a like for like basis, rather than only accounting for transport emissions of imported liquefied natural gas.

EARL RUSSELL
LORD BRUCE OF BENNACHIE

- 17 Clause 1, page 3, line 23, at end insert –

“4ZD The cost of living and consumer energy pricing test mentioned in s 4ZA

The cost of living and consumer energy pricing test is met in relation to a relevant year if the production of domestic natural gas will clearly –

- (a) lower consumer energy pricing;
- (b) reduce the cost of living.”

Member's explanatory statement

This amendment and one other in the name of Earl Russell lays out the cost of living and consumer energy pricing test.

LORD LENNIE

- 18 Clause 1, page 3, line 23, at end insert –

“4ZD The climate change test mentioned in s 4ZA

The climate change test is met in relation to a relevant year if the Intergovernmental Panel on Climate Change on the mitigation of climate change publish a report following the passing of this Act which makes a finding that the granting of additional seaward area production licences is consistent with limiting warming to 1.5°C.”

Member's explanatory statement

This amendment, together with the other in the name of Lord Lennie, sets out a new test to be applied by the OGA before inviting applications for new seaward production licences.

BARONESS JONES OF MOULSECOOMB

19 Clause 1, page 3, line 23, at end insert –

“4ZD The just transition plans test mentioned in s 4ZA

- (1) The just transition plans test is met in relation to a relevant year if the OGA assesses that all existing seaward area production licence holders have published just transition plans for their workforce that are compatible with limiting global heating to 1.5 degrees Celsius.
- (2) For the purposes of this section –
 - “just transition plans” refer to plans agreed through formalised collective agreements with unions in the workplace for consultation on policy;
 - “workforce” includes workers, directly and indirectly (sub-contracted or agency) employed, or engaged through day-rate or self-employed contract models.”

BARONESS JONES OF MOULSECOOMB

Baroness Jones of Moulsecoomb gives notice of her intention to oppose the Question that Clause 1 stand part of the Bill.

Clause 2

EARL RUSSELL

20 Clause 2, page 3, line 25, leave out “Scotland”

Member's explanatory statement

This amendment would mean the Act does not extend to Scotland.

EARL RUSSELL

21 Clause 2, page 3, line 26, leave out “at the end of the period of two months beginning with the day on which it is passed” and insert “on 1 September 2025”

Member's explanatory statement

This amendment would change when the Act would come into force to 1 September 2025.

BARONESS JONES OF MOULSECOOMB

22★ Clause 2, page 3, line 26, leave out from “force” to end of line 27, and insert “on such day as the Secretary of State may by regulations appoint, subject to subsection (2A).

“(2A) Regulations under subsection (2) may not be made before the 1st February 2025.”

Member's explanatory statement

This amendment would ensure that the provisions of this Bill, which have significant and long term effects that may be difficult to unwind by a future government, are not brought into effect shortly before the General Election.

After Clause 2

BARONESS JONES OF MOULSECOOMB

23★ After Clause 2, insert the following new Clause –

“Sunset and disapplication provisions

- (1) This Act expires at the end of the period of 10 years beginning with the day on which it is passed, subject to subsection (2).
- (2) A Minister of the Crown may by regulations provide this Act expires instead at such earlier time as is specified in the regulations.
- (3) A Minister of the Crown may, after consulting with the OGA, by regulations disapply section (1) for one or more “relevant years”.
- (4) Regulations laid under this section shall be subject to the affirmative resolution procedure.”

Member's explanatory statement

This amendment would sunset the Act after ten years unless a Minister of the Crown intervened, and would give ministers the power to disapply Clause 1 (the Duty to invite applications for seaward area production licences) in any year, after consulting with the OGA.

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