

Commission Implementing Regulation (EU) 2018/2066 of 19 December 2018 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council and amending Commission Regulation (EU) No 601/2012 (Text with EEA relevance)

## CHAPTER III

### MONITORING OF EMISSIONS FROM STATIONARY INSTALLATIONS

#### SECTION I

#### *General provisions*

#### *Article 19*

#### **Categorisation of installations, source streams and emission sources**

- 1 For the purpose of monitoring emissions and determining the minimum requirements for tiers, each operator shall determine the category of its installation pursuant to paragraph 2, and, where relevant, of each source stream pursuant to paragraph 3 and of each emission source pursuant to paragraph 4.
- 2 The operator shall classify each installation in one of the following categories:
  - a a category A installation, where the average verified annual emissions in the trading period immediately preceding the current trading period, with the exclusion of CO<sub>2</sub> stemming from biomass and before subtraction of transferred CO<sub>2</sub>, are equal to or less than 50 000 tonnes of CO<sub>2(e)</sub>;
  - b a category B installation, where the average verified annual emissions of the trading period immediately preceding the current trading period, with the exclusion of CO<sub>2</sub> stemming from biomass and before subtraction of transferred CO<sub>2</sub>, are more than 50 000 tonnes of CO<sub>2(e)</sub> and equal to or less than 500 000 tonnes of CO<sub>2(e)</sub>;
  - c a category C installation, where the average verified annual emissions of the trading period immediately preceding the current trading period, with the exclusion of CO<sub>2</sub> stemming from biomass and before subtraction of transferred CO<sub>2</sub>, are more than 500 000 tonnes of CO<sub>2(e)</sub>.

By way of derogation from Article 14(2), the competent authority may allow the operator not to modify the monitoring plan where, on the basis of verified emissions, the threshold for the classification of the installation referred to in the first subparagraph is exceeded, but the operator demonstrates to the satisfaction of the competent authority that this threshold has not already been exceeded within the past five reporting periods and will not be exceeded again in subsequent reporting periods.

- 3 The operator shall classify each source stream in one of the following categories, comparing it against the sum of all absolute values of fossil CO<sub>2</sub> and CO<sub>2(e)</sub> corresponding to all source streams included in calculation-based methodologies and of all emissions of emission sources monitored using measurement-based methodologies, before subtraction of transferred CO<sub>2</sub>:

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- a minor source streams, where the source streams selected by the operator jointly account for less than 5 000 tonnes of fossil CO<sub>2</sub> per year or less than 10 %, up to a total maximum of 100 000 tonnes of fossil CO<sub>2</sub> per year, whichever is greater in terms of absolute value;
- b *de minimis* source streams, where the source streams selected by the operator jointly account for less than 1 000 tonnes of fossil CO<sub>2</sub> per year or less than 2 %, up to a total maximum of 20 000 tonnes of fossil CO<sub>2</sub> per year, whichever is greater in terms of absolute value;
- c major source streams, where the source streams do not fall within the categories referred to in points (a) and (b).

By way of derogation from Article 14(2), the competent authority may allow the operator not to modify the monitoring plan where, on the basis of verified emissions, the threshold for the classification of a source stream as a minor source stream or a *de minimis* source stream referred to in the first subparagraph is exceeded, but the operator demonstrates to the satisfaction of the competent authority that this threshold has not already been exceeded within the past five reporting periods and will not be exceeded again in subsequent reporting periods.

4 The operator shall classify each emission source for which a measurement-based methodology is applied in one of the following categories:

- a minor emission sources, where the emission source emits less than 5 000 tonnes of fossil CO<sub>2(e)</sub> per year or less than 10 % of the installation's total fossil emissions, up to a maximum of 100 000 tonnes of fossil CO<sub>2(e)</sub> per year, whichever is greater in terms of absolute value;
- b major emission sources, where the emission source does not classify as a minor emission source.

By way of derogation from Article 14(2), the competent authority may allow the operator not to modify the monitoring plan where, on the basis of verified emissions, the threshold for the classification of an emission source as a minor emission source referred to in the first subparagraph is exceeded, but the operator demonstrates to the satisfaction of the competent authority that this threshold has not already been exceeded within the past five reporting periods and will not be exceeded again in subsequent reporting periods.

5 Where the average annual verified emissions in the trading period immediately preceding the current trading period for the installation are not available or no longer representative for the purpose of paragraph 2, the operator shall use a conservative estimate of annual average emissions, with the exclusion of CO<sub>2</sub> stemming from biomass and before subtraction of transferred CO<sub>2</sub>, to determine the category of the installation.

#### *Article 20*

### **Monitoring boundaries**

1 Operators shall define the monitoring boundaries for each installation.

Within those boundaries, the operator shall include all relevant greenhouse gas emissions from all emission sources and source streams belonging to activities carried out at the installation and listed in Annex I to Directive 2003/87/EC, and from activities and greenhouse gases included by the Member State in which the installation is situated, pursuant to Article 24 of that Directive.

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The operator shall also include emissions from regular operations and abnormal events, including start-up, shut-down and emergency situations, over the reporting period, with the exception of emissions from mobile machinery for transportation purposes.

2 When determining the monitoring and reporting process, the operator shall include the sector-specific requirements laid down in Annex IV.

3 Where leakages from a storage complex within the meaning of Directive 2009/31/EC are identified and lead to emissions or release of CO<sub>2</sub> to the water column, they shall be considered as emission sources for the installation in question and shall be monitored in accordance with section 23 of Annex IV to this Regulation.

The competent authority may allow the exclusion of a leakage emission source from the monitoring and reporting process, once corrective measures pursuant to Article 16 of Directive 2009/31/EC have been taken and emissions or release into the water column from that leakage can no longer be detected.

#### Article 21

##### **Choice of the monitoring methodology**

1 For the monitoring of the emissions of an installation, the operator shall choose to apply either a calculation-based methodology or a measurement-based methodology, subject to specific provisions of this Regulation.

A calculation-based methodology shall consist in determining emissions from source streams on the basis of activity data obtained by means of measurement systems and additional parameters from laboratory analyses or default values. The calculation-based methodology may be implemented according to the standard methodology set out in Article 24 or the mass-balance methodology set out in Article 25.

A measurement-based methodology shall consist in determining emissions from emission sources by means of continuous measurement of the concentration of the relevant greenhouse gas in the flue gas and of the flue-gas flow, including the monitoring of CO<sub>2</sub> transfers between installations where the CO<sub>2</sub> concentration and the flow of the transferred gas are measured.

Where the calculation-based methodology is applied, the operator shall determine for each source stream, in the monitoring plan, whether the standard methodology or the mass-balance methodology is used, including the relevant tiers in accordance with Annex II.

2 Subject to approval by the competent authority, the operator may combine standard methodology, mass-balance and measurement-based methodologies for different emission sources and source streams belonging to one installation, provided that neither gaps nor double counting concerning emissions occur.

3 Where sector-specific requirements laid down in Annex IV require the use of a specific monitoring methodology, the operator shall use that methodology or a measurement-based methodology. The operator may choose a different methodology only if it provides the competent authority with evidence that the use of the required methodology is technically not feasible or incurs unreasonable costs, or that the alternative methodology leads to a higher overall accuracy of emissions data.

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## Article 22

### Monitoring methodology not based on tiers

By way of derogation from Article 21(1), the operator may use a monitoring methodology that is not based on tiers (hereinafter ‘the fall-back methodology’) for selected source streams or emission sources, provided that all of the following conditions are met:

- (a) applying at least tier 1 under the calculation-based methodology for one or more major source streams or minor source streams and a measurement-based methodology for at least one emission source related to the same source streams is technically not feasible or would incur unreasonable costs;
- (b) the operator assesses and quantifies each year the uncertainties of all parameters used for the determination of the annual emissions in accordance with the *ISO guide to the expression of uncertainty in measurement* (JCGM 100:2008) or another equivalent internationally accepted standard, and includes the results in the annual emissions report;
- (c) the operator demonstrates to the satisfaction of the competent authority that by applying such a fall-back monitoring methodology, the overall uncertainty thresholds for the annual level of greenhouse gas emissions for the whole installation do not exceed 7,5 % for category A installations, 5,0 % for category B installations and 2,5 % for category C installations.

## Article 23

### Temporary changes to the monitoring methodology

1 Where it is for technical reasons temporarily not feasible to apply the monitoring plan as approved by the competent authority, the operator concerned shall apply the highest achievable tier, or a conservative no-tier approach if application of a tier is not achievable, until the conditions for application of the tier approved in the monitoring plan have been restored.

The operator shall take all necessary measures to allow the prompt resumption of the application of the monitoring plan as approved by the competent authority.

2 The operator concerned shall notify the competent authority of the temporary change referred to in paragraph 1 to the monitoring methodology without undue delay to the competent authority, specifying:

- a the reasons for deviating from the monitoring plan as approved by the competent authority;
- b the details of the interim monitoring methodology that the operator is using to determine the emissions until the conditions for the application of the monitoring plan as approved by the competent authority have been restored;
- c the measures the operator is taking to restore the conditions for the application of the monitoring plan as approved by the competent authority;
- d the anticipated point in time when application of the monitoring plan as approved by the competent authority will be resumed.

**Changes to legislation:**

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**Changes and effects yet to be applied to :**

- Regulation amendment to earlier affecting provision S.I. 2020/1265, Sch. 4 by [S.I. 2020/1557 art. 35\(3\)-\(8\)](#)
- Regulation amendment to earlier affecting provision S.I. 2020/1265, Sch. 4 by [S.I. 2021/1455 art. 22\(2\)-\(9\)](#)
- Regulation amendment to earlier affecting provision S.I. 2020/1265, Sch. 4 by [S.I. 2022/1173 art. 13](#)
- Regulation amendment to earlier affecting provision S.I. 2020/1265, Sch. 4 by [S.I. 2023/850 art. 8\(2\)](#)
- Regulation amendment to earlier affecting provision S.I. 2020/1265, Sch. 7 para. 13 by [S.I. 2022/1173 art. 17\(3\)](#)
- Regulation modified by [S.I. 2020/1265 art. 24Sch. 4](#)
- Regulation modified by [S.I. 2020/1265 Sch. 7 para. 13](#)
- Regulation modified by 2019 c. 1, s. 77(4) (as substituted) by [2020 c. 14 Sch. 12 para. 7\(3\)](#)
- Regulation power to amend conferred by 2019 c. 1, ss. 76, 77 (as amended) by [2020 c. 14 Sch. 12 para. 4\(4\)\(b\)\(i\)7\(2\)\(b\)](#)
- Regulation power to amend conferred by 2019 c. 1, ss. 76, 77 (as amended) by [2020 c. 14 Sch. 12 para. 5\(b\)7\(2\)\(b\)](#)
- Regulation restricted by [S.I. 2020/1265 Sch. 8 para. 5\(3\)](#)