### STATUTORY INSTRUMENTS

## 2020 No. 1265

## **CLIMATE CHANGE**

# The Greenhouse Gas Emissions Trading Scheme Order 2020

Made - - - - 11th November 2020

Coming into force in accordance with article 2

# THE GREENHOUSE GAS EMISSIONS TRADING SCHEME ORDER 2020

#### PART 1

### Preliminary

- 1. Citation
- 2. Commencement
- 3. Extent
- 4. Interpretation
- 4A Meaning of FA installation, etc.
- 5. Meaning of operator
- 6. Meaning of aircraft operator
- 7. Exempt commercial air transport operators
- 8. Exempt non-commercial air transport operators
- 8A Meaning of registry administrator
- 9. Meaning of regulator
- 10. Meaning of regulator: installations
- 11. Meaning of regulator: aircraft operators
- 12. Aircraft operator: change in regulator
- 13. Aircraft operator: change in registered office
- 14. Meaning of UK ETS authority, etc.
- 15. Applications, notices, etc.

### PART 2

### Basic elements of the UK ETS

#### CHAPTER 1

Establishment of the UK ETS and requirement for review

16. UK Emissions Trading Scheme

Changes to legislation: There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme Order 2020. (See end of Document for details)

#### 17. Review of UK ETS

### **CHAPTER 2**

### Allowances and caps

- 18. Allowances
- 19. Cap for trading period
- 20. Cap for scheme years
- 21. Cap: hospital and small emitter reduction factors
- 22. Cap: base for scheme years
- 23. Trading in allowances

#### **CHAPTER 3**

### Monitoring, reporting and verification

- 24. Monitoring and reporting of emissions
- 25. Verification of data and accreditation of verifiers

#### **CHAPTER 4**

### Registry

25A Registry

#### PART 3

### Installations

- 26. Installations: requirement for permit to carry out regulated activity
- 27. Installations: requirement to surrender allowances
- 27A Installations: information to be submitted before 2026-2030 allocation period where no application for free allocation, etc. is made

#### PART 4

#### Aviation

- 28. Application for emissions monitoring plans
- 29. Issue of emissions monitoring plans
- 30. Refusal of application for emissions monitoring plans
- 31. Variation of emissions monitoring plans
- 32. Monitoring emissions and emissions monitoring plan conditions
- 33. Reporting aviation emissions
- 34. Surrender of allowances by aircraft operators

#### PART 4A

Free Allocation

### CHAPTER 1

### Installations

### 34A Allocation tables

38.

39.

40.

41.

42.

Authorised persons

Powers of entry, etc.

Admissible evidence

43. Legal professional privilege

Inspections

Warrants

### Status: Point in time view as at 07/02/2022.

Changes to legislation: There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme Order 2020. (See end of Document for details)

34B	Allocation tables: supplementary
34C	Allocation tables: updates
34D	Allocation tables: publication, etc.
34E	Allocation of allowances
34F	No allocation unless monitoring methodology plan approved
34G	New entrants' reserve
34H	Installations: errors in applications for free allocation, etc.
34HA	Free allocation for former hospital or small emitters and ultra-small
J+11/1	emitters
	Ciniticis
	CHAPTER 2
	OIM II TERCE
	Aviation
34I	Interpretation
34J	Meaning of historical aviation activity level and attributable
34K	Aviation: entitlement to free allocation in 2021-2025 allocation period
	Application for aviation free allocation entitlement
34L	* *
34M	Processing of applications and calculation of aviation free allocation entitlement
34N	Aviation allocation table for 2021-2025 allocation period
340	Aviation: allocation of allowances for 2021-2025 allocation period
34P	Permanent cessation of aviation activity
34Q	Transfers of aviation free allocation entitlement
34R	Errors in aviation allocation table
3 110	Entots in aviation anocation mole
	CHAPTER 3
	Common provisions
34S	Return of allowances: installations
34T	Return of allowances: aviation
34U	Return of allowances: notice to registry administrator
34V	Return of allowances: notice to operator, etc.
34W	Notice to withhold allowances
	PART 5
	Chamina
	Charging
35.	Charges
36.	Charging scheme: regulators
36A	Charging scheme: registry administrator
37.	Remittance of charges
	PART 6
	Monitoring compliance

Changes to legislation: There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme Order 2020. (See end of Document for details)

#### PART 7

#### Enforcement

#### CHAPTER 1

Enforcement notices and determination of emissions by regulator

- 44. Enforcement notices
- 45. Determination of reportable emissions or aviation emissions by regulator

#### CHAPTER 2

#### Civil penalties

- 46. Carbon price
- 47. Penalty notices
- 48. Penalty notices: supplementary
- 49. Regulator must publish names of persons subject to civil penalty under article 52
- 50. Installations: carrying out regulated activity without permit contrary to article 26
- 51. Installations: failure to comply with conditions of permit, etc.
- 52. Failure to surrender allowances
- 53. Installations: failure to transfer or surrender allowances where underreporting discovered after transfer
- 54. Hospitals and small emitters: exceeding emissions target
- 55. Hospitals and small emitters: failure to pay civil penalty for exceeding emissions target
- 56. Hospitals and small emitters: under-reporting of emissions
- 57. Hospitals and small emitters: failure to notify when ceasing to meet criteria
- 58. Installations: failure to apply to surrender permit
- 59. Ultra-small emitters: reportable emissions exceeding maximum amount
- 60. Ultra-small emitters: failure to notify where reportable emissions exceed maximum amount
- 61. Aviation: failure to apply or make revised application for emissions monitoring plan
- 62. Aviation: failure to comply with condition of emissions monitoring plan
- 63. Aviation: failure to monitor aviation emissions
- 64. Aviation: failure to report aviation emissions
- 65. Failure to comply with enforcement notice given by regulator
- 66. Failure to comply with information notice
- 67. Providing false or misleading information, etc.
- 68. Inspection: refusal to allow access to premises

#### PART 8

#### Appeals

- 69. Interpretation
- 70. Right of appeal
- 71. Appeal body
- 72. Effect of appeals
- 73. Determination of appeals

Changes to legislation: There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme Order 2020. (See end of Document for details)

### 74. Procedure for appeals

#### PART 9

#### Miscellaneous

- 75. Information notices
- 75A National authority may require regulator, etc. to provide information
- 75B Restriction on disclosing information
- 75C National security
- 76. Crown application
- 77. Transitional provisions

Signature

SCHEDULE 1 — Aviation activity

- 1. Aviation activity
- 2. Excluded flights

SCHEDULE 2 — Meaning of installation and regulated activity

- 1. Interpretation
- 2. Meaning of installation
- 3. Meaning of regulated activity, etc.

SCHEDULE 3 — Applications, notices, etc.

PART 1 — Applications, notices, etc. submitted to regulators

- 1. Submission of applications, notices, etc. to regulators
- 2. Determination of applications by regulators

PART 2 — Notices, etc. given by regulators, national authorities, UK ETS authority or registry administrator

- 3. Service of notices, etc.
- 4. Service on certain Crown operators

SCHEDULE 4 — Modifications to Monitoring and Reporting Regulation 2018

- 1. The Monitoring and Reporting Regulation 2018 is to be read...
- 2. Article 1 is to be read as if for the...
- 3. Article 2 is to be read as if for the...
- 4. Article 3 is to be read as if—
- 5. Article 4 is to be read as if for "under...
- 6. Article 5 is to be read as if for the...
- 7. Article 9 is to be read as if for "Article...
- 8. Article 12 is to be read as if—
- 9. Article 13 is to be read as if—
- 10. Article 14(1) is to be read as if "in accordance...
- 11. Article 15 is to be read as if—
- 12. Article 16(1) is to be read as if for the...
- 13. Article 18 is to be read as if—
- 14. Article 19(3) is to be read as if—
- 15. Article 20 is to be read as if—
- 16. Article 26(3) is to be read as if after "source streams"...
- 17. Article 31(1)(b) is to be read as if for "Member...
- 18. Article 38 is to be read as if—
- 19. Article 39 is to be read as if—

Changes to legislation: There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme Order 2020. (See end of Document for details)

- 20. Article 42(1) is to be read as if, in the...
- 20A Article 43(4)(c) is to be read as if for "Commission"...
- 21. Article 47(1) is to be read as if for "Annex...
- 22. Article 48(2) is to be read as if—
- 23. Article 49 is to be read as if—
- 24. Article 50 is to be read as if—
- 25. Article 51 is to be read as if—
- 26. Article 53 is to be read as if—
- 27. Article 54 is to be read as if for the...
- 28. Article 55(2) is to be read as if for "Commission"...
- 29. Article 58(1) is to be read as if the second...
- 30. Article 68 is to be read as if for the...
- 31. Article 71 is to be read as if—
- 31A Article 72(1) is to be read as if for the...
- 32. Article 72(3) is to be read as if "calculating the...
- 33. Article 73 is to be read as if—
- 34. Article 78 is to be read as if the words...
- 35. Annex 1 is to be read as if—
- 36. Annex 2 is to be read as if—
- 37. Annex 3 is to be read as if section 1...
- 38. Annex 4 is to be read as if—
- 39. Section 2(7) of Annex 9 is to be read as...
- 40. Annex 10 is to be read as if—

### SCHEDULE 5 — Modifications to Verification Regulation 2018

- 1. The Verification Regulation 2018 is to be read as if—...
- 2. Article 1 is to be read as if—
- 3. Article 2 is to be read as if for "2019,...
- 4. Article 3 is to be read as if—
- 5. Article 4 is to be read as if—
- 6. Article 5 is to be read as if for "bodies"...
- 7. Article 6 is to be read as if for "or...
- 8. Article 7 is to be read as if—
- 9. Article 10(1) is to be read as if—
- 10. Article 11(4) is to be read as if—
- 11. Article 13(1)(c) is to be read as if for "or...
- 12. Article 16(2) is to be read as if—
- 13. Article 17 is to be read as if—
- 14. Article 18 is to be read as if for paragraph...
- 15. Article 21 is to be read as if—
- 16. Article 22 is to be read as if—
- 17. Article 23(4) is to be read as if in the...
- 18. Article 27 is to be read as if—
- 19. Article 28 is to be read as if point (e)...
- 20. Article 29 is to be read as if after paragraph...
- 21. Article 30(1)(e) is to be read as if for "and...
- 22. Article 31 is to be read as if—
- 23. Article 32 is to be read as if—
- 24. The Verification Regulation 2018 is to be read as if...
- 25. Article 36 is to be read as if—
- 26. Article 37 is to be read as if—
- 27. Article 38 is to be read as if—
- 28. Article 39(2) is to be read as if for "an...

Changes to legislation: There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme Order 2020. (See end of Document for details)

- 29. Article 40 is to be read as if for "EU"...
- 30. Article 41 is to be read as if "harmonised" were...
- 31. Article 42 is to be read as if "harmonised" were...
- 32. Article 43 is to be read as if—
- 33. Article 45 is to be read as if, in the...
- 34. Article 46(1) is to be read as if "harmonised" were...
- 35. Article 47 is to be read as if—
- 36. Article 48 is to be read as if in each...
- 37. Article 49 is to be read as if "harmonised" were...
- 38. Article 50 is to be read as if—
- 39. Article 51(2) is to be read as if "harmonised" were...
- 40. Article 52(2) is to be read as if "harmonised" were...
- 41. Article 54(4) is to be read as if for "Member...
- 42. Article 55 is to be read as if—
- 43. Article 57(4) is to be read as if "harmonised" were...
- 44. Article 59(1) is to be read as if—
- 45. Article 60(2)(a) is to be read as if for the...
- 46. Article 63(2) is to be read as if for "harmonised...
- 47. Article 69 is to be read as if—
- 48. Article 70 is to be read as if—
- 49. Article 71 is to be read as if—
- 50. Article 72 is to be read as if—
- 51. Article 73(1) is to be read as if—
- 52. Article 76 is to be read as if—
- 53. Article 77(1)(b) is to be read as if for "or...
- 54. Annex 1 is to be read as if—
- 55. Annex 2 is to be read as if for "the...
- 56. Annex 3 is to be read as if for "the...

### SCHEDULE 5A — Registry

### PART 1 — Preliminary

- 1. Interpretation
- 2. Submission of applications, etc. to registry administrator
- 3. Account holders: fit and proper person
- 4. Authorised representatives: fit and proper person

PART 2 — Establishment and operation of registry

- 5. Registry
- 6. Operation of registry
- 6A Reportable emissions and aviation emissions to be recorded in registry
- 7. Suspension of registry due to security concerns
- 8. Suspension of registry for technical reasons
- 8A Exemption from liability

PART 3 — Accounts

#### CHAPTER 1

#### Opening accounts

- 9. Central accounts
- 10. Auction delivery account
- 11. Operator holding accounts
- 12. Transfer of operator holding accounts
- 13. Aircraft operator holding accounts

Changes to legislation: There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme Order 2020. (See end of Document for details)

### 14. Trading accounts

### **CHAPTER 2**

### Account representatives

- 15. Primary contacts and alternative primary contacts
- 16. Appointment of authorised representatives
- 17. Change in account permission of authorised representatives
- 18. Suspension of access to registry of authorised representatives
- 19. Removal of authorised representatives

#### CHAPTER 3

#### Transfers of allowances

- 20. Transfers between accounts
- 21. Transfer cancellations
- 22. Transfer reversals
- 23. Deletion of allowances
- 24. Surrender of allowances

#### **CHAPTER 4**

### Suspension and closure of accounts

- 25. Suspension of accounts
- 26. Closure of central accounts and auction delivery account
- 27. Closure of operator holding accounts
- 28. Closure of aircraft operator holding accounts
- 29. Closure of trading accounts
- 30. Balance in accounts to be closed

### SCHEDULE 6 — Permits

PART 1 — Application for greenhouse gas emissions permits

- 1. Greenhouse gas emissions permits: application
- 2. Greenhouse gas emissions permits: content of application
- 3. Greenhouse gas emissions permits: issue of permit
- 4. Greenhouse gas emissions permits: content of permit
- 5. Greenhouse gas emissions permits: effect of permit, etc.

PART 2 — Greenhouse gas emissions permits and hospital or small emitter permits

- 6. Variation of permits
- 7. Transfer of permits: application
- 8. Transfer of permits: contents of application
- 9. Transfer of permits: grant of application
- 10. Transfer of permits: underreporting discovered after transfer
- 11. Surrender of permits
- 12. Revocation of permits

### SCHEDULE 7 — Hospitals and small emitters

PART 1 — Preliminary

1. Interpretation

Changes to legislation: There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme Order 2020. (See end of Document for details)

- 2. Meaning of installation that primarily provides services to a hospital in scheme year
  - PART 2 Hospital or small emitter status
- 3. Hospital or small emitter status
- 4. Hospital or small emitter status: former ultra-small emitters
- 5. Obtaining hospital or small emitter status for 2026-2030 allocation period
- 6. Obtaining hospital or small emitter status for 2026-2030 allocation period: Conditions A, B and C
  - PART 3 Hospital or small emitter permits
- 7. Hospital or small emitter permits: application
- 8. Hospital or small emitter permits: content of application
- 9. Hospital or small emitter permits: issue of permit
- 10. Hospital or small emitter permits: conversion of existing greenhouse gas emissions permit for 2026-2030 allocation period
- 11. Hospital or small emitter permits: content of permit
- 12. Hospital or small emitter permits: effect of permit, etc.
- 13. Hospitals and small emitters: modifications to Monitoring and Reporting Regulation 2018
- 14. Former ultra-small emitters: hospital or small emitter permits coming into force after beginning of scheme year
  - PART 4 Emissions targets
- 15. Emissions targets other than for hospital-qualifying installations may not exceed maximum amount
- 16. Emissions targets for 2021-2025 allocation period
- 17. Emissions targets for 2026-2030 allocation period
- 18. Emissions targets: calculation of later targets where initial targets based on estimates
- 19. Emissions targets: hospital or small emitters must not exceed targets
- 19A Capacity increases: application to increase emissions targets
- 19B Capacity increases: content of application
- 19C Capacity increases: grant of application
- 19D Capacity increases: net change in installed capacity at installation since reference date
- 19E Capacity increases: increase in emissions targets for scheme years
- 19F Capacity increases: combined capacity utilisation factor
- 19G Capacity increases: interpretation
- 20. Emissions targets: banking overachieved target
- 21. Emissions targets: targets for 2026-2030 allocation period for hospital or small emitters in 2021-2025 allocation period
- 22. Emissions targets: errors
  - PART 5 End of hospital or small emitter status
- 23. End of hospital or small emitter status: ceasing to meet criteria
- 24. Conversion notices
- 25. End of hospital or small emitter status: ceasing to meet criteria: publication
- 26. End of hospital or small emitter status: end of allocation period

### SCHEDULE 8 — Ultra-small emitters

- 1. Interpretation
- 2. Ultra-small emitter status
- 3. Obtaining ultra-small emitter status for 2026-2030 allocation period
- 4. Obtaining ultra-small emitter status for 2026-2030 allocation period: modifications to Verification Regulation 2018 for ultra-small emitters in 2021-2025 allocation period

Changes to legislation: There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme Order 2020. (See end of Document for details)

- 5. Duty to monitor reportable emissions, etc.
- 6. Reportable emissions must not exceed maximum amount
- 7. End of ultra-small emitter status: ceasing to meet criteria
- 8. End of ultra-small emitter status: publication

# SCHEDULE 8A — Free allocation for former hospital or small emitters and ultra-small emitters

- 1. Interpretation
- 2. Application
- 3. Monitoring methodology plan to be submitted for approval
- 4. Calculation and approval of final allocation
- 5. Modifications to Activity Level Changes Regulation

### SCHEDULE 9 — Appeals to Scottish Land Court

- . (1) A person who wishes to appeal to the Scottish...
- 2. (1) Subject to sub-paragraph (2), the appropriate form must be...
- 3. (1) The Scottish Land Court may determine an appeal, or...
- 4. (1) The respondent must, within 16 days of receipt of...

### SCHEDULE 10 — Appeals to Planning Appeals Commission (Northern Ireland)

- 1. (1) A person who wishes to appeal to the Planning...
- 2. A notice of appeal under paragraph 1 must be given...
- 3. (1) An appellant may withdraw an appeal by giving notice...
- 4. (1) The Planning Appeals Commission must determine the appeal; and...

### SCHEDULE 11 — Transitional provisions: installations

- 1. Permits under GGETSR 2012
- 2. Applications for permits, etc. under GGETSR 2012
- 3. Schedule does not apply to permits for relevant Northern Ireland electricity generators, etc.

**Explanatory Note** 

### **Status:**

Point in time view as at 07/02/2022.

### **Changes to legislation:**

There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme Order 2020.