

SCHEDULE 6

Article 26(3)

Permits

PART 1

Application for greenhouse gas emissions permits

Greenhouse gas emissions permits: application

1.—(1) The operator of an installation may apply to the regulator for a greenhouse gas emissions permit for the installation ^{M1}.

(2) But an application may not be made if a permit for the installation is already in force.

(3) In sub-paragraph (2), “permit” includes a permit within the meaning of GGETSR 2012 to which paragraph 1 of Schedule 11 applies (permits to be converted).

Commencement Information

I1 Sch. 6 para. 1 in force at 12.11.2020, see [art. 2\(1\)](#)

Marginal Citations

M1 [Paragraphs 24 and 26 of Schedule 7 and paragraph 1 of Schedule 11](#) provide for the conversion of permits into greenhouse gas emissions permits.

Greenhouse gas emissions permits: content of application

2.—(1) An application for a greenhouse gas emissions permit must contain—

- (a) an address to which correspondence relating to the application should be sent (in addition to the addresses required by paragraph 1(5) of Schedule 3);
- (b) if the operator of the installation is a body corporate—
 - (i) its registered number and the postal address of its registered or principal office; and
 - (ii) where the operator is a subsidiary of a holding company, the name of the holding company (other than a holding company which is itself a subsidiary) and the postal address of the holding company's registered or principal office, and in this paragraph “subsidiary” and “holding company” have the meanings given in section 1159 of the Companies Act 2006 ^{M2};
- (c) in relation to the site of the installation—
 - (i) the postal address and national grid reference of the site (or in the case of an installation in UK coastal waters or the UK sector of the continental shelf equivalent information identifying the installation and its location);
 - (ii) a description of the site and the location of the installation on it; and
 - (iii) the name of any local authority where the site is situated;
- (d) a description of the installation, the regulated activities to be carried out at the installation and the specified emissions from those activities;
- (e) a description of the raw and auxiliary materials used in carrying out regulated activities at the installation, the use of which is likely to lead to specified emissions;

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- (f) a description of the sources of specified emissions from the regulated activities carried out at the installation;
 - (g) a monitoring plan in accordance with Article 12 of the Monitoring and Reporting Regulation 2018, together with—
 - (i) the supporting documents referred to in Article 12(1) of that Regulation;
 - (ii) except where the installation is an installation with low emissions within the meaning of Article 47(2) of that Regulation, the uncertainty assessment carried out under Article 28(1)(a) of that Regulation;
 - (h) a description, including the reference number, of any environmental licence issued in relation to the installation;
 - (i) any additional information that the operator wishes the regulator to take into account in considering the application;
 - (j) a non-technical summary of the information referred to in paragraphs (d) to (i); and
 - (k) the date on which the operator wishes the permit to come into force.
- (2) In sub-paragraph (1)(h), “environmental licence” means—
- (a) an authorisation under—
 - (i) Part 1 of the Environmental Protection Act 1990 ^{M3};
 - (ii) the Industrial Pollution Control (Northern Ireland) Order 1997 ^{M4};
 - (b) a permit under—
 - (i) the Pollution Prevention and Control (Scotland) Regulations 2012 ^{M5};
 - (ii) the Offshore Combustion Installations (Pollution Prevention and Control) Regulations 2013 ^{M6};
 - (iii) the Pollution Prevention and Control (Industrial Emissions) Regulations (Northern Ireland) 2013 ^{M7};
 - (iv) the Environmental Permitting (England and Wales) Regulations 2016 ^{M8};
 - (v) the Environmental Authorisations (Scotland) Regulations 2018 ^{M9}.

Commencement Information

I2 Sch. 6 para. 2 in force at 12.11.2020, see [art. 2\(1\)](#)

Marginal Citations

M2 2006 c. 46. In section 1159 of the Companies Act 2006, “company” includes any body corporate.

M3 1990 c. 43.

M4 S.I. 1997/2777 (N.I. 18).

M5 S.S.I. 2012/360.

M6 S.I. 2013/971.

M7 S.R. 2013/160.

M8 S.I. 2016/1154.

M9 S.S.I. 2018/219.

[^{F1}Greenhouse gas emissions permits: issue of permit

3. A greenhouse gas emissions permit for an installation may be issued only if—

- (a) a monitoring plan has been approved in relation to the installation under the Monitoring and Reporting Regulation 2018; and
- (b) the regulator considers that from the date on which the permit comes into force the operator of the installation will be capable of monitoring and reporting the installation's reportable emissions in accordance with the monitoring and reporting conditions of the permit.]

Textual Amendments

- F1** Sch. 6 para. 3 substituted (7.2.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2021 \(S.I. 2021/1455\)](#), arts. 2, **24(2)**

Greenhouse gas emissions permits: content of permit

- 4.—(1) A greenhouse gas emissions permit must contain—
- (a) the name and postal address in the United Kingdom (including postcode) of the operator and any other address for correspondence included by the operator in the application;
 - (b) the postal address and national grid reference of the installation (or, in the case of an installation in UK coastal waters or the UK sector of the continental shelf, equivalent information identifying the installation and its location);
 - (c) a description of the installation, the regulated activities to be carried out at the installation and the specified emissions from those activities;
 - (d) a description of the site and the location of the installation on the site;
 - (e) the date on which the permit comes into force;
 - (f) the monitoring plan—
 - (i) where an application is made for the permit, approved in relation to the installation under ^{F2}...the Monitoring and Reporting Regulation 2018;
 - (ii) where an existing permit is converted into a greenhouse gas emissions permit, approved in relation to the installation under ^{F2}...the Monitoring and Reporting Regulation 2012 or ^{F2}... the Monitoring and Reporting Regulation 2018 for the purpose of monitoring specified emissions at the installation immediately before the greenhouse gas emissions permit comes into force;
 - (g) the monitoring and reporting conditions (see sub-paragraph (2));
 - (h) the surrender condition (see sub-paragraphs (3) to (5));
 - [^{F3}(ha) the free allocation conditions (see sub-paragraph (6));
 - (hb) where a monitoring methodology plan has been approved in relation to the installation under Article 8 of the Free Allocation Regulation, the monitoring methodology plan;]
 - (i) any conditions that the regulator considers necessary to ensure that the operator notifies the regulator of any planned or effective changes to the capacity, activity level or operation of the installation, on or before 31st December in the year in which the change is planned or occurs;
 - (j) any other conditions that the regulator considers appropriate to include in the permit.
- (2) The monitoring and reporting conditions are—
- (a) a condition requiring the operator to monitor the installation's reportable emissions in accordance with—
 - (i) the Monitoring and Reporting Regulation 2018; and

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- (ii) the monitoring plan (including the written procedures supplementing the monitoring plan);
 - (b) a condition requiring the operator to prepare in accordance with the Monitoring and Reporting Regulation 2018 a report of the installation's reportable emissions in each scheme year that is verified [^{F4}as satisfactory] in accordance with the Verification Regulation 2018 and to submit the report [^{F5}(and the verification report)] to the regulator on or before 31st March in the following year;
 - ^{F6}(c)
 - (d) any further conditions that the regulator considers necessary to give proper effect to the Monitoring and Reporting Regulation 2018 or the Verification Regulation 2018.
- (3) The surrender condition is a condition requiring the operator to surrender allowances equal to the installation's reportable emissions in a scheme year on or before 30th April in the following year.
- (4) For the purposes of the surrender condition, where an installation's reportable emissions in a scheme year (the “non-compliance year”) exceeds the allowances surrendered on or before 30th April in the following year, the installation's reportable emissions in the relevant scheme year must be treated as being increased by the difference.
- (5) In sub-paragraph (4), the relevant scheme year means—
- (a) the scheme year following the non-compliance year; or
 - (b) if the failure to comply with the surrender condition results from an error in the verified emissions report submitted by the operator, the scheme year in which the error is discovered.
- ^{F7}(6) The free allocation conditions are the following conditions, which must be expressed to apply while the installation is an FA installation—
- (a) a condition requiring the operator to monitor the activity level of the installation in accordance with—
 - (i) the Free Allocation Regulation; and
 - (ii) the monitoring methodology plan approved under Article 8 of the Free Allocation Regulation (including the written documentation of the procedures referred to in Article 8(3) of that Regulation);
 - ^{F8}(b) a condition requiring the operator, in accordance with the Activity Level Changes Regulation, to prepare an activity level report that is verified as satisfactory in accordance with the Verification Regulation 2018 and to submit the report (and the verification report) to the regulator—
 - (i) on or before 31st March in each scheme year; or
 - (ii) in the case of an installation in relation to which the Activity Level Changes Regulation has effect with the modifications referred to in paragraph 5 of Schedule 8A—
 - (aa) on or before 31st March in the first eligible scheme year (within the meaning of that Schedule) or, if later, within 3 months after the date on which the final annual number of allowances to be allocated in respect of the installation is approved under paragraph 4(6) of that Schedule;
 - (bb) on or before 31st March in each subsequent scheme year;]
 - (c) a condition requiring the operator, if the installation has ceased operation, to notify the regulator on or before 31st December in the scheme year in which the cessation occurs or within 1 month of the cessation, whichever is later;

(d) any further conditions that the regulator considers necessary to give proper effect to the Free Allocation Regulation or the Activity Level Changes Regulation.

(7) Where, after the date of issue of, or conversion of a permit into, a greenhouse gas emissions permit, a monitoring methodology plan is approved in relation to an installation under Article 8 of the Free Allocation Regulation, the regulator must vary the permit under paragraph 6 so that it contains the monitoring methodology plan.]

Textual Amendments

- F2** Words in Sch. 6 para. 4(1)(f) omitted (7.2.2022) by virtue of [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2021 \(S.I. 2021/1455\)](#), arts. 2, **24(3)(a)**
- F3** Sch. 6 para. 4(1)(ha)(hb) inserted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(2)(a)**
- F4** Words in Sch. 6 para. 4(2)(b) inserted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(2)(b)(i)**
- F5** Words in Sch. 6 para. 4(2)(b) inserted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(2)(b)(ii)**
- F6** Sch. 6 para. 4(2)(c) omitted (1.1.2023) by virtue of [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) \(No. 2\) Order 2022 \(S.I. 2022/1173\)](#), arts. 2, **16(2)**
- F7** Sch. 6 para. 4(6)(7) inserted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(2)(c)**
- F8** Sch. 6 para. 4(6)(b) substituted (7.2.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2021 \(S.I. 2021/1455\)](#), arts. 2, **24(3)(b)**

Commencement Information

- I3** Sch. 6 para. 4 in force at 12.11.2020, see [art. 2\(1\)](#)

Greenhouse gas emissions permits: effect of permit, etc.

- 5.—(1) A greenhouse gas emissions permit for an installation—
- (a) comes into force on the date set out in the permit;
 - (b) authorises the regulated activities set out in the permit to be carried out at the installation.
- (2) The operator of the installation must comply with the conditions of the permit.

Commencement Information

- I4** Sch. 6 para. 5 in force at 12.11.2020, see [art. 2\(1\)](#)

PART 2

Greenhouse gas emissions permits and hospital or small emitter permits

Variation of permits

- 6.—(1) The operator of an installation—
- (a) may apply to the regulator to vary the installation's permit;
 - (b) must apply to the regulator to vary the installation's permit where required by a condition of the permit.

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(2) The regulator may vary an installation's permit at any time if the regulator considers that it is necessary to do so for the purposes of the UK ETS and in particular may do so in consequence of any of the following—

- (a) a report of the operator referred to in Article 69 of the Monitoring and Reporting Regulation 2018;
- (b) a notification under a condition included under paragraph 4(1)(i) (notification of planned changes in operation);
- (c) a failure by the operator to comply with a condition of the permit to apply for a variation.
- [^{F9}(d) a failure by the operator to implement—
 - (i) a recommendation for improvement of the monitoring methodology plan as required by Article 9(2)(e) of the Free Allocation Regulation; or
 - (ii) a modification of the monitoring methodology plan requested by the regulator under Article 9(5)(d) of that Regulation.]

(3) The regulator may vary a permit to comply with—

- [^{F10}(za) paragraph 4(7) (adding monitoring methodology plan);]
- (a) [^{F11}paragraph 9(3), (3A)], (4) or (5) (transfer of permits);
- (b) any of the following provisions of Schedule 7—
 - (i) paragraph 10 (conversion of permit to hospital or small emitter permit);
 - (ii) paragraph 18 (calculation of later emissions targets where initial targets based on estimates);
 - [^{F12}(iia) paragraph 19C (capacity increases);]
 - (iii) paragraph 20 (banking overachieved target);
 - (iv) paragraph 21 (emissions targets for 2026-2030 allocation period);
 - (v) paragraph 24 (conversion of permit on loss of hospital or small emitter status);
 - (vi) paragraph 26 (conversion of permit at end of 2021-2025 allocation period).

(4) The variation of an installation's permit is given effect by the regulator giving a notice to the operator of the installation setting out the variations to the permit.

(5) Where a permit is varied, the regulator may, by giving notice to the operator, replace the permit with a consolidated version that includes the variations.

Textual Amendments

- F9** Sch. 6 para. 6(2)(d) inserted (31.12.2020) by The Greenhouse Gas Emissions Trading Scheme (Amendment) Order 2020 (S.I. 2020/1557), arts. 2(1), **38(3)(a)**
- F10** Sch. 6 para. 6(3)(za) inserted (31.12.2020) by The Greenhouse Gas Emissions Trading Scheme (Amendment) Order 2020 (S.I. 2020/1557), arts. 2(1), **38(3)(b)**
- F11** Words in Sch. 6 para. 6(3)(a) substituted (7.2.2022) by The Greenhouse Gas Emissions Trading Scheme (Amendment) Order 2021 (S.I. 2021/1455), arts. 2, **24(4)(a)**
- F12** Sch. 6 para. 6(3)(b)(iia) inserted (7.2.2022) by The Greenhouse Gas Emissions Trading Scheme (Amendment) Order 2021 (S.I. 2021/1455), arts. 2, **24(4)(b)**

Commencement Information

- I5** Sch. 6 para. 6 in force at 12.11.2020, see art. 2(1)

Transfer of permits: application

7.—(1) Subject to sub-paragraphs (3) and (4), a permit holder (the “transferring operator”) and another person (the “new operator”) may jointly apply to the regulator—

- (a) for the transfer of the permit to the new operator;
- (b) for the partial transfer of the permit to the new operator.

(2) For the purposes of this Order, the partial transfer of a permit is the transfer in respect of part of the installation at which the permit authorises a regulated activity to be carried out.

(3) An application for the transfer or partial transfer of a permit may not be made in respect of an installation (or part of an installation) that has ceased operation.

(4) An application may not be made for the partial transfer of a hospital or small emitter permit.

(5) In this paragraph and paragraphs 8 to 10—

“existing permit” has the meaning given in [F13] paragraph 9(3A) or (5)];

“new operator” has the meaning given in sub-paragraph (1);

“transferred activities” has the meaning given in paragraph [F14]8(1)(a)];

“transferred units” has the meaning given in paragraph [F14]8(1)(a)];

“transferring operator” has the meaning given in sub-paragraph (1).

Textual Amendments

F13 Words in Sch. 6 para. 7(5) substituted (7.2.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2021 \(S.I. 2021/1455\)](#), arts. 2, **24(5)**

F14 Word in Sch. 6 para. 7(5) substituted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(4)**

Commencement Information

I6 Sch. 6 para. 7 in force at 12.11.2020, see [art. 2\(1\)](#)

Transfer of permits: contents of application

8.—[F15](1) An application for the transfer or partial transfer of a permit must contain—

- (a) a description of the installation (or part of an installation) in respect of which the application is made (the “transferred units”) and of the regulated activities authorised to be carried out there (the “transferred activities”);
- (b) in relation to both the transferring operator and the new operator, an address to which correspondence relating to the application should be sent (in addition to the addresses required by paragraph 1(5) of Schedule 3);
- (c) if the new operator is a body corporate, the matters referred to in paragraph 2(1)(b) in relation to the new operator;
- (d) either—
 - (i) the new operator's monitoring plan in accordance with Article 12 of the Monitoring and Reporting Regulation 2018, together with—
 - (aa) the supporting documents referred to in Article 12(1) of that Regulation;
 - (bb) except where the transferred units are an installation with low emissions within the meaning of Article 47(2) of that Regulation, the uncertainty assessment carried out under Article 28(1)(a) of that Regulation; or

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- (ii) the new operator's specification of the parts of the existing monitoring plan that it is proposed be varied and any necessary corresponding update of the supporting documents and any uncertainty assessment;
 - (e) in the case of an application for a partial transfer of a permit, the transferring operator's specification of the parts of the existing monitoring plan that it is proposed be varied and any necessary corresponding update of the supporting documents and any uncertainty assessment.
- [^{F16}(1A) Where an application is made—
- (a) the new operator's monitoring plan referred to in sub-paragraph (1)(d)(i) must be treated as if it had been submitted to the regulator for approval under Article 12 of the Monitoring and Reporting Regulation 2018; or
 - (b) if sub-paragraph (1)(d)(ii) or (e) applies, the new or transferring operator's specification of the parts of an existing monitoring plan that it is proposed be varied must be treated as a significant modification within the meaning of Article 15 of that Regulation notified to the regulator for approval under that Article.]
- [^{F17}(2) Where the application is for the transfer or partial transfer of a greenhouse gas emissions permit for an installation that is an FA installation, the application must also contain—
- (a) either—
 - (i) the new operator's monitoring methodology plan in accordance with Article 8 of the Free Allocation Regulation; or
 - (ii) the new operator's specification of the parts of the existing monitoring methodology plan that it is proposed be varied;
 - (b) in the case of an application for the partial transfer of the permit, the transferring operator's specification of the parts of the existing monitoring methodology plan that it is proposed be varied.
- (3) But sub-paragraph (2) does not apply if the application contains a statement by the new operator that the new operator renounces free allocation in respect of the transferred units.]
- [^{F18}(4) Where sub-paragraph (2) applies—
- (a) the new operator's monitoring methodology plan referred to in sub-paragraph (2)(a)(i) must be treated as if it had been submitted to the regulator for approval under Article 8 of the Free Allocation Regulation; or
 - (b) if sub-paragraph (2)(a)(ii) or (b) applies, the new or transferring operator's specification of the parts of an existing monitoring methodology plan that it is proposed be varied must be treated as a significant modification within the meaning of Article 9 of that Regulation notified to the regulator for approval under that Article.]

Textual Amendments

- F15** Sch. 6 para. 8 renumbered as Sch. 6 para. 8(1) (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(5)**
- F16** Sch. 6 para. 8(1A) inserted (7.2.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2021 \(S.I. 2021/1455\)](#), arts. 2, **24(6)(a)**
- F17** Sch. 6 para. 8(2)(3) inserted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(5)**
- F18** Sch. 6 para. 8(4) inserted (7.2.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2021 \(S.I. 2021/1455\)](#), arts. 2, **24(6)(b)**

Commencement Information

I7 Sch. 6 para. 8 in force at 12.11.2020, see [art. 2\(1\)](#)

Transfer of permits: grant of application

9.—^[F19](1) An application for the transfer or partial transfer of a permit may be granted only if—

- (a) the regulator considers that, from the transfer date, the new operator—
 - (i) will be the operator of the installation;
 - (ii) will be capable of monitoring and reporting the installation’s reportable emissions in accordance with the monitoring and reporting conditions of the permit (including as varied under this paragraph); and
 - (iii) where the application is for the transfer or partial transfer of a greenhouse gas emissions permit of an installation that is an FA installation, will be capable of complying with the free allocation conditions of the permit (including as varied under this paragraph);
- (b) the monitoring plan or the variations referred to in paragraph 8(1)(d) and, in the case of an application for the partial transfer of the permit, the variations referred to in paragraph 8(1)(e) have been approved under the Monitoring and Reporting Regulation 2018 (see paragraph 8(1A)); and
- (c) where the application is for the transfer or partial transfer of a greenhouse gas emissions permit of an installation that is an FA installation, the monitoring methodology plan or the variations referred to in paragraph 8(2)(a) and, in the case of an application for the partial transfer of the permit, the variations referred to in paragraph 8(2)(b) have been approved under the Free Allocation Regulation (see paragraph 8(4)).]

^[F20](1A) But ^[F21]sub-paragraph (1)(a)(iii) and (c) do not apply] if the application contains a statement by the new operator that the new operator renounces free allocation in respect of the transferred units.]

(2) Where an application for a transfer or a partial transfer is granted, the regulator must give notice of the transfer to—

- (a) the transferring operator; and
 - (b) the new operator.
- (3) Where an application for the partial transfer of a permit is granted—
- (a) the regulator must issue a new greenhouse gas emissions permit (the “new permit”) to the new operator that—
 - (i) sets out that the new permit comes into force on the transfer date;
 - (ii) sets out the transferred activities and the transferred units at which the transferred activities may be carried out;
 - (iii) includes such other provisions as the regulator considers appropriate to take account of the transfer;
 - (b) the regulator may make such corresponding variations under paragraph 6 to the permit (the “original permit”) held by the transferring operator as the regulator considers appropriate to take account of the transfer;
 - (c) the new permit comes into force on the transfer date to authorise the transferred activities to be carried out at the transferred units from that date;
 - (d) the variations to the original permit have effect from the transfer date (which must be set out in the original permit).

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[^{F22}(3A) But if the new operator already holds a permit (the “existing permit”) for an installation that is on the same site as the transferred units, the regulator may, instead of issuing a new greenhouse gas emissions permit to the new operator under sub-paragraph (3), vary the existing permit under paragraph 6 so that it includes such variations as the regulator considers necessary to take account of the transferred units and transferred activities; and if the regulator does so—

- (a) the regulator must make such corresponding variations under paragraph 6 to the permit (the “original permit”) held by the transferring operator as the regulator considers appropriate to take account of the transfer;
 - (b) the variations to the existing permit and the original permit have effect from the transfer date, which must be set out in the existing permit and the original permit.]
- (4) Where an application for the transfer of a permit (other than for a partial transfer) is granted—
- (a) the regulator must vary the permit under paragraph 6 so that it includes—
 - (i) the name and other particulars of the new operator;
 - (ii) the transfer date;
 - (iii) such variations to the monitoring plan as the regulator considers appropriate;
 - (b) the new operator is the holder of the permit as varied from the transfer date.

(5) But if the new operator already holds a permit (the “existing permit”) for an installation that is on the same site as the transferred units, the regulator may, instead of varying the transferring operator's permit under sub-paragraph (4)—

- (a) vary the existing permit under paragraph 6 so that it includes such variations as the regulator considers necessary to take account of the transferred units and transferred activities; and the variations have effect from the transfer date, which must be set out in the existing permit; and
- (b) by giving notice to the transferring operator, cancel the permit held by the transferring operator so that the permit ceases to authorise regulated activities to be carried out from the transfer date.

[^{F23}(5A) Where a permit is cancelled under sub-paragraph (5)(b), the regulator must give notice to the registry administrator as soon as reasonably practicable.]

(6) In this paragraph, “transfer date” means the date agreed by the transferring operator, the new operator and the regulator as the date on which the transfer or partial transfer to the new operator is to take effect.

Textual Amendments

- F19** Sch. 6 para. 9(1) substituted (7.2.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2021 \(S.I. 2021/1455\)](#), arts. 2, **24(7)(a)**
- F20** Sch. 6 para. 9(1A) inserted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(6)(b)**
- F21** Words in Sch. 6 para. 9(1A) substituted (7.2.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2021 \(S.I. 2021/1455\)](#), arts. 2, **24(7)(b)**
- F22** Sch. 6 para. 9(3A) inserted (7.2.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2021 \(S.I. 2021/1455\)](#), arts. 2, **24(7)(c)**
- F23** Sch. 6 para. 9(5A) inserted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(6)(c)**

Commencement Information

- I8** Sch. 6 para. 9 in force at 12.11.2020, see [art. 2\(1\)](#)

Transfer of permits: underreporting discovered after transfer

10.—(1) This paragraph applies where—

- (a) after the transfer of a greenhouse gas emissions permit under paragraph 9 takes effect, the regulator becomes aware, following a determination of reportable emissions under article 45, of an error in a report submitted for a scheme year by the transferring operator under the monitoring and reporting conditions of the permit; and
- (b) as a result of the error, the transferring operator failed to comply with the surrender condition of the permit in respect of the scheme year to which the error relates.

(2) The regulator must give notice to the transferring operator of the error as soon as reasonably practicable.

(3) The transferring operator must within 1 month of the notice effect a transfer to the new operator of allowances equal to the reportable emissions in respect of which, as a result of the error, the transferring operator failed to comply with the surrender condition of the permit.

(4) The new operator must surrender the allowances within 1 month after the transfer of the allowances.

(5) In sub-paragraph (1), the reference to the transfer of a greenhouse gas emissions permit under paragraph 9 includes a reference to an application for a transfer of a permit to which effect is given by a variation of the new operator's existing permit under [F24sub-paragraph (3A) or (5)] of that paragraph.

Textual Amendments

F24 Words in Sch. 6 para. 10(5) substituted (7.2.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2021 \(S.I. 2021/1455\)](#), arts. 2, 24(8)

Commencement Information

I9 Sch. 6 para. 10 in force at 12.11.2020, see [art. 2\(1\)](#)

Surrender of permits

11.—(1) Where a permit authorises a regulated activity to be carried out at an installation that has ceased operation, the operator must apply to the regulator to surrender the permit on or before—

- (a) the last day of the period of 1 month beginning with the day on which it ceased operation; or
- (b) such later date as may be agreed by the regulator.

(2) Where a permit authorises a regulated activity to be carried out at an installation where a regulated activity is no longer being carried out but it is not technically impossible to resume operation, the operator of the installation may apply to the regulator to surrender the permit.

(3) Where the regulator grants an application to surrender a permit under sub-paragraph (1) or (2), the regulator must give a notice (a “surrender notice”) to the operator.

(4) The surrender notice must—

- (a) set out a date (the “end date”) on which the surrender of the permit takes effect;
- (b) require the operator to—
 - (i) submit to the regulator on or before a date set out in the notice a report of the installation's reportable emissions in the period beginning on 1st January in the scheme year (the “end year”) in which the end date falls and ending on the end date;

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- (ii) ensure that the report is prepared and verified in accordance with the monitoring and reporting conditions of the permit;
- [^{F25}(iii) where the permit is a greenhouse gas emissions permit, on or before a date set out in the notice (which must not be before 30th April in the end year), surrender allowances equal to the sum of—
 - (aa) the installation’s reportable emissions in the period referred to in sub-paragraph (i); and
 - (bb) if, in relation to reportable emissions before that period, the operator fails to comply with the surrender condition of the permit, the number of allowances in respect of which the operator fails to comply.]
- (5) The operator must comply with the requirements of the surrender notice.
- (6) Where a surrender notice is given—
 - (a) the permit ceases to be in force on the end date (and therefore ceases to authorise a regulated activity to be carried out at the installation from that date); but
 - (b) the conditions of the permit continue to have effect as if the permit were in force until the regulator certifies that the conditions of the permit and the requirements of the surrender notice have been complied with [^{F26}or that there is no reasonable prospect of their being complied with].
- (7) The reference in sub-paragraph (6)(b) to the conditions of the permit that continue to have effect includes a reference to conditions relating to reportable emissions [^{F27}, or reports on activity levels,] before the end year that the operator is required to comply with on or before a date that may fall after the end date (for example, in the case of a greenhouse gas emissions permit, the [^{F28}conditions referred to in paragraph 4(2)(b) and (6)(b)] and the surrender condition or, in the case of a hospital or small emitter permit, the condition referred to in paragraph 11(2)(b) of Schedule 7).
- [^{F29}(8) Despite sub-paragraphs (6)(b) and (7), the condition referred to in paragraph 4(6)(b) does not have effect to require the operator to prepare a report on the installation’s activity levels in the scheme year before the first non-entitled scheme year (as defined in Article 26(2) of the Free Allocation Regulation).]

Textual Amendments

- F25** Sch. 6 para. 11(4)(b)(iii) substituted (14.4.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2022 \(S.I. 2022/454\)](#), arts. 2, **13(2)**
- F26** Words in Sch. 6 para. 11(6)(b) inserted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(7)**
- F27** Words in Sch. 6 para. 11(7) inserted (1.1.2023) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) \(No. 2\) Order 2022 \(S.I. 2022/1173\)](#), arts. 2, **16(3)(a)(i)**
- F28** Words in Sch. 6 para. 11(7) substituted (1.1.2023) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) \(No. 2\) Order 2022 \(S.I. 2022/1173\)](#), arts. 2, **16(3)(a)(ii)**
- F29** Sch. 6 para. 11(8) inserted (1.1.2023) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) \(No. 2\) Order 2022 \(S.I. 2022/1173\)](#), arts. 2, **16(3)(b)**

Commencement Information

- I10** Sch. 6 para. 11 in force at 12.11.2020, see [art. 2\(1\)](#)

Revocation of permits

12.—(1) Where the operator of an installation fails to apply to surrender the installation's permit under paragraph 11(1) on or before the date referred to in that sub-paragraph, the regulator must revoke the permit as soon as reasonably practicable after that date.

(2) Where a permit authorises a regulated activity to be carried out at an installation that is included in the ultra-small emitter list for 2026-2030, the regulator must revoke the permit so that it ceases to be in force at the end of 31st December 2025.

(3) The regulator may revoke a permit if—

(a) the operator fails to comply with—

(i) a requirement imposed on the operator by or under—

(aa) this Order;

(bb) the Monitoring and Reporting Regulation 2018;

(cc) the Verification Regulation 2018;

[^{F30}(dd) the Free Allocation Regulation;

(ee) the Activity Level Changes Regulation.]

(ii) a condition of the permit; or

(b) the operator of an installation fails to pay the charge for maintaining the permit in force ^{M10}.

(4) A permit is revoked by giving a notice (a “revocation notice”) to the operator.

(5) The revocation notice must—

(a) set out a date (the “end date”) on which the revocation of the permit takes effect;

(b) require the operator to—

(i) submit to the regulator on or before a date set out in the notice a report of the installation's reportable emissions in the period beginning on 1st January in the scheme year (the “end year”) in which the end date falls and ending on the end date;

(ii) ensure that the report is prepared and verified in accordance with the monitoring and reporting conditions of the permit;

[^{F31}(iii) where the permit is a greenhouse gas emissions permit, on or before a date set out in the notice (which must not be before 30th April in the end year), surrender allowances equal to the sum of—

(aa) the installation's reportable emissions in the period referred to in sub-paragraph (i); and

(bb) if, in relation to reportable emissions before that period, the operator fails to comply with the surrender condition of the permit, the number of allowances in respect of which the operator fails to comply.]

(6) The operator must comply with the requirements of the revocation notice.

(7) Where a revocation notice is given—

(a) the permit ceases to be in force on the end date (and therefore ceases to authorise a regulated activity to be carried out at the installation from that date); but

(b) the conditions of the permit continue to have effect as if the permit were in force until the regulator certifies that the conditions of the permit and the requirements of the revocation notice have been complied with [^{F32}or that there is no reasonable prospect of their being complied with].

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(8) The reference in sub-paragraph (7)(b) to the conditions of the permit that continue to have effect includes a reference to conditions relating to reportable emissions [^{F33}, or reports on activity levels,] before the end year that the operator is required to comply with on or before a date that may fall after the end date (for example, in the case of a greenhouse gas emissions permit, the [^{F34}conditions referred to in paragraph 4(2)(b) and (6)(b)] and the surrender condition or, in the case of a hospital or small emitter permit, the condition referred to in paragraph 11(2)(b) of Schedule 7).

[^{F35}(8A) Despite sub-paragraphs (7)(b) and (8), the condition referred to in paragraph 4(6)(b) does not have effect to require the operator to prepare a report on the installation's activity levels in the scheme year before the first non-entitled scheme year (as defined in Article 26(2) of the Free Allocation Regulation).]

(9) A regulator who gives a revocation notice may, by notice to the operator, withdraw the revocation notice at any time before the end date.

Textual Amendments

- F30** Sch. 6 para. 12(3)(a)(i)(dd)(ee) inserted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(8)(a)**
- F31** Sch. 6 para. 12(5)(b)(iii) substituted (14.4.2022) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2022 \(S.I. 2022/454\)](#), arts. 2, **13(3)**
- F32** Words in Sch. 6 para. 12(7)(b) inserted (31.12.2020) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) Order 2020 \(S.I. 2020/1557\)](#), arts. 2(1), **38(8)(b)**
- F33** Words in Sch. 6 para. 12(8) inserted (1.1.2023) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) \(No. 2\) Order 2022 \(S.I. 2022/1173\)](#), arts. 2, **16(4)(a)(i)**
- F34** Words in Sch. 6 para. 12(8) substituted (1.1.2023) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) \(No. 2\) Order 2022 \(S.I. 2022/1173\)](#), arts. 2, **16(4)(a)(ii)**
- F35** Sch. 6 para. 12(8A) inserted (1.1.2023) by [The Greenhouse Gas Emissions Trading Scheme \(Amendment\) \(No. 2\) Order 2022 \(S.I. 2022/1173\)](#), arts. 2, **16(4)(b)**

Commencement Information

- I11** Sch. 6 para. 12 in force at 12.11.2020, see [art. 2\(1\)](#)

Marginal Citations

- M10** Paragraph 23(4) of Schedule 7 provides for the regulator to give a conversion notice in respect of the hospital or small emitter permit instead of revoking the permit.

Changes to legislation:

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Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- art. 4A(4)(aa) inserted by [S.I. 2024/192 art. 5\(2\)\(c\)](#)
- art. 4A(5)(g) inserted by [S.I. 2024/192 art. 5\(3\)](#)