

---

STATUTORY INSTRUMENTS

---

**2020 No. 1557**

The Greenhouse Gas Emissions Trading  
Scheme (Amendment) Order 2020

**PART 2**

Greenhouse Gas Emissions Trading Scheme Order 2020 amended

**Schedule 6 amended (permits)**

**38.**—(1) Schedule 6 is amended as follows.

*Paragraph 4 amended (greenhouse gas emissions permits: content of permit)*

(2) In paragraph 4—

(a) after sub-paragraph (1)(h) insert—

“(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;”;

(b) in sub-paragraph (2)(b)—

(i) after “verified” insert “ as satisfactory ”;

(ii) after “submit the report” insert “ (and the verification report) ”;

(c) after sub-paragraph (5) insert—

“(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);

(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 on or before 30th June in the 2021 scheme year and 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.”.

*Paragraph 6 amended (variation of permits)*

(3) In paragraph 6—

(a) after sub-paragraph (2)(c) insert—

“(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.”;

(b) in sub-paragraph (3) before paragraph (a) insert—

“(za) paragraph 4(7) (adding monitoring methodology plan);”.

*Paragraph 7 amended (transfer of permits: application)*

(4) In paragraph 7(5) for “8(a)” in both places substitute “ 8(1)(a) ”.

*Paragraph 8 amended (transfer of permits: contents of application)*

(5) In paragraph 8 renumber the existing text as sub-paragraph (1) and insert after that sub-paragraph—

“(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.”.

*Paragraph 9 amended (transfer of permits: grant of application)*

(6) In paragraph 9—

(a) in sub-paragraph (1)—

(i) in paragraph (a) omit the final “and”;

(ii) in paragraph (b) for “paragraph)” substitute “ paragraph); and ”;

(iii) after paragraph (b) insert—

- “(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, will be capable of complying with the free allocation conditions of the permit (including as varied under this paragraph).”;
- (b) after sub-paragraph (1) insert—
  - “(1A) But sub-paragraph (1)(c) 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.”;
- (c) after sub-paragraph (5) insert—
  - “(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.”.

*Paragraph 11 amended (surrender of permits)*

(7) In paragraph 11(6)(b) after “complied with” insert “ or that there is no reasonable prospect of their being complied with ”.

*Paragraph 12 amended (revocation of permits)*

- (8) In paragraph 12—
  - (a) after sub-paragraph (3)(a)(i)(cc) insert—
    - “(dd) the Free Allocation Regulation;
    - (ee) the Activity Level Changes Regulation.”;
  - (b) in sub-paragraph (7)(b) after “complied with” insert “ or that there is no reasonable prospect of their being complied with ”.

---

**Commencement Information**

**II** Art. 38 in force at 31.12.2020, see [art. 2\(1\)](#)

**Changes to legislation:**

There are currently no known outstanding effects for the The Greenhouse Gas Emissions Trading Scheme (Amendment) Order 2020, Section 38.