UK ETS - Registry Data Publication Consultation

Please find below a consultation from the UK ETS Authority (the Authority), seeking your views on proposals relating to:

- the publication of data and information held in the UK ETS Registry (the Registry) pertaining to verified emissions, surrendered allowances and account details.
- the publication of a new report via the Registry detailing the total number of allowances held in the Registry in all user accounts on the previous day.
- the introduction of a new legal exemption to enable the Authority to publish additional scheme data in the future.
- the publication of targets and reportable emissions data of Hospital and Small Emitters (HSEs).

Context

Information and data concerning the UK ETS is held in the Registry, which is available here: https://view-emissions-trading-registry.service.gov.uk/

The Registry currently publishes information relating to operator and aircraft operator holding accounts, trading accounts and data on reportable emissions and surrendered allowances.

The UK ETS Authority is of the view that the publication of these data is integral for the purpose of ensuring the continued functioning of the market. Transparency around these data enables market participants to better understand the level of surplus allowances and helps them make effective decisions which accurately reflect market fundamentals. In addition, these data enable the projection of future market fundamentals and developments in the ETS and allows participants to plan their compliance and abatement activities in an optimal way. These data also allow operators and interested stakeholders to understand how scheme participants are performing in terms of their annual emissions and subsequently better understand areas of best practice or opportunity for future emissions reductions.

The Authority is of the view that in the interest of transparency and consistency, the annual reportable emissions of Hospitals and Small Emitters (HSEs) should be published regularly in addition to their emissions targets. The UK ETS Authority currently only publishes the emissions targets of HSEs.¹

In addition, in our joint response to the <u>Future of UK Carbon Pricing</u> consultation in 2019, the UK Government, Scottish Government, Welsh Government, and the Department for Agriculture, Environmental and Rural Affairs in Northern Ireland "proposed mirroring the EU ETS MRV regime" and other aspects of the EU ETS. The intention was to continue with the same publication of Registry information as had been the case under the EU ETS and this consultation intends to inform future data publication practices.

^{*}The consultation does not consider KP aspects of the Registry.

¹ https://www.gov.uk/guidance/opt-out-of-the-uk-ets-if-your-installation-is-a-hospital-or-small-emitter#:~:text=Eligibility%20for%20the%202021%20to%202025%20allocation%20period

Legislative Background

Currently, Article 75B(2)² of the Order includes a general prohibition on the disclosure of information pertaining to the UK ETS with exemptions outlined in Article 75B(3). The Authority acknowledges that as it proceeds to reform the UK ETS following its 'Developing the UK ETS' public consultation, changes to policy and operations might benefit from greater transparency and the publication of more information and data. The Authority therefore seeks to introduce new exemptions under Article 75B(3) which will enable it to publish additional scheme data. This scheme data might include, for instance, the publication of information on the reportable emissions of Ultra Small Emitters (USEs).

While certain information held in the Registry is currently disclosed publicly under the Environmental Information Regulations (EIR) 2004, the Authority recognises that it would be desirable to provide for this expressly in the 2020 Order, as it was under EU ETS legislation.

Furthermore, the Order currently only permits the publication of lists of installations that are HSEs for the 2021-2025 allocation period in addition to their emissions targets but an obligation to publish their reportable emissions does not exist. While HSE data, including reportable emissions, can be published under the EIR, the Authority recognises that it would be desirable to instate obligations on the Authority to publish these data.

Proposals

The Authority is proposing the following:

- To proceed with legislation which will amend the 2020 Order so that all information already
 published via the Registry is published under the 2020 Order rather than relying upon the
 EIR. In the 2020 Order, the obligation to publish this information will be bestowed upon the
 Authority.
- To proceed with legislation enabling the Authority to publish a new report which will detail the total number of allowances held in the Registry in all user accounts on the previous day.
- To proceed with legislation to introduce new exemptions to data and information disclosure under Article 75B(3) of the Order which will enable the Authority to publish additional scheme data.
- In addition, the Authority is minded to introduce new obligations on itself to publish data on HSEs' reportable emissions.

The intention of these amendments is two-fold. First, although the Authority is currently able to publish information gathered from the UK ETS under the EIR, the Authority has recognised that it will be desirable to provide for the obligation to publish information expressly in the 2020 Order. Second, the Authority recognises that in the future as the UK ETS matures and is developed further, additional scheme data might need to be made available for the purposes of ensuring the continued functioning of the scheme and for monitoring the effectiveness of the scheme. The Authority therefore seeks to introduce new exemptions to information disclosure that will allow it to publish data under the aforementioned circumstances.

² https://www.legislation.gov.uk/uksi/2020/1557/article/32

Questions:

- 1. Is there any other information, which is not currently published, that you think should be published on the Registry or elsewhere?
- 2. Is there any information you think should not be published?
- 3. Do you agree with the proposal to publish Hospital and Small Emitters data?
- 4. Do you agree with the proposal to publish data pertaining to the number of allowances held in the Registry in all user accounts?
- 5. Do you agree with the proposal to introduce a new exemption to enable the Authority to publish additional scheme data? Additional scheme data could include for example information on the reportable emissions of Ultra Small Emitters (USEs).

How to respond

Please submit a written response by email to emissions.trading@beis.gov.uk. When responding, please state your name and whether you are responding as an individual or representing the views of an organisation (including the name of the organisation). Please contact us If you would like to arrange a meeting to discuss the proposals.

Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome. You are not obligated to respond to all questions.

Please respond by 24 July.

Next steps

Responses will be analysed, and the UK ETS Authority will respond in advance of making the legislation.