



Offshore Petroleum Regulator
for Environment & Decommissioning

EU and UK ETS permit holders.

Offshore Petroleum Regulator for
Environment & Decommissioning

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Dear Operator,

I am writing to you today to provide both reminders of actions that need to be taken to ensure compliance with EU ETS, and an update on UK ETS.

The table below shows the final reporting obligations for the EU ETS compliance deadlines.

TASK	DEADLINE
You must submit Annual Emissions Reports (AERs) for the 2020 compliance year via ETSWAP.	31 March 2021
You must enter 2020 reportable emissions via their Operator Holding Account (OHA) in the UK Registry and have them approved by an accredited verifier.	31 March 2021
You must surrender allowances in their OHA equivalent to their 2020 reportable emissions	22:59 (GMT) on 30 April 2021

Please ensure you have sufficient allowances in your OHA to be able to carry out your surrender to match your reportable emissions.

Operators who fail to surrender sufficient allowances by 30 April 2021 are liable to a mandatory civil penalty equivalent to €100 per tonne for each allowance that is failed to surrender.

UK Registry Accounts

Reporting and surrendering obligations under EUETS will continue to be administered using the UK section of the Union Registry, until 30 April 2021.

It is essential that Operators continue to have access to the Union Registry to complete EU ETS obligations, so it is recommended that you check you have sufficient Representatives able to log into the registry and fulfil the required tasks.

From 1 January 2021 the Union Registry system has been changed to enable operators to configure their OHAs to enable one Authorised Representative to complete a 2-eyes surrender. Where this configuration has been adopted, the single Authorised Representative must have one of the following roles: *Initiate* or *Initiate & Approve*, to be able to perform a 2-eyes surrender. If necessary, please arrange for replacements in advance with early forward planning.

If you have any questions about these changes, need any help or have any issues accessing your Registry Account please contact the Registry Helpdesk: etregistryhelp@environment-agency.gov.uk

Update under the UK ETS

Re-permitting to include free allocation conditions and monitoring methodology plans (MMP)

OPRED completed the re-permitting exercise at the end of January 2021 with permits including an approved MMP where appropriate, permit conditions and definitions.

Where the Operator intends to make changes to the approved monitoring methodology, this must be captured by means of a permit variation, including, where relevant, an update to the MMP template. Where required, the version within the permit is to be used as this is the last approved version. This is then to be updated and uploaded into the relevant of the permit within ETSWAP. As part of the permit variation, any supporting documents related to an MMP also need to be uploaded.

Annual Activity Level (AAL) Reporting

If you have applied for a Free Allocation (NIMs baseline data collection), you will need to submit your first annual activity level (AAL) Report by 30th June 2021.

The UK version of the AAL reporting template has now been finalised and can be found on the UK ETS Authority's [webpage](#). This version must be used for reporting 2019 and 2020 data. In relation to the template and submission please note the following:

- When entering the historic activity level (HAL) for each sub-installation and carbon leakage split, the figures used must be from the last version submitted to OPRED. These values will be checked when reviewing submissions. If you or your verifier has a query on the HAL's please contact OPRED at the address below.
- Installation identifiers are to remain the same as per submitted on the NIMs baseline data template. These identifiers can also be found on OPRED's webpage [here](#).
- The template currently includes incorrect benchmark values, which are higher than what is anticipated to be used. When the values have been finalised, OPRED will correct this when reviewing and processing submissions later this year.
- An additional page has been added to the Annual Emissions Reporting (AER) form within ETSWAP where the AAL reporting template and verification opinion statement are to be uploaded.
- Operators can submit AER's without the AAL data attached if you do not intend to report this data before 31 March 2021 and wish to delay submitting your AAL until the 30 June 2021. Where this occurs, OPRED would confirm receipt of the AER and return the reporting task to you after 31 March 2021 for the AAL data to be submitted. To re-submit this, the AAL reporting template will need to be uploaded in ETSWAP and sent to your selected verifier to allow the independent verifiers opinion statement to be uploaded. The verifier will then return the AER, which can then be re-submitted to OPRED.

NIMs Approval and Allowance Allocation

The Authority is reviewing applications for free allowances for the allocation period 2021-2025 and awaiting the publication of the updated benchmark values for Phase IV of EU ETS that will be used for UK ETS and a cross sectoral correction factor if relevant. Once finalised the

Authority will publish the UK's Allocation Table and allocation of allowances for 2021 will follow in due course.

Contact details

If you have any queries on the above, please contact OPRED at: BST@beis.gov.uk.

Kind regards
Environmental Management Team

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