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United Kingdom Emissions Trading Scheme

07 August 2025

A communication from OPRED to provide an update on the MMP migration and addition of a new permit condition for permanent cessations. As part of this now being finalised operators can now raise permit variations and submit these as normal in METS.

## **Monitoring Methodology Plans now in METS**

Further to our previous communication of 11<sup>th</sup> March 2025 and June 2025, the Monitoring Methodology Plans (MMP's) (previously the Excel MMP template) have successfully migrated into the UK emissions trading scheme application METS for all accounts without permit variations in progress.

### **What migrated into METS?**

You will see from your re-issued permit that Sheet B\_Installation Data was not migrated into METS because that information is already included in your existing permit. Sheet A\_Version MMP is shown in your permit history going forward as 'variation' with date created and you can click into this for a full variation history.

During migration, OPRED carried out several checks and in some cases has identified some issues that need to be addressed. These are highlighted below along with actions required.

### **The following parts of your MMP Excel template were migrated in the order provided below into METS:**

#### Flow Diagram

A mandatory flow diagram is required for your digitised MMP in METS. Where this was not available, as an independent file, OPRED extracted this information from your MMP/supporting documents.

#### **Action required**

Review the flow diagram which has been extracted. OPRED noted the quality of flow diagrams varied and extracted the best available information where a clear flow diagram could not be found.

The free allocation regulations require a flow diagram at installation level showing technical units, emissions sources (including heat producing and consuming units, electricity and where relevant waste), all energy and material flows - in particular source streams, measurable and non-measurable heat, electricity and where relevant, waste gas, the location of measurements and



metering devices, the boundary of the installation and sub-installations which are exposed to a risk of carbon leakage and those which are not. Operators may wish to add an additional flow diagram to their installation level diagram where the sub-installations are more complex. This should show the boundaries of those sub-installations, technical units included in their boundary (distinguishing which ones are eligible for free allocation and which are not) and the flow of materials, fuels and energy from input to output. Operators should highlight where parts of the installation i.e. technical units serve more than one sub-installation, such as combined heat and power, and or heat systems (heaters, boilers).

#### Sheet C Installation Description

This description has been moved into your permit.

#### Sheet G Fall-back

All data from this sheet with qualifying sub-installations has been moved to your permit from one or more of: fuel benchmark sub-installation CL, fuel benchmark sub-installation non-CL, heat benchmark sub-installation CL and heat benchmark sub-installation non-CL.

#### **Action required**

Where an operator has selected 'FALSE' for the question 'The hierarchical order has been followed?' but there was no entry in 'if not, why?' or 'Further details on any deviation from the hierarchy' OPRED either inserted a reason for not following the hierarchy and or entered generic text such as 'tbc' or 'Operator to update'. Operators need to complete the reasons box with appropriate text.

Operators may have selected 'TRUE' to 'The hierarchical order has been followed?' but subsequently inserted text in the further details box which was not required. In that case OPRED removed the further details text where TRUE was deemed to be the correct entry.

Review your hierarchical methods table for any additions compared to your Excel MMP template. Initial validation meant that where only one entry was made in an 'other data source (if applicable)' column such as a hierarchical method applied to 'fuel input', a method was also required for 'energy content'. OPRED therefore added some missing methods to some of the initial MMP files. However, due to the potential amount of migration errors this created, this validation rule was subsequently removed to accept 'blank' column entries for 'other data source (if applicable)', there is therefore no action if blank column entries exist but check if additional methods have been added compared to your Excel file.

For a small number of installation accounts, where an operator entered information for both a fuel benchmark sub-installation CL and fuel benchmark sub-installation non-CL in Sheet G (for example), there should have been duplicate entries in the hierarchical methods tables, however OPRED found missing data in one of the sub-installation entries which flagged as a migration error. OPRED therefore checked the method entries in the completed table (including against the selection to 'The hierarchical order has been followed?') and filled in the missing hierarchical methods in the blank table.

#### Sheet D Methods Procedures

The table a) 'Physical parts of installations which serve more than one sub-installation' and text box 'Methods to assign parts of installation and their emissions to respective sub-installations' have migrated.



### **For information**

If there was an entry in table a) 'Physical parts of installations which serve more than one sub-installation' there should have been an entry in text box b) 'Methods to assign parts of installation and their emissions to respective sub-installations'. This was not always the case and OPRED had to add data where an entry in either a) or b) was missing or delete both where only one sub-installation applied as per entries in Sheet G.

Where plant are physical parts of the installation and serve more than one sub-installation such as fuel BM CL and fuel BM non-CL sections a) and b) need to be completed.

Any 'N/A' entries in either or both table/ text box was deleted by OPRED.

### **Sheet D Methods Procedures**

Data from c) 'Method used for ensuring that data gaps and double counting are avoided' was migrated. In addition, II 'Procedures' sections a) to d) i.e., data entered for all four procedures were migrated.

### **Action required**

Where any data was missing, OPRED added minimal text to enable migration, please therefore ensure the required information is added where it is missing.

### **Sheet E Energy flows**

Data from sections I 'Fuel input, II 'Measurable heat at installation level' and IV 'Electricity at installation level' has been migrated.

Initial validation required no blank entries in 'other data source (if applicable)' columns of tables in Sheet E so if operators had entered a hierarchical method in fuel input, one was also expected in energy content. However, this check was subsequently relaxed, therefore please check your Excel spreadsheet MMP with METS, OPRED made very few changes.

Note: 'reference to external files, if relevant' has been inserted at the base of the preceding text box.

### **Action required**

Where the operator added 'FALSE' to the question 'The hierarchical order has been followed?' but did not provide a reason in the box 'Further details on any deviation from the hierarchy' OPRED entered text such as 'tbc' to be completed. The operator must ensure that this information is provided in a subsequent variation.

The operator may also have added 'TRUE' to 'has the hierarchical order been followed' but in the 'Further details on any deviation from the hierarchy' disagreed with the response to this question. These entries therefore need reviewing as METS expects logical responses.

### **To note: Sheet C Installation Descriptions**

Any 'N/A' entries to table a) 'Please enter here the information relevant for identifying technical connections to your installation:' in section III 'Connections to other EU ETS installations or non-ETS entities' were removed as they prevented migration.



## General

Any 'N/A's were removed as METS expected either something different or a blank entry for its logic testing. Any 'tbc' or 'Operator to populate' requires your action.

For all MMPs migrated to METS, check your MMP data in your approved Excel template have been migrated correctly. Where discrepancies arose between data held in the original Excel MMP templates and the information to be migrated into the permit, OPRED undertook further cross-checks to ensure consistency and regulatory compliance. It is important to remember that entries in one section often have direct implications for other sections; the integrity of the data relies on this interconnectedness being maintained. Operators are strongly encouraged to review not only their direct entries but also any automatic or system-generated amendments, particularly where hierarchical or method-based logic may have been applied during migration. This approach helps to prevent potential misalignments that could arise from incomplete, inconsistent, or duplicated data, and supports a smoother transition and regulatory review process.

Actions which require a permit variation should be submitted to the Department by 31<sup>st</sup> December 2025 at the latest, or before if a permit variation was held pending MMP migration.

## MMPs requiring manual data entry in METS

Where permit variations were open on 2<sup>nd</sup> July 2025, we were unable to transfer the MMP data from your Excel template because your variation will overwrite them. However, you will see that new MMP fields have appeared in permit variations where the MMP has not been migrated due to the open variation.

### Action required

Before you submit your permit variation, you will need to manually input data from your last approved Excel MMP template into the new fields in METS. Please incorporate any outstanding comments on your MMPs at the same time to avoid further exchanges with OPRED.

### MMP review

In addition to the above checks, you should be reviewing the information provided in your MMP, particularly where it has not been reviewed since 2021, to ensure it is up to date and aligns with the operations on your Installations and the requirements of the regulation.

## Addition of cessation condition to your permit

A new permit condition has been added to all permits without a variation in progress to meet the requirements of Statutory Instrument 2025/100 further amending The Greenhouse Gas Emissions Trading Scheme Order 2020 (as amended). This requires you to notify OPRED of a cessation of regulated activities whether temporary or permanent. The notification workflow in METS has been updated accordingly. Note changes to a sub-installation also need to be accounted for. Further information about the requirement to notify can also be found in:

[UKETS16A FAR: Guidance for installations ceasing operation - GOV.UK](#)

### New permit condition – Part 2, Conditions

10. Where all regulated activities authorised by the permit have ceased to be carried out at the installation, the operator must notify the regulator within one month of the day on which all regulated



activities ceased to be carried out or on or before 31 December in the scheme year in which the cessation occurs, whichever is later (the notification date), of:

- (a) the date of the cessation;
- (b) whether or not the operator intends for one or more of the regulated activities authorised by the permit to resume at the installation;
- (c) where the operator does intend for one or more of the regulated activities authorised by the permit to resume at the installation, each of the following:
  - (i) the date by which the operator expects those regulated activities to resume;
  - (ii) whether either—
    - (aa) the installation is technically capable of resuming those regulated activities without physical changes being made; or
    - (bb) the operator intends for the technical capability required for those regulated activities to resume to be restored at the installation,

but this condition does not apply where the operator has applied to surrender the permit or all regulated activities authorised by the permit have resumed prior to the notification date.

### **Free allocation conditions**

As a result of Statutory Instrument 2025/100 we have updated the circumstances in which free allocation conditions apply.

Normally, the free allocation conditions apply to installations that are 'FA installations'. However, from 1 January 2026, the condition requiring the submission of activity level reports (re-numbered condition 12) also applies to installations which were FA installations at the date on which they cease operation or at the date that a surrender or revocation notice relating to the installation takes effect (even if the installation is not an FA installation after the end of that scheme year). This is to ensure that all operators of installations that cease operation (or where an operator applies to surrender its permit during a period of temporary cessation) must submit an activity level report covering their final year of operation, even though the date for submission of the report falls after the installation ceases to be a FA installation. Its purpose is to implement the new provisions around cessations at installations which relate to adjustments of free allocation in this final year.

Removed conditions 12 and 13 which were relevant to the previous cessation provisions, re-numbering the free allocation conditions and removed the definition of 'cease operation' required in respect to those conditions.

Amended the free allocation condition 12 to clarify that, whilst the Activity Level Changes Regulation normally requires an activity level report to be submitted covering just the activity level of each sub-installation in the preceding scheme year, it also requires the submission of a double year report in certain circumstances. Article 3 of the ALCR contains the relevant provisions. An activity level report must be submitted by 31 March each year covering the relevant year or years.

Removed permit condition 14 as well which referred to regularly checking for improvements in the MMP. This was an unnecessary condition.



Removed paragraph (2) in Part 3 (definitions) because of a change to the way in which 'deficits' of allowances that are not surrendered in accordance with permit condition 3 are treated. Deficits are no longer automatically added to the requirement to surrender allowances in the following year, instead they are covered by a new 'deficit notice' (see The Greenhouse Gas Emissions Trading Scheme (Amendment) (No. 2) Order 2024).

For any current open permit variations, this condition will be added should the permit be approved.

### **OPRED Helpdesk**

A helpdesk is set up to assist users if required. Please contact [opred@energysecurity.gov.uk](mailto:opred@energysecurity.gov.uk) for assistance.