

United Kingdom Emissions Trading Scheme

20 January 2026

**Offshore Petroleum Regulator for
Environment & Decommissioning**

Department for Energy Security and Net Zero

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UKETS Authority publication and Monitoring Methodology Plan (MMP) reminder

A communication on behalf of the UKETS Authority.

UKETS Authority publication – New Activity Level Reporting (ALR) template

Please note that the new Activity Level Report template is now available to download on gov.uk at the following [link](#)¹ (The template can be found at the bottom of the page)

As you will be aware, the Activity Level Report (ALR) submission deadline is 31 March 2026.

Type 1 2026 incumbents should use the gov.uk online version to report activity levels, and Type 2 incumbents should use a manual ALR which will be sent to you directly by your regulator.

Please see the guidance below on which version applies to your circumstances.

Instructions on completing ALRs for type 1 and type 2 incumbents

Reporting requirements will differ depending on whether you are a Type 1 or Type 2 2026 incumbent.

You are a type 1 incumbent if:

- You were in receipt of free allocation in 2021-2025, and there has been no change to your electricity generator status.
- Type 1 incumbents should complete the new ALR template using the data import function for your 2024 data. Please ensure you use the report sent to you by your regulator. If you haven't had this returned to you by your regulator yet, please use

¹ [UK Emissions Trading Scheme \(UK ETS\): technical guidance and tools - GOV.UK](#)

the version you submitted via METS. You should then complete the ALR with your 2025 data.

You are a type 2 incumbent if:

- You were not in receipt of free allocation in 2021-2025, you completed the first stage of the baseline data collection, and you will receive FA from 2026.

or

- You were in receipt of free allocation in 2021-2025, but you are losing your electricity generator status from 2026,

or

- You were in receipt of free allocation in 2021-2025, and you retain the electricity generator status, but the restrictions do not apply as you met the condition in Article 2b of the Free Allocation Regulation.

Installations that are receiving FA for the first time should complete the new ALR template and include data for the 2024 and 2025 scheme years.

Type 2 incumbents that were in receipt of FA in 2021-2025, and are no longer an electricity generator, or do not have the restrictions applied, should complete the new ALR template. You should manually enter your 2024 data, taking this from the version of that has been reviewed and returned to you by your regulator. If you haven't had this returned to you by your regulator yet, please use the version you submitted via METS. You should then complete the ALR with your 2025 data.

Please note, the historical activity level (HAL) of type 2 incumbents that has been used to calculate FA for the 2026 scheme year has been determined using the 2023 scheme year only as the baseline period. Therefore, you should use the 2023 activity level submitted in your baseline data report as your HAL in Sheet B+C in the ALR template.

If you have not received the manual template and meet the Type 2 criteria, please contact OPRED@energysecurity.gov.uk.

If you have any questions on UK ETS policy, please contact emissions.trading@energysecurity.gov.uk.

MMP data sources reminder

Article 7 of the Free Allocation Regulation states that Operators must use data sources representing the highest achievable accuracy pursuant to section 4 of Annex VII.

However, by way of derogation from this, the Operator may use other data sources in accordance with sections 4.4 – 4.6 of Annex VII, if the use of the most accurate data sources are technically not feasible or would incur unreasonable costs.

If this is the case for your installation, then either a robust justification of why it is technically not feasible or a completed unreasonable costs tool should be provided with your MMP to demonstrate this. A copy of the unreasonable costs tool to be used can be found on our website [here](#).