This edition of the aviation newsletter contains important details of what the transition to Phase III of the EU Emissions Trading System (EU ETS) will mean for aircraft operators.

Transition into Phase III
We are currently in the final year of Phase II of EU ETS (2008-2012), Phase III will run from 2013-2020 and will include changes introduced with the revision of the ETS Directive in 2009.

The revised Directive (2009/29/EC) will take effect from 1 January 2013. In line with the revised Directive, the European Commission has produced new Monitoring and Reporting and Accreditation and Verification Regulations. These Regulations were adopted on the 21 June 2012 and will also take effect from 1 January 2013. These Regulations provide the detail on the monitoring, reporting and verification requirements of the Directive. A copy of the Regulations can be found on the European Commission’s website.

In order to meet the requirements of Directive (2009/29/EC) and the Commission Regulations, the UK Government has drafted the 2012 Greenhouse Gas Emissions Trading System Regulations (2012 GHG Regulations) which update the existing UK Regulations.

The UK Government is currently seeking views on the draft 2012 GHG Regulations through a consultation process, details of which can be found on the Department of Energy and Climate Change (DECC) website. This consultation process closes on 31 July 2012.

What will aircraft operators need to do?
It would be useful for all operators to have a copy of the Monitoring and Reporting Regulation 2012 (MRR) so that the Articles can be read in full.

All aircraft operators with an approved emissions monitoring plan will be requested to submit an updated emissions monitoring plan to cover the changes brought about by the MRR.

ETSWAP is currently being updated to allow an operator to update their plan in accordance with the MRR. The update to ETSWAP (Release 5) is expected to be completed by the end of July 2012.

We will be formally writing to aircraft operators in August 2012 to request them to submit a Phase III emissions monitoring plan. We will provide full details of what an operator will be required to do in this letter.

To aid aircraft operators with this process, ETSWAP will pre-populate sections of the ‘new’ Phase III plan with common data already present in the ‘current’ Phase II plan. Operators will be given around a month to submit their revised emissions monitoring plan to us. This is to ensure that we can issue revised plans by 1 January 2013.

There will be no charge for submitting your revised Phase III plan to us.

What additional information is required in a Phase III emissions monitoring plan?
All operators will need to provide further details in the ‘Management’ section of their emissions monitoring plan as required by the MRR.

Operators who do not use the small emitters tool will be required to provide supporting information on uncertainty and risk assessments. These operators will also need to outline an ‘alternative method’ for dealing with ‘Data Gaps’, rather than just using the small emitters tool. In addition, fuel density data can no longer be obtained from temperature/density correlation tables.

Small emitters are no longer required to populate the ‘Data Gaps’ section of their plan.

Further information
If you have a query regarding EU ETS Aviation please contact the ET Aviation helpdesk.