

CLEARING THE SMOG AROUND EU ETS

While the European Union's Emissions Trading Scheme (EU ETS) was created to help keep the environment clean, understanding of the requirement remains murky at best among many operators. Universal Weather and Aviation, Inc. Manager of Regulatory Services Laura Everington and Supervisor of Regulatory Services Adam Hartley are helping clear the smog and confusion surrounding ETS requirements by answering client questions daily and offered Altitudes their advice for operators struggling to understand what they need to do in order to comply with this new regulation. **BY Louis Smyth**



There's been a lot of misinformation about EU ETS that's spread throughout the industry leading to a lot of unnecessary fear and confusion," said Everington. "The first thing operators need to do is take a deep breath and realize that they don't have to go at this process alone. There's a lot of free help out there. They just need to know where to go."

EU ETS first became a major topic of discussion among business aviation operators last spring when the EU Commission's ETS plans for corporate aviation were announced. EU ETS is a mandatory regulation requiring all Part 91 operators who travel into, out of and between EU member states to monitor their CO₂ emissions starting Jan. 1, 2012.

"Emissions trading schemes are already in place for other industries such as rail and ground transportation," said Hartley. "Corporate aviation just happened to be the next industry to be required to comply with ETS. The EU has certain goals it has set for reducing pollutants such as acid rain and greenhouse gasses. To help meet those goals, the EU has set aggressive targets for bringing corporate aviation into the fold. Because this has all come about very quickly and there are a lot of moving parts, a lot of operators have become confused and unsure of what they need to do to comply."

What do operators need to do to comply with EU ETS?

Identify your member state

While compliance does not become mandatory until 2012, operators are required to submit their plan for monitoring emissions now. The first step in complying with EU ETS is identifying the member state to which an aircraft has been assigned. This is often, but not always, the EU country to which that aircraft most frequently travels. "Identifying the member state is critical as this will be the regulatory agency to which operators will report

their emissions," said Everington. "The deadlines for submitting a monitoring plan for 2010 have already passed, but it is unlikely that you would face disciplinary action as long as you make contact with your authority in good faith and work out a timeframe to have your Monitoring Plan submitted. It has been stressed by EU authorities that they have little appetite for disciplinary measures and are solely interested in timely compliance."

To identify an aircraft's member state visit:

http://ec.europa.eu/environment/climat/aviation/operators_en.htm.

I can't find my company listed on a member state list. What do I do?

"One area that's created confusion is that some companies have not been able to identify their member state," said Hartley. "This has occurred because fleet lists were assigned to member states under the name of the company that pays the aircraft's nav fees, which is not always the company the aircraft is operated by. For example, Universal and other third-party service providers have been listed as the aircraft operators for hundreds of clients who use third parties to submit flight plans."

"Operators who do not see their company's name on an assigned member state list need to complete a fleet list form and submit it to the European Commission to be assigned to a member state," said Everington.

Fleet list forms are available at:

<http://ec.europa.eu/environment/climat/aviation/pdf/Fleet List Form.doc>.

Once completed, the form must be submitted to:

ENV-EU-ETS-AIRCRAFT-OPERATOR-LIST@ec.europa.eu.

"Once your company name is identified on the Operator List, you have eight weeks to comply with regulation and submit a plan."



If compliance is not required until 2012, why should I monitor emissions now?

“Depending on how often operators travel, there could be significant savings realized by participating in the voluntary Benchmarking Plan starting Jan. 1, 2010,” said Hartley. “Participating operators will receive free allowances of carbon credits from 2012 to 2020 by monitoring their emissions and submitting those calculations to their member state between 2010 and 2012.”

The benchmarking plan sets out how operators plan to

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monitor metric ton-kilometer data. A verified report of those emissions must be submitted to the regulator by March 31, 2011.

“Although there is an upfront fee associated with participating in the benchmarking plan, the overall cost savings should more than make up for that,” said Everington. “By participating in the benchmarking plan, operators will receive free allowances of up to 10 percent of their total emissions per year. When you add that up over eight years, the savings are usually much greater than the initial fee. It’s also important to remember that carbon credits are a tradable commodity and could be-

come much more expensive in the future.”

Non-participating operators will pay 100 percent of their carbon emissions starting in 2012.

If I decide to participate in the benchmarking plan, what data do I need to calculate?

The following information must be calculated to participate in the benchmarking plan:

Weight of passengers (actual weight plus luggage, or a default value of 100kg (includes luggage) for each passenger can be used plus Cargo (freight and/or mail) carried, multiplied by Distances over which it was carried (Great Circle distance [km] plus 95 kilometres) “There are a lot of free resources available for operators to help them calculate benchmarking data,” said Hartley. “I’d be wary of anyone or any company that offers to provide these calculations for large sums of money, as there is ample free information available. I recommend operators contact their service provider or the regulatory authority of their assigned member state. For example, at Universal, our Regulatory Services team answers hundreds of questions weekly and provides consultation and calculation tools absolutely free of charge.” “I believe once operators talk to their service provider or their member state, a lot of their fears and confusion will be eased,” said Everington. “Most of the information needed to calcu-

late emissions is already captured; it’s just a matter of understanding how to include it properly in the regulatory authorities’ templates. ETS is here to stay, so it’s best to begin to understand what’s required now. I expect similar plans to be announced in the United States and other regions of the world in the near future.” ■

More information on EU ETS is available at www.eu-ets.aero. For questions on EU ETS you can contact Universal’s Regulatory Services Team at Worldwide: (713) 378-2734, N. America Toll-Free: (866) 864-8415 or e-mail: leverington@univ-wea.com or ahartley@univ-wea.com.