DRAFT STATUTORY INSTRUMENTS

2020 No.

The Greenhouse Gas Emissions Trading Scheme Order 2020

PART 2

Basic elements of the UK ETS CHAPTER 2

Allowances and caps

Cap: hospital and small emitter reduction factors

- **21.**—(1) This article applies for the purposes of articles 19 and 20.
- (2) The 2021-2025 hospital and small emitter reduction factor is $(RE_1 SI_1)/RE_1$, where—
 - RE₁ is the total reportable emissions (within the meaning of GGETSR 2012) in 2016, 2017 and 2018 of all installations (within the meaning of GGETSR 2012) and all UK aircraft operators (within the meaning of GGETSR 2012);
 - SI₁ is the total reportable emissions (within the meaning of GGETSR 2012) in 2016, 2017 and 2018 of all installations included in the hospital and small emitter list for 2021-2025.
- (3) The 2026-2030 hospital and small emitter reduction factor is (RE₂ SI₂)/RE₂, where—
 - RE₂ is the total reportable emissions and the total aviation emissions, expressed in tonnes, in the 2021, 2022 and 2023 scheme years of all installations and all aircraft operators;
 - SI_2 is the total reportable emissions in the 2021, 2022 and 2023 scheme years of all installations included in the hospital and small emitter list for 2026-2030.
- (4) In this article, a reference to reportable emissions or aviation emissions is a reference to reportable emissions or aviation emissions—
 - (a) verified in accordance with the Verification Regulation 2012 or the Verification Regulation 2018;
 - (b) where relevant, set out in an emissions report accompanied by the notice or declaration referred to in paragraph 3(8)(b)(ii) of Schedule 5 to GGETSR 2012 or paragraph 11(2)(b) (ii) of Schedule 7 to this Order; or
 - (c) where relevant, considered to be verified under regulation 35(7) of GGETSR 2012 or article 33(2) of this Order.