DRAFT STATUTORY INSTRUMENTS

2024 No.

The Renewable Transport Fuel Obligations (Sustainable Aviation Fuel) Order 2024

Part 3

The Administrator

The Administrator

5. The Administrator is the Secretary of State for Transport.

Establishment of SAF accounts

6.—(1) The Administrator must establish and maintain an account, in which the balance of SAF certificates held and other matters are to be recorded, for each person that—

- (a) is, or is likely to become, subject to a SAF obligation,
- (b) applies for an account, and
- (c) satisfies the Administrator that the person is, or is likely to become, a supplier.

(2) A person must apply for an account under paragraph (1)(b) not later than the end of the period of 28 days beginning on the date on which the person becomes an obligated supplier.

(3) The Administrator may establish and maintain an account for each of the following that apply for an account—

- (a) a supplier who is not, and is not likely to become, subject to a SAF obligation, and
- (b) any other person that intends to trade or invest in SAF certificates.

(4) The Administrator must not establish an account for a supplier or other person referred to in paragraph (3) unless the Administrator is satisfied that the supplier or other person—

- (a) has good reason to hold an account, and
- (b) has consented to allowing the Administrator such access to premises (other than a dwelling), computers, records, or documents, as the Administrator may require in order to verify information given by the supplier or other person in relation to the account.

(5) A supplier or other person who applies for an account under this article must provide such information or produce such evidence (or both) to the Administrator as the latter may reasonably request in order to satisfy the Administrator that—

- (a) in the case of an application under paragraph (1), the person is, or is likely to become, a supplier, or
- (b) in the case of an application under paragraph (3), the supplier or other person has good reason to hold an account and has consented to the access referred to in paragraph (4)(b).

(6) The Administrator may reject any application under this article if the Administrator reasonably believes that the information provided to the Administrator under this article is inaccurate or incomplete.

(7) A supplier or other person who applies for an account under this article must ensure that the information provided or evidence produced is accurate to the best of the supplier's or other person's knowledge and belief.

(8) An account referred to in this article must be established and maintained in electronic form or in such other form as the Administrator determines is appropriate (or in both forms).

Powers of the Administrator to require further information or evidence

7.—(1) Where the Administrator has reason to believe that an account holder for which an account has been established under article 6(1)—

- (a) is not subject, and is not likely to become subject, to a SAF obligation, or
- (b) does not have good reason to hold an account,

the Administrator may require the account holder to provide such information or produce such evidence (or both) to the Administrator as may be necessary for the Administrator to become satisfied as to whether the account holder is subject, or is likely to become subject, to a SAF obligation, or has good reason to hold an account.

(2) Where the Administrator has reason to believe that an account holder for which an account has been established under article 6(3) does not have good reason to hold an account, the Administrator may require the account holder to provide such information or produce such evidence (or both) to the Administrator as may be necessary for the Administrator to become satisfied as to whether the account holder does have good reason to hold an account.

- (3) An account holder must—
 - (a) provide the information or produce the evidence required under this article, and
 - (b) ensure that the information provided or evidence produced is accurate to the best of the account holder's knowledge or belief.

Closure of accounts

8.—(1) The Administrator must close the account of an account holder where—

- (a) the Administrator—
 - (i) is no longer satisfied that the account holder has a good reason to hold the account, or
 - (ii) is satisfied that the account holder has withdrawn the consent which was given under article 6(4)(b); and
- (b) all SAF certificates standing to the credit of the account have been revoked or may no longer be produced as evidence pursuant to section 124(2) of the 2004 Act.

(2) The Administrator may close the account of an account holder where, in the immediately preceding period of 36 months—

- (a) no SAF certificate has been issued to the account holder, or
- (b) no SAF certificate has been credited to the account of the account holder.

Managing Accounts

9. Subject to the provisions in this Part, the Administrator may manage an account, including amending details of an account, and may consolidate the accounts of an account holder, as the Administrator thinks fit.

Processing of information and evidence

10.—(1) The Administrator must—

- (a) record and retain information submitted for the purpose of-
 - (i) establishing that a supplier is, or reasonably expects to be, subject to a SAF obligation, or
 - (ii) calculating the amount of sustainable aviation fuel for which a supplier is required to produce evidence under article 4(4),
- (b) record and retain information which is submitted by an account holder in support of an application for a SAF certificate,
- (c) record each SAF certificate which is issued, and
- (d) correct any error which is discovered in information stored by the Administrator in relation to an account.

(2) The period for which the Administrator must retain any information under paragraph (1) is such period as the Administrator considers is reasonable, but it must not be a period of less than ten years beginning on the date of receipt of the information.

(3) The Administrator may record and retain, for purposes connected with the carrying out of its functions, such other information as the Administrator thinks fit.

Duty to require information from suppliers

11.—(1) The Administrator must, by the specified date referred to in article 3(3), require each obligated supplier, and any non-obligated supplier who applies for a SAF certificate, to provide the Administrator with—

- (a) information as to—
 - (i) whether the supplier has supplied relevant aviation turbine fuel during each relevant period;
 - (ii) whether the supplier has supplied relevant sustainable aviation fuel during each relevant period;
 - (iii) the amount of relevant aviation turbine fuel and relevant sustainable aviation fuel which has been supplied by the supplier during each relevant period;
 - (iv) the amount of relevant aviation turbine fuel and relevant sustainable aviation fuel which a supplier has received from another supplier at places in the United Kingdom during each relevant period;
 - (v) the types of relevant aviation turbine fuel and relevant sustainable aviation fuel supplied or received as described in paragraphs (iii) and (iv) during each relevant period and, in respect of each type—
 - (aa) the mass (in kilograms) supplied;
 - (bb) the energy content; and
 - (cc) in the case of partially sustainable aviation fuel, the mass (in kilograms) attributable to relevant feedstocks;
 - (vi) the compliance of relevant sustainable aviation fuel supplied with the sustainability criteria, excluding the mass (in kilograms) of that fuel which is not attributable to relevant feedstocks;
 - (vii) the mass (in kilograms) of the portion of relevant sustainable aviation fuel supplied that is attributable to relevant feedstocks which meet the sustainability criteria;

- (viii) the mass (in kilograms) of relevant sustainable aviation fuel supplied which meets the sustainability criteria;
- (b) the additional sustainability information for relevant sustainable aviation fuel supplied, excluding the mass (in kilograms) of that fuel which is not attributable to relevant feedstocks; and
- (c) in the case of power-to-liquid aviation fuel, information to show that the fuel meets the definition of power-to-liquid aviation fuel.

(2) In paragraph (1), a "relevant period" means such period as the Administrator may notify to the obligated supplier for the purposes of that paragraph or, in the absence of such notice, a period during an obligation period for which information has not been provided by the supplier under this article and which—

- (a) begins with 15th December and ends with the 31st December immediately following,
- (b) begins with 1st January and ends with the 14th January immediately following, or
- (c) begins with the 15th day of any month other than December and ends with the 14th day of the immediately following month.
- (3) As part of the requirement referred to in paragraph (1), the Administrator must set out—
 - (a) the form in which the information must be provided,
 - (b) the methodology to be used in calculating and providing the information, and
 - (c) the period within which the information must be provided.

(4) The Administrator may require a supplier to produce such evidence, which may include a verifier's assurance report and a verifier's declaration, as the Administrator may determine is necessary to substantiate information which the supplier is to provide or has provided to the Administrator under this article.

(5) The Administrator may impose requirements as to-

- (a) the form in which the evidence must be produced,
- (b) the methodology to be used in compiling and producing the evidence, and
- (c) the period within which the evidence must be produced.

(6) The supplier must provide any information, or produce any evidence, required under this article and ensure that it is—

- (a) accurate to the best of their knowledge or belief; and
- (b) produced in the form, and using the methodology, and within the period, as the Administrator requires.

(7) In this article, "partially sustainable aviation fuel" means sustainable aviation fuel other than sustainable aviation fuel produced wholly from a relevant feedstock.

Power to require information

12.—(1) The Administrator may require a supplier to provide it with such information as it may require for purposes connected with the carrying out of its functions.

(2) As part of the requirement referred to in paragraph (1), the Administrator may set out—

- (a) the form in which the information must be provided,
- (b) the methodology to be used in calculating and providing the information, and
- (c) the period within which the information must be provided.

(3) Without prejudice to the generality of paragraph (1), the Administrator may require a nonobligated supplier that has not applied for a SAF certificate to provide it with the information, for that supplier, which is referred to in article 11(1); and references in that paragraph to the "relevant period" are to be treated as references to such period during an obligation period as the Administrator notifies to the supplier for the purposes of this paragraph.

(4) The Administrator may require a supplier to produce such evidence as the Administrator may determine is necessary in order to substantiate information which the supplier has provided under this article.

(5) The supplier must provide any information, or produce any evidence, required under this article and ensure that it is—

- (a) accurate to the best of their knowledge or belief; and
- (b) for information required under paragraph (1), provided in the form, using the methodology, and for the period, as the Administrator requires.

Mass balance system

13.—(1) A supplier must use a mass balance system in accordance with this article for the purposes of producing any information which the supplier is required to provide, or evidence which the supplier is required to produce, under articles 11(6) and 12(5).

(2) In using a mass balance system, and notwithstanding articles 11(6)(a), and 12(5)(a), a supplier may report that the relevant feedstock or fuel has sustainability characteristics other than its actual sustainability characteristics if the condition in paragraph (3) is met.

(3) That condition is that none of the relevant feedstock or fuel which is subject to that mass balance system is reported to have sustainability characteristics other than those attributed to it by that system.

(4) In this article, "report" means report under articles 11(6) and 12(5), and "reported" is to be construed accordingly.

(5) A mass balance system is a system which—

- (a) allows amounts of relevant feedstock or fuel with different sustainability characteristics to be mixed ("the mixture");
- (b) provides for the sustainability characteristics of amounts added to the mixture to be attributed to other amounts withdrawn from the mixture; and
- (c) requires the sustainability characteristics attributed to the sum of the amounts withdrawn from the mixture to be the same, and in the same quantities, as the sustainability characteristics attributed to the sum of the amounts added to the mixture.

(6) For the purposes of paragraphs (2) to (5), the sustainability characteristics of relevant feedstock or fuel include—

- (a) its type;
- (b) its place of origin; and
- (c) any other matter relevant to its compliance with the sustainability criteria.

Other duties imposed and powers conferred on the Administrator

14.—(1) In addition to the duties imposed on the Administrator elsewhere in this Order, the Administrator has the following duties—

- (a) to carry out such calculations or analysis as may be required for purposes connected with the implementation of provision made by or under Chapter 5 of Part 2 of the 2004 Act;
- (b) to publicise the SAF obligation to ensure that it is brought to the attention of suppliers that are or may be subject to it;

- (c) where a SAF certificate is transferred between account holders, to record that fact in the relevant accounts;
- (d) where an account holder that is a supplier has supplied information on the masses of fuel supplied by that supplier under article 11(1)(a), to verify that information so far as reasonably practicable;
- (e) to ensure, so far as reasonably practicable, that there is no obligated supplier that, having failed to produce the evidence required to discharge fully its SAF obligation for an obligation period, fails to pay the sum due under article 21;
- (f) to publish guidance explaining-
 - (i) the information that constitutes additional sustainability information;
 - (ii) how the Administrator is to be satisfied that the soil carbon criteria are met;
 - (iii) for the purposes of paragraph 7 of Schedule 1, how the GHG emissions saving from the use of an amount of renewable transport fuel is to be determined and, in particular, how default values and actual values are to be determined for an amount of renewable transport fuel;
 - (iv) how the Administrator is to be satisfied that the land criteria are met;
 - (v) how the Administrator is to be satisfied that the forest criteria are met;
 - (vi) how the Administrator is to be satisfied that the sustainable waste management criteria are met;
 - (vii) how the Administrator is to be satisfied that carbon emitted during the production of hydrogen using wastes of fossil origin has been captured and stored appropriately;
 - (viii) the lower heating values of aviation fuels determined by the Administrator;
 - (ix) for the purposes of paragraph 7 of Schedule 1, how the minimum GHG emissions saving from the use of an amount of recycled carbon fuel are determined and, in particular, how default values and actual values are determined for an amount of recycled carbon fuel.

(2) In addition to the powers conferred upon the Administrator elsewhere in this Order, the Administrator has power—

- (a) to take reasonable steps to promote good working relationships with suppliers and others having an interest in the implementation of provision made by or under Chapter 5 of Part 2 of the 2004 Act, and
- (b) to publish such reports and guidance as the Administrator thinks fit for purposes connected with the implementation of provision made by or under that Chapter.

(3) But the Administrator must exclude from any reports referred to in paragraph (2)(b), so far as reasonably practicable—

- (a) information on the amount of relevant aviation turbine fuel which has been notified by a particular supplier to the Administrator; and
- (b) any other information from which that amount may be deduced.

Eligibility of feedstock produced from wastes of fossil origin

15.—(1) The Administrator must determine the wastes of fossil origin that may be used in the production of a recycled carbon fuel and designate each such waste as a relevant feedstock.

(2) In making a determination under paragraph (1), the Administrator must consider—

(a) whether the production, supply or use of a fuel produced using a waste of fossil origin has one or more of the effects described in section 126(4) of the 2004 Act; and

(b) any alternative uses and disposal outcomes available for that waste.

(3) The Administrator must publish a list of each waste of fossil origin designated as a relevant feedstock under paragraph (1).