
STATUTORY INSTRUMENTS

2018 No. 374

The Renewable Transport Fuels and
Greenhouse Gas Emissions Regulations 2018

PART 4

GREENHOUSE GAS EMISSIONS AMENDMENTS

Insertion of Part 2A

34. After Part 2 (the motor fuel greenhouse gas reporting requirement), insert—

“PART 2A

THE GHG EMISSIONS THRESHOLD AND
THE GHG REDUCTION OBLIGATION

Application of Part 2A

6A. This Part applies to regulated suppliers in relation to the reporting periods beginning on 1st January 2019 and 1st January 2020.

The unit GHGi threshold and the GHG reduction obligation

6B.—(1) This regulation applies to an energy product supplied by a regulated supplier if—

- (a) the energy product was supplied for relevant use;
- (b) the energy product was supplied in a reporting period to which this Part applies (the “applicable reporting period”);
- (c) where the assessment time falls within that period, the energy product was owned by the regulated supplier at that time; and
- (d) the condition in paragraph (2) is met.

(2) The condition is that the GHGi of the energy product is higher than the amount (the “unit GHGi threshold”) specified in column (1) of the following table for the applicable reporting period specified in column (2) of the table—

<i>(1) Unit GHGi threshold</i>	<i>(2) Applicable reporting period</i>
90.34 gCO _{2eq} /MJ	2019
88.45 gCO _{2eq} /MJ	2020

(3) A regulated supplier which supplies one or more energy products to which this regulation applies in a reporting period incurs a GHG reduction obligation in respect of that period.

(4) If a regulated supplier incurs a “GHG reduction obligation” the supplier must account to the Administrator for the amount of that supplier’s GHG reduction obligation (as to which, see regulation 6C) by—

- (a) notifying the Administrator of a debit, from the supplier’s account, of GHG credits equal to the value of all or part of the GHG reduction obligation in accordance with regulation 16F (whether the credits were issued to the regulated supplier under regulation 16C or transferred to the supplier under regulation 16D);
- (b) making payment to the Administrator in accordance with regulation 16F (payments).

Calculation, and notification, of amount of GHG reduction obligation

6C.—(1) The Administrator must—

- (a) calculate the amount, expressed in kgCO_{2eq}, of the supplier’s GHG reduction obligation; and
- (b) inform the supplier of that amount as soon as reasonably practicable after the end of the reporting period concerned.

(2) The Administrator must calculate the amount described in paragraph (1)(a) as follows—

- (a) apply the formula in paragraph (3) to calculate the amount (“P”), expressed in kgCO_{2eq}, for each energy product to which regulation 6B applies in respect of the reporting period concerned; and
- (b) add together the results of the calculations under sub-paragraph (a).

(3) Subject to paragraph (4), P is calculated as follows—

$$P = \left(\frac{((GHGi \times AF) - Z) \times V \times ED}{1000} \right) - D$$

where—

GHGi is the GHGi of the energy product;

AF is the adjustment factor set out in paragraph (5);

Z is the unit GHGi threshold for the reporting period concerned;

V is the amount of the energy product supplied, expressed in—

- (a) kilograms for gaseous fuels; or
- (b) litres for liquid fuels;

ED is the lower heating value of the energy product supplied, expressed in—

- (a) MJ per kilogram for gaseous fuels; or
- (b) MJ per litre for liquid fuels;

D is—

- (a) in the case of a supplier which supplied fewer than 10 million litres of energy product with a GHGi above the unit GHGi threshold for relevant use in the reporting period concerned—

- (i) 59,352 kgCO_{2eq}, where that period is that beginning on 1st January 2019;

- (ii) 89,029 kgCO_{2eq}, where that period is that beginning on 1st January 2020;
and
 - (b) in the case of a supplier which supplied 10 million litres or more of energy product with a GHGi above the unit GHGi threshold for relevant use in the reporting period concerned, 0.
- (4) If P is calculated to be a negative number, then P is instead deemed to be zero.
- (5) The adjustment factor (AF) in the formula in paragraph (3) is—
- (a) if the predominant conversion technology is an internal combustion engine, 1;
 - (b) if the predominant conversion technology is a battery electric powertrain, 0.4; or
 - (c) if the predominant conversion technology is a hydrogen fuel cell electric powertrain, 0.4.”.