Financial implications of Emissions Trading Scheme

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What is the UK ETS?

The UK Emission Trading Scheme (ETS) is a cap-and-trade system which caps the total level of greenhouse gas emissions, creating a carbon market with a carbon price signal to incentivise decarbonisation.

Timeline of UK ETS

2021 - UK Emissions Trading Scheme went live replacing the UK's participation in the EU ETS. 2023 - Government published response to consultation ran last year on developing the UK Emissions Trading Scheme. Energy from waste and incineration plants to be included from 2028.

2028 - UK ETS goes live for <u>EfW</u> plants.

2021

2022

2023

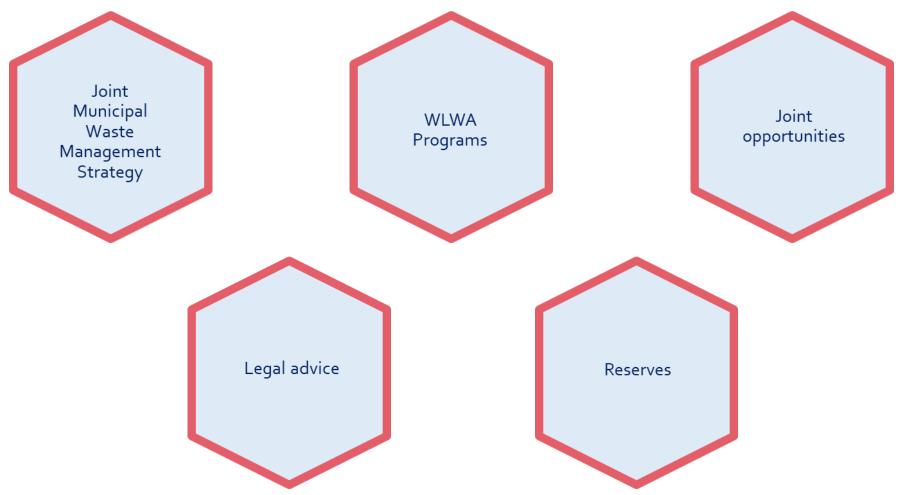
2026

2028

2022 - Stakeholder responses were provided during a consultation. Waste Network Chairs responded to Rt Hon Kwasi Karteng MP on 16/06/22 – highlighted difference between local authorities and commercial waste operators (financial penalty to be proportionate in ability to control risks).

2026 - Two year phase-in period – EfW facilities to monitor their CO2 emissions and capture data. Assist in set carbon allowances.

Mitigations to reduce cost implications



JMWMS

Achieve this objective	Reduce Waste
by tackling Food	Textile waste Plastic waste More Reuse
with a clear plan	A Plan for 2030 Capture systems 2030
delivered using	Data Communications
underpinned by	Skills

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Programs

Communications

To better inform residents of complex recycling challenges and inform boroughs of recycling opportunities

Digital Twin

To decarbonise collection services and find immediate cost savings for boroughs

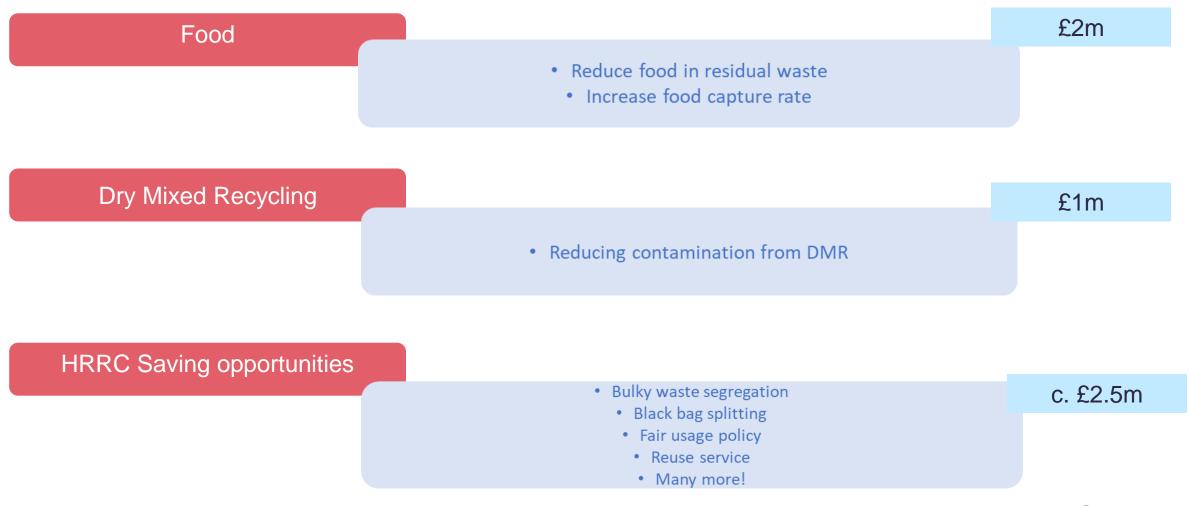
Social Value & Reuse

To decarbonise HRRC services and create social value

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Treating waste as a valuable resource

Joint saving opportunities



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Thank you. Any questions?