

# Standard Rules Consultation no 15: Medium Combustion Plant and Specified Generator controls

# Summary of consultation responses and decisions

Standard rules for the Environmental Permitting (England and Wales) Regulations 2016

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# Summary

The Environmental Permitting (England and Wales) Regulations 2016 ("EP Regulations") allow us to offer standard permits, to reduce the administrative burden on business while maintaining environmental standards. They are based on sets of standard rules that we can apply widely in England and Wales. The rules are developed using assessments of the environmental risk posed by the activity.

The consultation ran for 12 weeks from 4<sup>th</sup> November 2019 to 31<sup>st</sup> January 2020.

The consultation proposed amendments to eight standard rules and risk assessments in relation to low risk medium combustion plants and Tranche B specified generators.

We invited views on amendments to the following standard rule sets:

- SR2018 No1: standard rules for specified generator, Tranche B, low risk, base load operation between 1-5MW
- SR2018 No2: standard rules for specified generator, Tranche B, low risk, base load operation between 1-2MW with high background NOx
- SR2018 No3: standard rules for specified generator, Tranche B, low risk, base load operation between 1-2MW with Air Quality Management Areas or high ambient NOx
- **SR2018 No4**: standard rules for specified generator, Tranche B, low risk, between 1-20MW of abated diesel or gas engines operated less than 500 hours a year
- **SR2018 No5**: standard rules for specified generator, Tranche B, low risk, between 1-20MW of abated diesel or gas engines operated less than 1500 hours a year
- SR2018 No6: standard rules for specified generator, Tranche B, low risk, base load operation between 1-1.2MW with high background NOx
- **SR2018 No7**: standard rules for new, low risk, stationary medium combustion plant between 1- <20MW (in operation after 20/12/2018)
- SR2018 No8: standard rules for mobile plant specified generator, Tranche B, low risk, base load operation between <1-2MW</li>

# Contents

_	ndard Rules Consultation no 15: Medium Combustion Plant and Specified nerator controls	
Sur	mmary	ii
Contents		i۱
1	About this consultation	1
2.	Next steps	6

# 1 About this consultation

We invited comments on the proposals from operators, trade associations and businesses, other regulators, and the public with an interest in environmental issues.

The consultation ran for 12 weeks from 4<sup>th</sup> November 2019 to 31<sup>st</sup> January 2020.

This document summarises the responses to the consultation questions and any other key points raised. It sets out the decisions we have made and the actions we will take as a consequence.

### 1.1 Level of response

We received 2 responses, which we have been considered. Of the 2 responses:

- 1 was from an operator
- 1 was from a trade body/association

# 1.2 Proposals we consulted on

The consultation proposed the following amendments to SR2018 No1 to No6 and No 8:

- Introduction of a specified activity for a new MCP (Table 2.1).
- Addition of Rule 3.2.2.
- Clarification of timescales for undertaking and submitting monitoring results in Rules 3.1.2 and 4.2.2
- Consistent application of Rule 4.3.3 requiring notification of requested monitoring times
- Addition of Rule 4.3.5 to require notification of change to new medium combustion plant covered by the Standard Rules
- Addition of ELVs and monitoring requirements for any part of a specified generator that is a new MCP (Table 3.2) (except SR2018 No. 8).

We also took the opportunity to amend SR2018 No. 1 and No. 6 to include conditions relating to abatement. This applies to operators that need secondary abatement to achieve compliance with ELVs (amendment to Table 2.3 and addition of Rule 3.2.5).

We also proposed the following amendments to SR2018 No7:

- expand the acceptable fuel types
- set an associated screening distance to the ecological receptors
- allow the limited use of back up fuel for gas fired boilers

# 1.3 Consultation questions

The consultation included four questions:

Question 1: Do you agree with the proposals to revise the standard rules sets?

Question 2: Are there any barriers to using these rules?

**Question 3:** Please tell us about any financial impact on your business of making this proposed change.

**Question 4**: Please tell us if you have any further comments that have not been covered by the previous questions and provide as much information as possible to support your comments.

# 1.4 Key findings and the actions we will take

Both respondents agreed with the proposed revisions to the standard rule sets but felt they should be made broader to allow more activities to come under the standard rules set.

However, we are satisfied that the proposed revisions to the rules are appropriate for these activities and intend to implement and publish the revised rule sets in April 2020.

# 1.5 Our responses

### 1.5.1 Scope of the standard rule sets

#### Comment

One respondent commented that the proposals still do not capture enough plant and explained that the exclusion of dual fuel engines and turbines is a barrier to using the standard rule sets. They suggested broadening their scope by defining and increasing the 'minimum stack height'.

#### Our response

The stack heights have been derived for each scenario using dispersion modelling carried out by Natural Resources Wales and the Environment Agency, assuming worst case downwind locations. We take the view that by having broader criteria may make the rules too complex and feel we have struck the right balance between having rules that can be understood and the number of different types of available SRPs.

#### Comment

Both respondents commented that the limit on the screening distance for the proximity of human receptors is a barrier to using the SRPs, which is particularly relevant for hospitals where members of the public are nearby.

One respondent cited SR2018 No1 as an example of this, and another suggested defining a higher 'minimum stack height' for plant which do have human receptors nearby.

One respondent was also unclear whether such a conservative approach is justified in terms of environmental benefit and this leads to more work for both the operators and NRW in terms of bespoke permit applications, determinations and regulation. The respondent suggested NRW review their permitting approach after a period of implementation to determine whether the SRP criteria could be relaxed.

#### Our response

Air quality impacts are complex and influenced by a combination of parameters. The stack heights and distances to the nearest receptors have been derived for each scenario using dispersion modelling carried out by Natural Resources Wales and the Environment Agency, assuming worst case downwind locations.

The risk assessments inform the conditions relating to rated thermal input, ELVs, operating hours, fuel type, background concentrations and distance to sensitive human health and ecological receptors, therefore our risk assessments must be conservative enough to cover all types of plant and operation which could fit within each SRP. We worked with industry whilst developing the SRPs to strike the right balance between the multiple site parameters and the environmental risk, however, we take the point that our MCP/SG permitting approach should be reviewed following a period of implementation.

# 1.5.2 Financial impact of the standard rule sets

#### Comment

One respondent commented that the financial impact of these permits has not been improved by the proposals and the majority of their sites still require a complex bespoke permit.

#### Our response

Whilst the EA/NRW Tranche B screening tool has been developed to screen out as many low risk plant as possible, some high risk plant will still require a complex bespoke permit depending on its location, size, fuel, operating hours etc. We have set some of our lowest application charges for low risk MCP/SGs standard rules but we are currently reviewing all our MCP/SG charges under our Strategic Review of Charges (SRoC) programme.

#### Comment

One respondent suggested NRW review all bespoke permit applications currently in determination and consider their eligibility under the revised SRPs. They also suggested where permits have already been issued and would now be eligible for an SRP, those

operators should be entitled to request a replacement SRP or have their permit conditions amended to match those applicable under the equivalent SRP.

#### Our response

We originally consulted on these standard rules in 2018 and have since made further changes to include as many scenarios as possible within the constraints of protecting the environment. In such an evolving situation the scope of some standard rules will change to the benefit of some operators.

It is the responsibility of the Operator to ensure compliance with their permit and to apply for a bespoke permit if they can no longer meet the standard rules criteria. Fees may apply.

#### 1.5.3 General comments

#### Comment

One respondent commented that the presence of point source emissions from MCP/SGs not yet required to be permitted on the site do not prevent the use of the SRP.

#### Our response

Only MCPs and SGs that are required to comply with the regulations need to be permitted at this time, therefore any point source emissions for MCPs or SGs not yet subject to the regulations can be ignored until the relevant permit date.

#### Comment

One respondent suggested that SR2018 No6 is not compliant with the requirements of the MCP Directive. Table 3.2 sets a limit of 190mg/Nm³ (15%O2) for a new MCP gas engine ≥ 1MWth firing natural gas. The MCP Directive requires compliance with 95mg/Nm³ for such plants. This should be amended.

#### Our response

The ELV would be 95mg/Nm³ if it was a new MCP between 1 and 1.3MWth (see Table 3.2). However, specified generators can be less than 1MWth, and therefore not an MCP, in which case it would be 190mg/Nm³. A specified generator that is an existing MCP between 1 and 1.3MWth would need to be meet 95mg/Nm³ in 2030, but if it has a contract that makes it a Tranche B specified generator it would need to meet 190mg/Nm³ until that time.

#### Comment

One respondent suggested it was unclear what the implications of 'NA' were in Table 3.1 of SR2018 No1, 2, 3 and 6 and requested clarification is provided on the compliance and monitoring requirements for existing CHPs and gas engines with no abatement (SR2018 No5).

#### Our response

Table 3.1 specifies monitoring frequencies depending on whether abatement has been fitted to enable operators to comply with the ELV. For these, the monitoring frequency is once every 3 years from permit issue. We will remove 'NA' and include 'Every 3 years where abatement is fitted otherwise none specified' for CHP boilers to provide clarity and consistency with other specified generators. Where no abatement is required to ensure compliance with the ELV then no monitoring frequency has been specified. This means that no monitoring of emissions from the generators covered by the permit is required (until they have to comply with the monitoring requirements under MCPD) unless NRW has reason to require specific monitoring as set out in condition 3.2.2.

To clarify, existing MCPs with a rated thermal input greater than 5MWth must be permitted by 1 January 2024 and be compliant with the emission limit values set out in Tables 2 and 3 of Part 1 of Annex II of the MCPD by 1<sup>st</sup> January 2025. Existing MCPs with a rated thermal input of less than 5MWth must be permitted by 1 January 2029 and be compliant with the emission limit values set out in Tables 1 and 3 of Part 1 of Annex II of the MCPD by 1<sup>st</sup> January 2030. The monitoring frequencies for MCPs are specified in Part 1 of Annex III of the MCPD.

#### Comment

One respondent suggested that condition 3.2.2 was unclear and conflicted with condition 3.2.1.

#### Our response

Condition 3.2.1 requires the operator to carry out the monitoring requirements as set out in Tables 3.1 and 3.2 unless otherwise agreed in writing by NRW. These monitoring requirements are taken directly from Annex III Part 1 of the MCPD.

Condition 3.2.2 allows NRW to request monitoring to be carried out in addition to that specified in Tables 3.1 and 3.2.

# 2. Next steps

We will use the responses from this consultation to inform any amendments to the proposed rule sets.

The revised standard rule sets will be published on our website in April 2020 but there will be a three month notification period for existing standard rule holders before the rules apply.

If you responded and wish to follow up your response, or want more detail on any points made in this document, you can contact us by email, phone or mail:

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