

## **Appendix H – Climate Change Levy & GHG Permit**

# **UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**

## **Agreement dated 14 February 2022**

THIS AGREEMENT is made the 14 February 2022

BETWEEN:

- (1) the Environment Agency (“the Administrator”); and
- (2) the Sector Association set out in Schedule 2 (“the Sector Association”).

### **RECITALS**

- (A) Section 30 of and Schedule 6 to the Finance Act 2000 (“the Act”) make provision for a tax known as the climate change levy (“the Levy”). The Levy is charged on the supply of taxable commodities as defined in paragraph 3 of Schedule 6 to the Act.
- (B) Paragraphs 42(1)(ba) and 42(1)(c) of Schedule 6 to the Act provide that the amount payable by way of the Levy shall be discounted from the full rate where the supply is a reduced-rate supply. A reduced-rate supply is a taxable supply supplied to a facility specified in a certificate given by the Administrator to the Commissioners for Her Majesty’s Revenue and Customs as a facility which is covered by a climate change agreement for a period specified in the certificate in accordance with paragraphs 42 to 52F of Schedule 6 to the Act.
- (C) A climate change agreement is defined in paragraph 46 of Schedule 6 to the Act. It may consist of a combination of agreements that falls within paragraph 48. A combination of agreements falls within paragraph 48 if a number of conditions are satisfied. The first condition is that the combination of agreements is a combination of an umbrella agreement and an agreement that, in relation to the umbrella agreement, is an underlying agreement.
- (D) This agreement is an umbrella agreement entered into for the purposes of the reduced rate of Levy. It is not intended to give rise to contractual obligations between the parties.
- (E) The Sector Association is a representative as defined in paragraph 47(2) of Schedule 6 to the Act of each facility to which this agreement applies.
- (F) The facility or facilities set out in Schedule 4 to this agreement are a facility or facilities to which an agreement applies.

### **AGREED TERMS**

IT IS AGREED as follows:

#### **1. INTERPRETATION**

1.1 In this Agreement, unless the context otherwise requires:

“account” means the account in the Register of a sector association or an operator;

“agreement” means, as the context requires, either:

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

- a) this agreement; or
- b) an umbrella agreement or an underlying agreement;

“amendments window” means the period from 1 July 2021 to 30 September 2021 where the Administrator can vary underlying agreements in accordance with the amendments provided for in the technical annex;

“base year” for a target period, means:

- a) for a target unit which includes a greenfield facility, the 12 month period starting on the date of an underlying agreement which provides for that target period;
- b) for a target unit which does not include a greenfield facility, a 12 month period which—
  - i) ends before the date of an underlying agreement which provides for that target period or before the date an underlying agreement is first varied to provide for that target period; and
  - ii) is agreed between an operator and the administrator before they enter into the underlying agreement or before the underlying agreement is first varied to provide for that target period;

“buy-out fee” means the fee calculated in accordance with Rule 7;

“certification period” means, any of the following periods:

- (a) 1 April 2013 to 30 June 2015;
- (b) 1 July 2015 to 30 June 2017;
- (c) 1 July 2017 to 30 June 2019;
- (d) 1 July 2019 to 30 June 2021;
- (e) 1 July 2021 to 30 June 2023; or
- (f) 1 July 2023 to 31 March 2025.

“charges” means charges due to the Administrator under the charging scheme;

“charging scheme” means the Climate Change Agreements Charges Scheme 2012 made by the Administrator or any replacement or revision of that charging scheme;

“emissions” means the total emissions in tCO<sub>2</sub> equivalent for a target period;

“facility” means a facility within the meaning of paragraph 50(2) to (6) of Schedule 6 to the Act;

“facility number” means the unique identification number of a facility set out in schedule 4 of this Agreement;

“greenfield facility” means a facility which started to carry out the process by virtue of which it is a facility within the meaning of paragraph 50 of Schedule 6 during the 12 month period ending on the date the operator applies for the facility to be covered by an agreement;

## **UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**

### **Agreement dated 14 February 2022**

“new entrant period one” means the period from 1 January 2021 to 31 March 2021 where new entrant facilities enter into Climate Change Agreements;

“new entrant period two” means the period from 17th December 2021 to 30 June 2022 where new entrant facilities enter into Climate Change Agreements;

“Novem ratio target” has the meaning set out in the technical annex;

“operator” means a party to an underlying agreement other than the Administrator;

“personal information” means:

- a) the address of the registered office of the sector association or operator;
- b) the name, address and email address of:
  - i) in the case of a sector association, a person who can be contacted in respect of the sector association;
  - ii) in the case of an Operator, the responsible person; and
- c) the name, address and email address of a person who can be contacted in respect of the facility or each facility covered by an agreement;

“the Register” means the electronic system established and operated by the Administrator for the administration of agreements;

“the Regulations” means the Climate Change Agreements (Administration) Regulations 2012 S.I. 2012/1976, as amended by [S.I. 2013/508](#), [S.I. 2016/1189](#) and [S.I. 2020/958](#);

“Rule or Rules” means the Rules for the Operation of Climate Change Agreements or any of them set out in Schedule 1 to this Agreement as varied from time to time;

“Schedule 6” means Schedule 6 to the Finance Act 2000;

“sector” means the sector consisting of facilities which are covered by the same umbrella agreement;

“sector association” means the party to this agreement other than the Administrator;

“sector commitment” means the commitment set out in Schedule 5 of the umbrella agreement, as varied from time to time;

“surplus” means the amount by which the emissions have fallen below the target for any target period;

“target” (for a target period) means the percentage improvement in energy efficiency or carbon efficiency from the base year (for that target period) applicable to the target unit, set out in Schedule 6 to the underlying agreement, as varied from time to time;

“target period 1” means the target period from 1 January 2013 to 31 December 2014;

“target period 2” means the target period from 1 January 2015 to 31 December 2016;

“target period 3” means the target period from 1 January 2017 to 31 December 2018;

## **UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**

### **Agreement dated 14 February 2022**

“target period 4” means the target period from 1 January 2019 to 31 December 2020;

“target period 5” means the target period from 1 January 2021 to 31 December 2022;

“target unit” means a facility or group of facilities to which an underlying agreement applies;

“tCO<sub>2</sub> equivalent” means tonnes of carbon dioxide equivalent;

“technical annex” means the technical annex to this Agreement dated 18 December 2020 and published by the Administrator or the Secretary of State available via the Administrator’s website;

“throughput” means the measure of production, or factor related to production, used to determine the relationship between the amount of energy used by the target unit and the levels of activity of the target unit, as set out in Schedule 6 to an underlying agreement;

“the Tribunal” means the First-tier Tribunal established under the Tribunal Courts and Enforcement Act 2007<sup>1</sup>;

“umbrella agreement” means, as the context requires, either:

- a) this agreement; or
- b) an agreement that is an umbrella agreement for the purposes of paragraph 48 of Schedule 6 to the Act;

“underlying agreement” means an agreement that is an underlying agreement for the purposes of paragraph 48 or Schedule 6 to the Act.

- 1.2 Other words and expressions used in this Agreement have the same meaning as they bear in Schedule 6 to the Finance Act 2000 or the Regulations.

## **2. FACILITIES TO WHICH THIS AGREEMENT APPLIES**

2.1 This Agreement applies to the facilities set out in Schedule 4.

2.2 A facility belongs to the sector if it is a facility which undertakes one or more of the activities set out in Schedule 3.

## **3. SECTOR COMMITMENT**

3.1 The sector commitment for the sector to which this Agreement applies is set out in Schedule 5 to this Agreement, as varied from time to time.

3.2 N/A.

---

<sup>1</sup> Appeals are assigned to the General Regulatory Chamber of the First-tier Tribunal by virtue of article 3(a) of the First-tier Tribunal and Upper Tribunal (Chambers) Order 2010 (S.I. 2010/2655). The Tribunal Procedure (First-tier Tribunal) (General Regulatory Chamber) Rules 2009 (S.I. 2009/1976) sets out procedural rules relating to such appeals.

## **UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**

### **Agreement dated 14 February 2022**

- 3.3 The sector commitment and associated targets may be varied to take into consideration target period 5 in accordance with the procedure set out in Rule 12.

#### **4. THE RULES**

- 4.1 Schedule 1 to this Agreement which sets out the Rules for the operation of Climate Change Agreements has effect.
- 4.2 The Sector Association agrees to comply with the Rules.

#### **5. DURATION AND TERMINATION OF THIS AGREEMENT**

- 5.1 Subject to clause 5.2 below, this Agreement takes effect on 1 April 2013 or, if later, the date on which this Agreement is first activated by the Administrator, and ends on 31 March 2025.
- 5.2 This Agreement may be terminated before 31 March 2025:
- 5.2.1 at any time by a notice served on the Administrator by the Sector Association giving at least 20 working days' notice; or
  - 5.2.2 in accordance with the Regulations.
- 5.3 Any variation to this Agreement made under regulation 14A of the Regulations in respect of target period 5 takes effect on 1 January 2021 or, if later, the date on which the variation is activated by the Administrator.

#### **6. VARIATION OF AGREEMENT**

- 6.1 Subject to clauses 3.2, 3.3, 6.2 and 6.3, this Agreement may be varied at any time if agreed between the Administrator and the Sector Association.
- 6.2 The facilities to which this Agreement applies may be varied in accordance with Rules 9 and 10.
- 6.3 Under the power in regulation 14A of the Regulations, this Agreement may be varied by the Administrator to take account of changes in the terms specified by the Regulations from time to time as terms which must be included in Agreements.

#### **7. COLLECTION OF CHARGES**

- 7.1 The parties agree that the Administrator shall not be liable to pay any expenses of the Sector Association in connection with or arising out of the collection of charges under Rule 16, nor to indemnify or remunerate the Sector Association in connection with the collection of charges.

Signed by authority of the Environment  
Agency:

Signed on behalf of the Sector  
Association:

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

A handwritten signature in blue ink, appearing to read 'K Sydney', with a stylized flourish at the end.

Karl Sydney  
Operations Manager (Energy Efficiency)

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

**SCHEDULE 1**  
**RULES FOR THE OPERATION OF CLIMATE CHANGE AGREEMENTS**

**1. OBLIGATIONS OF A SECTOR ASSOCIATION AND OF AN OPERATOR**

**1.1** An Operator and a Sector Association must:

- 1.1.1 supply such information to the Administrator as the Administrator may request in connection with an agreement, by the date specified in the request;
- 1.1.2 notify the Administrator of any changes to its personal information within 20 working days of the change;
- 1.1.3 co-operate with any person appointed by the Administrator to undertake an independent audit of information provided to the Administrator; and
- 1.1.4 comply with the provisions of the charging scheme. If a charge remains unpaid after the date on which it is due, it may be recovered by the Administrator as a civil debt.

**2. OBLIGATIONS OF A SECTOR ASSOCIATION**

- 2.1 Following the setting of the sector commitment by the Secretary of State or following a variation in respect of a new sector commitment for target period 5 under Rule 12.2, a Sector Association must distribute the sector commitment between each target unit under the umbrella agreement.

**3. OBLIGATIONS OF AN OPERATOR**

**3.1** An Operator must:

- 3.1.1 notify the Administrator and the Sector Association within 20 working days of the date when the Operator has reason to believe that a facility covered by an underlying agreement may not be eligible for inclusion in the underlying agreement;
- 3.1.2 notify the Administrator within 20 working days of becoming aware of any structural change or other change set out in the technical annex which may give rise to a variation to the target in accordance with Rule 11;
- 3.1.3 notify the Administrator within 20 working days of discovering any error in the data provided to the Administrator for the base year;
- 3.1.4 provide to the Administrator on or before 1 May following the end of a target period such information as has been requested by the Administrator in order to determine whether progress towards meeting the target is, or is likely to be, taken to be satisfactory;
- 3.1.5 provide any other information requested at any time by the Administrator by the date specified in the request to enable the Administrator to determine that:

- (a) the target has been met; or

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

- (b) the Operator is complying with the terms of the underlying agreement;
- 3.1.6 notify the Administrator within 20 working days of the Operator or a facility in a target unit becoming a firm in difficulty, within the meaning of the European Commission Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty (2014/C 249/01);
- 3.1.7 provide the responsible person with full authority to carry out his or her functions, including authorisation to accept on behalf of the Operator the service of any notice; and
- 3.1.8 provide a current UK postal address and an operational email address of the responsible person for service of any notice.
- 3.2 If the Administrator enters into an underlying agreement before a target has been agreed, conditional upon the Operator providing sufficient information within a specified period in order to set the target for the target unit, the Operator must supply any data requested by the Administrator within the period specified by the Administrator on energy use and throughput of the target unit.

**4. OPERATION OF THE REGISTER**

- 4.1 Subject to Rules 4.2 and 4.3, to the extent possible, a Sector Association and an Operator must communicate with the Administrator using the Register.
- 4.2 Until a Sector Association and an Operator have been notified by the Administrator that the Operator is able to operate an account on its own behalf, an Operator must provide all information to the Sector Association to comply with the obligations of an Operator under an underlying agreement. The Sector Association must then operate the Register on behalf of the Operator to provide the information to the Administrator.
- 4.3 After receiving notification from the Administrator that an Operator is able to operate an account on its own behalf, an Operator must notify the Administrator if it wishes to access its account directly to comply with its obligations under an underlying agreement. If an Operator makes such notification, the Operator must then operate the Register on its own behalf in order to comply with its obligations under an underlying agreement. If an Operator does not make such notification, the Operator must continue to provide all information to the Sector Association to comply with the obligations of an Operator under an underlying agreement and the Sector Association must continue to operate the Register on behalf of the Operator to provide information to the Administrator.

**5. CERTIFICATION OF A FACILITY**

- 5.1 The Administrator must certify that a facility is covered by an agreement from the date on which an underlying agreement takes effect to the end of the first certification period. The first certification period in respect of new agreements that take effect on or after 1 January 2021 is provided for in Rule 5A.
- 5.2 The Administrator must certify that a facility is covered by an agreement for any subsequent certification period other than the certification period in which the underlying agreement is first

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

activated, where it appears to the Administrator that progress made in the immediately preceding certification period, whether under the underlying agreement or under any previous underlying agreement, towards meeting targets set for the target unit is, or is likely to be, satisfactory.

5.3 For the purposes of this Rule, progress made in the immediately preceding certification period towards meeting targets set for the target unit is, or is likely to be satisfactory only where condition 1 and condition 2 are satisfied.

5.4 Condition 1 is that:

5.4.1 the target set for the target unit for the relevant target period is met, in accordance with Rule 6; or

5.4.2 if the target set for the target unit has not been met, the target unit has paid the buy-out fee in accordance with Rule 7.

5.5 Condition 2 is that obligations imposed under or by virtue of regulations made for the purpose of implementing the Greenhouse Gas Emissions Trading Scheme Regulations 2012, as amended from time to time, have been complied with in respect of each facility comprising the target unit.

5.6 If:

5.6.1 a target unit has failed to meet its target in accordance with Rule 6 and the Operator has failed to pay the buy-out fee in accordance with Rule 7;

5.6.2 obligations imposed under or by virtue of regulations made for the purpose of implementing the Greenhouse Gas Emissions Trading Scheme Regulations 2012, as amended from time to time, have not been complied with in respect of any facility in a target unit; or

5.6.3 the underlying agreement or umbrella agreement is terminated in accordance with Regulation 17(3) or Regulation 18,

the Administrator must not certify that the facility or facilities comprising the target unit are covered by an agreement or, where a certificate has been issued, the Administrator must vary the certificate in accordance with paragraph 45 of Schedule 6.

5.7 If:

5.7.1 a facility is not or ceases to be eligible for inclusion in an agreement; or

5.7.2 a facility is excluded from an underlying agreement under Rule 10;

the Administrator must not certify that the facility is covered by an agreement or, where a certificate has been issued, the Administrator must vary the certificate in accordance with paragraph 45 of Schedule 6.

5.8 If the information supplied to the Administrator is insufficient to determine whether:

5.8.1 the target for the target period has been met; or

5.8.2 obligations imposed under or by virtue of regulations made for the purpose of implementing the Greenhouse Gas Emissions Trading Scheme Regulations 2012, as

## **UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**

### **Agreement dated 14 February 2022**

amended from time to time, have been complied with in respect of each facility comprising the target unit;

the Administrator may refuse to certify that the facility or facilities are covered by an agreement or, where a certificate has been issued, the Administrator may vary that certificate in accordance with paragraph 45 of Schedule 6.

5.9 Subject to Rule 5.10, if the Administrator does not certify a facility or varies a certificate that has been issued, the Administrator must serve a decision notice on the Sector Association and the Operator of the facility setting out the reasons for the decision, unless a notice of termination has already been served.

5.10 The Administrator is not required to serve a decision notice where a facility has been certified under this Rule and it is subsequently discovered that the target unit for the relevant target period had not been met because of an error in the information originally supplied to the Administrator provided that:

5.10.1 the Sector Association and the Operator have satisfied the Administrator that the error was unintentional; and

5.10.2 the Operator has paid any buy-out fee in accordance with Rule 7.

## **6. FIRST CERTIFICATION PERIOD**

6.1 This rule applies in respect of any new agreements first activated after the coming into force of SI 2020/958.

6.2 The first certification period that applies to the facilities covered by this Agreement and added during new entrant period one begins on the date on which the Administrator activates the Agreement and ends on 30 June 2021.

6.3 The subsequent certification periods for facilities covered by this Agreement and added during new entrant period one are:

6.3.1 1 July 2021 to 30 June 2023;

6.3.2 1 July 2023 to 31 March 2025.

6.4 The first certification period that applies to the facilities covered by this Agreement and added during new entrant period two begins on the date on which the Administrator activates the Agreement and ends on 30 June 2023.

6.5 The subsequent certification period for facilities covered by this Agreement and added during new entrant period two is:

6.5.1 1 July 2023 to 31 March 2025.

## **6. MEETING THE TARGET**

6.1 A target unit meets its target for the purpose of Rule 5 if it meets or exceeds the percentage improvement in energy efficiency or carbon efficiency from the base year set out in Schedule 6 to the underlying agreement.

6.2 The Administrator must determine whether the target has been met in accordance with the principles, methodologies and procedures set out in the technical annex.

## **UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**

### **Agreement dated 14 February 2022**

- 6.3 An Operator must notify the Administrator on or before 31 January in the year following the end of a target period of any circumstances which may give rise to an adjustment to the target for the previous target period, as set out in the technical annex.
- 6.4 If an Operator makes a notification under Rule 6.3, the Administrator may adjust the previous target in accordance with the principles, methodologies and calculations set out in the technical annex and must serve a notice on the Operator, setting out:
- 6.4.1 whether or not it had decided to vary the target; and
  - 6.4.2 any revised target (as varied) for the target unit.

## **7. BUY-OUT MECHANISM**

- 7.1 If the administrator finds that the target unit has failed to meet its targets:
- 7.1.1 at any time in the period beginning with 1 May in the year following the end of a target period and ending immediately before the first day of the next certification period; or
  - 7.1.2 at any other time,
- the obligation to make progress towards meeting targets may instead be satisfied by the payment to the administrator of a fee in accordance with Rule 7.2.
- 7.2 If Rule 7.1 applies, the administrator must serve a notice on the Operator containing the following information:
- 7.2.1 that the target unit has failed to meet its target;
  - 7.2.2 the fee to be paid, calculated in accordance with Rule 7.3 or Rule 7.4;
  - 7.2.3 the date by which the fee must be paid, determined in accordance with Rule 7.5 or Rule 7.6;
  - 7.2.4 to whom the fee must be paid;
  - 7.2.5 how the fee is to be paid; and
  - 7.2.6 that failure to pay the fee in accordance with the notice will result in the issue of a variation certificate in accordance with paragraph 45 of Schedule 6.
- 7.3 If Rule 7.1.1 applies, the amount of the fee is:

$$A \times (W - S)$$

Where:

- (a) A is £12 where the finding is of a failure to meet a target for target period 1 or target period 2, £14 where the finding is of a failure to meet a target for target period 3 or target period 4, or £18 where the finding is of a failure to meet a target for target period 5;

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

- (b) W in units of tCO<sub>2</sub> equivalent represents the amount by which the emissions for the target period exceed the target;
- (c) S, for target periods 1 to 4, in units of tCO<sub>2</sub> equivalent represents any surplus; and
- (d) S, for target period 5, is zero.

7.4 If Rule 7.1.2 applies, the amount of the fee is:

$$A \times W$$

Where:

- (a) A is £12 where the finding is of a failure to meet a target for target period 1 or target period 2, £14 where the finding is of a failure to meet a target for target period 3 or target period 4, or £18 where the finding is of a failure to meet a target for target period 5;
- (b) W in units of tCO<sub>2</sub> equivalent represents the amount by which the emissions for the target period exceed the target.

7.5 If Rule 7.1.1 applies, the fee must be paid on or before 1 July in the year in which the target unit is found to have failed to meet its targets.

7.6 If Rule 7.1.2 applies, the fee must be paid within 30 working days beginning with the date of the notice.

7.7 Payment of the fee is deemed to have been made when the person to whom the fee must be paid as specified in the notice receives full cleared funds.

7.8 For the purposes of calculating the buy-out fee under this Rule and for calculating the amount of any surplus, the Administrator must calculate the difference between the target for the target period and the actual performance achieved during the target period, where the target and the actual performance achieved are expressed in the same units, and convert any difference between the two into a quantity of carbon dioxide equivalent, expressed in units of tCO<sub>2</sub> equivalent, using the principles, methodologies and calculations set out in the technical annex.

## **8. SURPLUS**

8.1 If a facility is excluded from a target unit, the Operator must determine how any surplus should be distributed between the facilities that have been excluded from the target unit and the facilities remaining in the target unit and must notify the Administrator of the redistribution within 20 working days of the facility being excluded from the target unit.

8.2 If an Operator fails to notify the Administrator of the redistribution in accordance with Rule 8.1 any surplus remains with the facilities remaining in the target unit.

8.3 If facilities join a target unit, any surplus attributable to those joining facilities may be used by the target unit as a whole.

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

**9. VARIATION BY INCLUSION OF ADDITIONAL FACILITIES**

- 9.1 A facility which is not already included in another umbrella agreement is eligible at any time to be considered for inclusion in an umbrella agreement where:
- 9.1.1 it is a facility within the meaning of paragraph 50 of Schedule 6; and
  - 9.1.2 it is a facility undertaking the activities set out in Schedule 3 to an umbrella agreement.
- 9.2 A facility which is not already included in another underlying agreement is eligible at any time to be considered for inclusion in an underlying agreement where:
- 9.2.1 it is a facility within the meaning of paragraph 50 of Schedule 6;
  - 9.2.2 it is a facility undertaking the activities set out in Schedule 3 to an umbrella agreement; and
  - 9.2.3 it has the same operator as the operator of the underlying agreement under which it will be included, as set out in the technical annex.
- 9.3 A facility which is already included in another underlying agreement is eligible to be considered for inclusion in a different underlying agreement on or before 30 September 2013 where:
- 9.3.1 it is a facility within the meaning of paragraph 50 of Schedule 6;
  - 9.3.2 it is a facility undertaking the activities set out in Schedule 3 to an umbrella agreement; and
  - 9.3.3 it has the same operator as the operator of the underlying agreement under which it will be included, as set out in the technical annex.
- 9.4 A facility which is already included in another underlying agreement is eligible to be considered for inclusion in a different underlying agreement on or after 1 October 2013 where:
- 9.4.1 it is a facility within the meaning of paragraph 50 of Schedule 6;
  - 9.4.2 it is a facility undertaking the activities set out in Schedule 3 to an umbrella agreement;
  - 9.4.3 it has the same operator as the operator of the underlying agreement under which it will be included, as set out in the technical annex; and
  - 9.4.4 there has been a change of operator of the facility, or to allow a new entrant to be grouped into an existing agreement as part of the amendments window in 2021.
- 9.5 An additional facility cannot be added to an umbrella agreement unless the Administrator has determined that a facility is eligible and makes a variation to the umbrella agreement to add that facility to the scheme during new entrant period one or new entrant period two.
- 9.6 The Administrator may vary the target of a target unit to take account of the inclusion of additional facilities following the principles, methodologies and calculations set out in the technical annex.
- 9.7 If a Sector Association wishes to add an additional facility to an umbrella agreement or an Operator wishes to add an additional facility to an underlying agreement in accordance with Rule 9.5, the Sector Association or the Operator must notify the Administrator setting out:

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

- 9.7.1 the name of the Operator of the facility;
  - 9.7.2 the address of the facility;
  - 9.7.3 a description of the facility;
  - 9.7.4 such information as will enable the Administrator to reach a decision on establishing eligibility of the facility, as requested by the Administrator; and
  - 9.7.5 such information as will enable the Administrator to determine the revised target for the target unit, as requested by the Administrator.
- 9.8 If the Administrator receives a notification under Rule 9.7, the Administrator must serve a notice on the Operator, copied to the Sector Association:
- 9.8.1 consenting to include the additional facility in an umbrella agreement or an underlying agreement and setting out whether or not it has decided to vary the target, and if so, the revised target (as varied) for the target unit;
  - 9.8.2 refusing consent to include the facility in an umbrella agreement or an underlying agreement, giving reasons for the decision; or
  - 9.8.3 requesting such further information as is required in order to establish eligibility of the facility or reach a decision on the target for the facility.

**10. VARIATION BY EXCLUSION OF FACILITIES**

- 10.1 If a Sector Association or an Operator wishes to exclude a facility, or part of it, from an umbrella agreement or an underlying agreement, it must notify the Administrator of the proposed exclusion, setting out:
- 10.1.1 the name of the Operator of the facility;
  - 10.1.2 the facility number, or a description of the part that is to be excluded; and
  - 10.1.3 the reason for the exclusion.
- 10.2 If:
- 10.2.1 a Sector Association or an Operator has notified the Administrator that it wishes to exclude a facility under Rule 10.1; or
  - 10.2.2 the Administrator has terminated an agreement so far as it relates to an individual facility under Regulation 17(4),
- the Administrator may vary the target to take account of the exclusion or termination following the principles, methodologies and calculations set out in the technical annex, and may request such information from the Sector Association or the Operator as it requires in order to determine the revised target.
- 10.3 If the Administrator decides to vary or not to vary the target under Rule 10.2, it must serve a notice on the Operator, copied to the Sector Association, setting out whether or not it has decided to vary the target, and if so the revised target (as varied) for the target unit.

## **11. VARIATION OF TARGETS IN OTHER CIRCUMSTANCES**

11.1 The Administrator may vary the target to take account of:

11.1.1 any structural changes or other changes to the target unit which the Operator must notify to the Administrator under Rule 3.1.2;

11.1.2 any errors in the data provided to the Administrator for the base year; or

11.1.3 in respect of a target unit which has a Novem ratio target, the removal of a product produced in the target period which was produced in the base year,

following the principles, methodologies and calculations set out in the technical annex.

11.2 The Administrator may request any information of a Sector Association or an Operator as it requires in order to determine the revised target under Rule 11.1.

11.3 If the Administrator decides to vary or not to vary a target under Rule 11.1, it must serve a notice on the Operator, copied to the Sector Association, setting out:

11.3.1 whether or not it has decided to vary the target; and

11.3.2 any revised target (as varied) for the target unit.

## **12. ADDITION OF SECTOR COMMITMENT FOR TARGET PERIOD 5**

12.1 In accordance with clause 3.3, the Secretary of State may issue a direction to the Administrator that the new sector commitment for target period 5 be added to this Agreement. The Administrator must then serve a variation notice on the Sector Association.

12.2 The variation notice must state:

12.2.1 the agreed variation; and

12.2.2 the date from which the agreed variation will take effect.

12.3 The Sector Association must, within 20 working days of receipt of a variation notice, serve notice on the Administrator setting out the proposed distribution of the new target period 5 sector commitment between each target unit under the umbrella agreement.

12.4 The Administrator must:

12.4.1 agree to the proposed distribution and vary the targets of each target unit accordingly;

12.4.2 request further information in relation to the proposed distribution; or

12.4.3 refuse the proposed distribution and propose an alternative distribution, giving reasons for the decision.

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

**13. RIGHT OF APPEAL**

13.1 If the Administrator:

13.1.1 decides not to certify a facility or to vary a certificate which has been issued;

13.1.2 serves a notice imposing a buy-out fee under Rule 7 upon determining that a target unit has failed to meet its target; or

13.1.3 decides to vary or not to vary the target for a target unit,

the Operator may appeal to the Tribunal against the decision.

13.2 In respect of an Operator which enters into an agreement after 1 April 2013, the Operator may appeal to the Tribunal against the target that has been set for the target unit by the Administrator.

13.3 For the purposes of Rule 13.2, the date on which notice of the decision is deemed to have been sent to the Operator is the later of the date the agreement is entered into or the date the Administrator sends notice to the Operator of the target for the target unit.

13.4 The grounds on which an Operator may appeal under Rule 13.1 and 13.2 are:

13.4.1 that the decision was based on an error of fact;

13.4.2 that the decision was wrong in law;

13.4.3 that the decision was unreasonable;

13.4.4 any other reason.

13.5 The bringing of an appeal suspends the effect of the decision pending final determination by the Tribunal of the appeal or its withdrawal.

13.6 On determining an appeal under these Rules the Tribunal must either:

13.6.1 affirm the decision;

13.6.2 quash the decision; or

13.6.3 vary the decision.

**14. RECORDS AND INFORMATION**

14.1 A Sector Association and an Operator must retain records of all information required to be supplied to the Administrator under these Rules.

14.2 In particular, an Operator must retain:

14.2.1 sufficient records to allow the Administrator to verify whether a target unit has met its target, including sufficient records to allow the accurate verification of throughput and annual consumption of energy of a target unit; and

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

14.2.2 records of energy saving actions and measures implemented during each target period.

14.3 A Sector Association and an Operator must make all records which it is required to retain under these Rules available for inspection by the Administrator or a person appointed by the Administrator and must provide copies of such records in response to a request by the date specified in the request.

14.4 All records required to be retained under these Rules must be retained throughout the duration of an agreement and for a period of four years following the termination of an agreement.

**15. PUBLICATION AND DISCLOSURE OF INFORMATION**

15.1 The Administrator must publish such information as required under the Regulations.

15.2 In respect of the disclosure of information other than disclosure of information required to be published under the Regulations, information supplied by a Sector Association or an Operator to the Administrator or the Secretary of State, to any agent of the Administrator or the Secretary of State, or to any person appointed by the Administrator or Secretary of State to carry out an independent audit, may be disclosed without the consent of the Sector Association or Operator, where such disclosure is:

15.2.1 by the Administrator to the Secretary of State, for any purpose connected with the functions of the Secretary of State;

15.2.2 by the Secretary of State to the Administrator, for any purpose connected with the functions of the Administrator;

15.2.3 to a relevant authority, for any purpose connected with the functions of the relevant authority;

15.2.4 to any person appointed by the Administrator or the Secretary of State to carry out an independent audit;

15.2.5 to an adjudicator appointed under these Rules;

15.2.6 to any person appointed by the Administrator or the Secretary of State to act as agent, consultant, adviser or contractor to the Administrator or the Secretary of State, in connection with the functions of the Administrator or the Secretary of State;

15.2.7 necessary for the purpose of or in connection with any legal proceedings, including the obtaining of legal advice;

15.2.8 required to comply with any Act of Parliament or subordinate legislation made under an Act of Parliament, including requests made under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004; or

15.2.9 required to meet any obligation to the European Union.

15.3 A relevant authority referred to in this Rule means:

15.3.1 either House of Parliament including any committee of either or both Houses;

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

- 15.3.2 any Government department;
- 15.3.3 the European Commission;
- 15.3.4 the Committee on Climate Change;
- 15.3.5 the Commissioners of Her Majesty's Revenue and Customs;
- 15.3.6 a person or body prescribed by or appointed under Part I of the Environmental Protection Act 1990 or regulations made under section 2 of the Pollution Prevention and Control Act 1999 or any corresponding legislation for Northern Ireland;
- 15.3.7 any regulator appointed under section 54 of the Competition Act 1998; or
- 15.3.8 any other public body, regulatory agency or government advisory body, where in the absolute discretion of the Administrator or the Secretary of State, as appropriate, the Administrator or Secretary of State considers that it would be obliged to disclose such information in response to a request for information under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004, if such a request were made.

**16. COLLECTION OF CHARGES**

- 16.1 A Sector Association may request the consent of the Administrator to collect charges due from Operators to the Administrator in respect of facilities under the charging scheme.
- 16.2 If a Sector Association wishes to collect charges due from an Operator to the Administrator under the charging scheme, the Sector Association may serve a notice in writing on the Administrator by the last working day in February in the calendar year in which the charges fall due.
- 16.3 A notice served under Rule 16.2 must specify the facilities in respect of which the Sector Association intends to collect charges, being not fewer than 50% of the facilities covered by an umbrella agreement.
- 16.4 Following receipt of the notice, the Administrator must:
  - 16.4.1 consent to the Sector Association collecting charges; or
  - 16.4.2 refuse consent to the Sector Association collecting charges, giving reasons for the decision.
- 16.5 If the Administrator consents to the Sector Association collecting charges the Sector Association must:
  - 16.5.1 itemise charges separately in any invoices that it issues in respect of charges;
  - 16.5.2 collect and remit all charges collected to the Administrator without deduction or set off by the last working day in September in each year;
  - 16.5.3 prepare an annual report to the Administrator by the last working day in October in the year in which it has collected charges setting out which Operators it has collected

## **UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**

### **Agreement dated 14 February 2022**

charges from and which Operators have failed to pay charges due to the Sector Association.

- 16.6 A Sector Association must not actively pursue any outstanding charges after the last working day in September in any year in which they fall due. If a Sector Association receives charges after this date the Sector Association must accept the payment and remit this to the Environment Agency along with information identifying the Operator making the payment.
- 16.7 If a Sector Association fails to comply with any of its obligations under this Rule the Administrator may serve a notice on the Sector Association that consent to the Sector Association continuing to collect charges is withdrawn at the expiry of 20 working days from the date of the notice.

## **17. SERVICE OF NOTICES**

- 17.1 Any notice served under these Rules must be in writing and may be served by sending it by post or electronically.

- 17.2 The address for the service of all notices on the Administrator is:

Postal:           Environment Agency  
                    Richard Fairclough House  
                    Knutsford Road, Latchford,  
                    Warrington,  
                    Cheshire, WA4 1HT

Electronic:       [CCA-operations@environment-agency.gov.uk](mailto:CCA-operations@environment-agency.gov.uk)

- 17.3 The address for the service of all notices on the Sector Association is the address of the person set out in Schedule 2 to the umbrella agreement.
- 17.4 The address for the service of all notices on the Operator is the address of the responsible person.

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

**SCHEDULE 2**  
**THE SECTOR ASSOCIATION**

The Confederation of Paper Industries  
Which represents facilities that belong to the Paper sector.

Whose address for service of all notices under this Agreement is

By post:  
1 Rivenhall Road  
Swindon  
Wiltshire  
SN5 7BD

Electronically:  
tmc@paper.org.uk

**SCHEDULE 3**  
**THE SECTOR**

**ACTIVITIES UNDERTAKEN BY A FACILITY FALLING WITHIN THE SECTOR**

A facility belongs to the paper sector if it is a facility at which the primary activity is the manufacture of paper, pulp or cardboard.

**UMBRELLA CLIMATE CHANGE AGREEMENT FOR THE PAPER SECTOR**  
**Agreement dated 14 February 2022**

**SCHEDULE 4**  
**LIST OF FACILITIES**

**SCHEDULE 5**  
**THE SECTOR COMMITMENT**

Sector Commitment:

| <b>Target Period</b>               | <b>Sector Commitment (percentage reduction from base year)</b> |
|------------------------------------|----------------------------------------------------------------|
| 1 January 2013 to 31 December 2014 | 3.500%                                                         |
| 1 January 2015 to 31 December 2016 | 4.667%                                                         |
| 1 January 2017 to 31 December 2018 | 5.833%                                                         |
| 1 January 2019 to 31 December 2020 | 7.000%                                                         |
| 1 January 2021 to 31 December 2022 | 2.882%                                                         |



# Greenhouse gas emissions permit

## The Greenhouse Gas Emissions Trading Scheme Order 2020 (the Order)

**Operator name(s)**

Kimberly - Clark Limited

**Installation name**

NORTHFLEET MILL

**Site name (if applicable)**

KIMBERLEY CLARK

**Installation address**

CRETE HALL ROAD  
NORTHFLEET  
DA11 9AD  
United Kingdom

**Permit number**

UK-E-IN-11467

**Effective date of permit**

7 August 2025

**Issued by the Environment Agency**

## **INTRODUCTORY NOTE**

This introductory note does not form part of the permit.

This greenhouse gas emissions permit (permit) is issued by the Environment Agency. It authorises the regulated activities set out in the permit to be carried out at the installation and includes a number of conditions with which you must comply, including the monitoring and reporting of emissions, the surrender of allowances and notification requirements. If you are a 'FA installation' (as defined in the Order), this also includes the free allocation conditions.

Part 1 of this permit contains a description of the installation to which it applies, the regulated activities carried out at the installation and the specified emissions from those activities. Part 2 contains the conditions with which you must comply and Part 3 contains definitions of terms used in this permit.

Your monitoring plan relating to the monitoring of emissions is attached to this permit as Appendix 1. If applicable, your monitoring methodology plan relating to the monitoring of activity levels is attached as Appendix 2.

### **Talking to us**

You can contact us by e-mail on [ethelp@environment-agency.gov.uk](mailto:ethelp@environment-agency.gov.uk).  
If you contact the regulator about this permit, please quote the permit reference number.

### **Variations to the permit**

You may apply to us to vary your permit and must do so where required by a condition of this permit. We also have powers to vary your permit in certain circumstances set out in the Order.

### **Surrender of the permit**

You must apply to surrender your permit where the installation has 'ceased operation', as defined in the Order. The timescales and requirements for this surrender application are set out in the Order. You may also choose to surrender your permit if at any time all regulated activities have ceased to be carried out at the installation.

### **Transfer of the permit or part of the permit**

Before the permit can be wholly or partially transferred to another operator, a joint application to transfer the permit must be made by the transferring operator and the new operator. The procedure and requirements are set out in the Order.

### **Appeals**

You may appeal against the provisions of this permit. The Order contains information about the appeals procedure.

### **Charges**

Following the issue of the permit, annual subsistence fees will be payable. Other fees may also be payable, including for permit transfers, surrenders and revocations.

### **Regulator's Address**

Our contact address is as follows:  
Email to: [ethelp@environment-agency.gov.uk](mailto:ethelp@environment-agency.gov.uk)

## Status Log

### Permit

| Permit number | Date application received | Date further information received | Date permit issued or change made |
|---------------|---------------------------|-----------------------------------|-----------------------------------|
| UK-E-IN-11467 | 07 August 2025            |                                   | 07 August 2025                    |

### Changes to Permit

| Notice number  | Change Type   | Date application received | Date further information received | Date Notice issued | Comment                                                                                                                |
|----------------|---------------|---------------------------|-----------------------------------|--------------------|------------------------------------------------------------------------------------------------------------------------|
| AEMV11467-P3-4 | AEM Variation |                           |                                   | 06 July 2021       |                                                                                                                        |
| AEMV11467-P3-5 | AEM Variation |                           |                                   | 20 September 2021  |                                                                                                                        |
| AEMV11467-1    | AEM Variation | 08 August 2023            |                                   | 08 August 2023     | Administrative amendment to data as part of migration to METS. No change to permit made and no variation notice issued |

End of introductory note

# PERMIT

Under the Greenhouse Gas Emissions Trading Scheme Order 2020

**Permit Number**

UK-E-IN-11467

**Consolidated version number**

19

The Environment Agency (**the regulator**) in exercise of its powers under the Greenhouse Gas Emissions Trading Scheme Order 2020, authorises:

Kimberly - Clark Limited (**the operator**)

**Company Registration Number**

00308676

**Registered Office Address**

Walton Oaks Dorking Road  
Tadworth  
Surrey  
KT20 7NS  
England

to carry out regulated activities resulting in greenhouse gas emissions, as described and defined in and subject to the conditions set out in this permit, at:

**Installation Name**

NORTHFLEET MILL

**Site Name (if applicable)**

KIMBERLEY CLARK

**Installation Address**

CRETE HALL ROAD  
NORTHFLEET  
DA11 9AD  
United Kingdom

**National Grid Reference**

TQ6271074326

Signed

Date

07 August 2025

Iain Weatherall

Iain Weatherall

Authorised to sign on behalf of the Environment Agency

## PART 1

### Scope of permit and of the installation

1. This permit authorises the regulated activities listed in Table 1 below to be carried out at the installation.

| Regulated activities          | Specified emissions |
|-------------------------------|---------------------|
| Paper or cardboard production | Carbon dioxide      |

Table 1 Regulated activities carried out at the installation.

2. For the purposes of this permit, the installation is as described in Table 2, as supplemented by any change notified to the regulator in accordance with the permit conditions.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The installation is a bathroom tissue manufacturing facility with a daily production of approximately 112 tonnes. There is a tissue machine and related conversion assets operating on the site which is owned and operated by Kimberly-Clark Corporation Ltd. As part of the tissue drying process up to four 12MW gas fired boilers are used to generate the 26 tonnes of steam required per hour. Mains gas is also utilised for the drying hoods on the tissue machine which has an energy input of up to 4000kW. It is the operation of Kimberly-Clark's boiler house and drying hoods that gives rise to the production of carbon dioxide. There is also a number of de-minimis sources at the site. The site is located directly adjacent to the River Thames' south bank in Northfleet in Kent.</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Table 2 Description of the installation

## PART 2

### Conditions

1. The operator must monitor the reportable emissions of the installation in accordance with the Monitoring and Reporting Regulation and the monitoring plan (including the written procedures supplementing that plan).
2. The operator must prepare in accordance with the Monitoring and Reporting Regulation a report of the installation's reportable emissions in each scheme year that is verified as satisfactory in accordance with the Verification Regulation and must submit the report (and the verification report) to the regulator on or before 31 March in the following year.
3. The operator must surrender allowances equal to the installation's reportable emissions in a scheme year on or before 30 April in the following year.
4. The operator must modify its monitoring plan in accordance with Articles 14 and 59(4) of the MRR and:
  - (a) where the operator proposes to make a significant modification as defined in Article 15(3) or as referred to in Article 66(1) of the MRR, it must apply to the regulator for a variation of its permit at least 14 days before making the modification or, where this is not possible, as soon as reasonably practicable and such application must:
    - i. include a description of the change; and
    - ii. set out how it affects the information contained in the monitoring plan; or
  - (b) where the operator makes a change to its monitoring plan that is not a significant modification, it must notify the regulator on or before 31 December in the year in which the change occurred and such notification must:
    - i. include a description of the change;
    - ii. set out how it affects the information contained in the monitoring plan; and
    - iii. explain how the change is in accordance with the Monitoring and Reporting Regulation.
5. Where the name of the operator changes, the operator must apply to the regulator for a variation of its permit to reflect the change as soon as reasonably practicable following the change.
6. Where the operator does not apply at least the tiers required by or applies a fall-back methodology pursuant to the Monitoring and Reporting Regulation, the operator must submit a report to the regulator in accordance with the requirements specified in Articles 69(1) to (3) of the MRR by the following deadlines (unless an alternative deadline has been approved by the regulator in writing pursuant to Article 69(1) of the MRR and, in which case, that deadline applies), starting in the case of a new operator with 30 June in the year after that in which the permit is granted and for any other operator, 30 June 2021:
  - (a) for a category A installation, on or before 30 June every four years
  - (b) for a category B installation, on or before 30 June every two years
  - (c) for a category C installation, on or before 30 June every year
7. Where a verification report states outstanding non-conformities or recommendations for improvements (or in relation to an installation with low emissions, non-conformities only) as specified in Article 69(4) of the MRR, the operator must submit a report to the regulator in accordance with the requirements of that Article on or before 30 June of the year in which the verification report is issued, unless the operator has, before the relevant 30 June deadline:
  - (a) resolved such non-conformities or recommendations; and
  - (b) submitted a variation application covering the related modifications in accordance with condition 4(a).

8. The operator must notify the regulator in accordance with the Monitoring and Reporting Regulation at least 14 days before the circumstances referred to in (a) to (d) occur or, where this is not possible, as soon as reasonably practicable:
  - (a) where there is a temporary change to its monitoring methodology as specified in Article 23 of the MRR;
  - (b) where tier thresholds are exceeded or equipment is found not to conform to requirements which require corrective action as specified in Article 28(1) of the MRR;
  - (c) where a piece of measurement equipment is out of operation as specified in Article 45(1) of the MRR; and
  - (d) where an installation with low emissions exceeds the relevant threshold as specified in Article 47(8) of the MRR.
9. The operator must keep records of all relevant data and information in accordance with Article 67 of the MRR.
10. Where all regulated activities authorised by the permit have ceased to be carried out at the installation, the operator must notify the regulator within one month of the day on which all regulated activities ceased to be carried out or on or before 31 December in the scheme year in which the cessation occurs, whichever is later (the notification date), of:
  - (a) the date of the cessation;
  - (b) whether or not the operator intends for one or more of the regulated activities authorised by the permit to resume at the installation;
  - (c) where the operator does intend for one or more of the regulated activities authorised by the permit to resume at the installation, each of the following:
    - (i) the date by which the operator expects those regulated activities to resume;
    - (ii) whether either—
      - (aa) the installation is technically capable of resuming those regulated activities without physical changes being made; or
      - (bb) the operator intends for the technical capability required for those regulated activities to resume to be restored at the installation,

but this condition does not apply where the operator has applied to surrender the permit or all regulated activities authorised by the permit have resumed prior to the notification date.

### **Free allocation conditions**

Conditions 11 to 14 apply while the installation is a FA installation and, from 1 January 2026 and in relation to condition 12 only, to an installation which was a FA installation at the date on which the installation ceases operation or at the date a surrender or revocation notice relating to the installation takes effect (even if the installation is not an FA installation after the end of that scheme year):

11. The operator must monitor the activity level of the installation in accordance with the Free Allocation Regulation and the monitoring methodology plan (including the written procedures referred to in Article 8(3) of the FAR).
12. The operator must prepare in accordance with the Activity Level Changes Regulation a report of its activity level of each sub-installation of the installation in each scheme year (or in the 2 scheme years preceding the submission as required by Article 3 of the Activity Level Changes Regulation) that is verified as satisfactory

in accordance with the Verification Regulation and must submit the report (and the verification report) to the regulator on or before 31 March in the following year.

13. The operator must modify its monitoring methodology plan in accordance with Articles 9(2) and 12(3) of the FAR and:
  - (a) where an operator proposes to make a significant modification as defined in Article 9(5) of the FAR, it must apply to the regulator for a variation of its permit at least 14 days before making the modification or, where this is not possible, as soon as reasonably practicable and such application must:
    - i. include a description of the change; and
    - ii. set out how it affects the information contained in the monitoring methodology plan; or
  - (b) where an operator makes a change to its monitoring methodology plan that is not a significant modification, it must notify the regulator on or before 31 December in the year in which the change occurred and such notification must:
    - i. include a description of the change;
    - ii. set out how it affects the information contained in the monitoring methodology plan; and
    - iii. explain how the change is in accordance with the Free Allocation Regulation.
14. The operator must keep records of all relevant data and information in accordance with Article 7(3) and 9(6) of the FAR.

## PART 3

### Definitions

(1) In this permit:

- (a) “the Activity Level Changes Regulation” means Commission Implementing Regulation (EU) 2019/1842 of 31 October 2019 as it forms part of domestic law, as amended from time to time;
- (b) “allowance” has the meaning given in Article 4 of the Order;
- (c) “category A installation” has the meaning given in Article 19(2) of the Monitoring and Reporting Regulation;
- (d) “category B installation” has the meaning given in Article 19(2) of the Monitoring and Reporting Regulation;
- (e) “category C installation” has the meaning given in Article 19(2) of the Monitoring and Reporting Regulation;
- (f) “FA installation” has the meaning given in Article 4A of the Order;
- (g) “the Free Allocation Regulation” or “FAR” means Commission Delegated Regulation 2019/331 of 19 December 2018 as it forms part of domestic law, as amended from time to time;
- (h) “installation” means the installation operated by the operator and as described in Part 1 of this permit, as supplemented by any change notified to the regulator in accordance with the conditions of this permit;
- (i) “installation with low emissions” has the meaning given in Article 47(2) of the Monitoring and Reporting Regulation;
- (j) “the Monitoring and Reporting Regulation” or “MRR” means Commission Implementing Regulation (EU) 2018/2066 of 19 December 2018 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council (disregarding any amendments adopted after 11th November 2020) as given effect for the purpose of the UK ETS by Article 24 of the Order subject to the modifications made for that purpose from time to time;
- (k) “monitoring plan” means the plan attached as Appendix 1, together with any modifications notified to the regulator under condition 4 and includes the written procedures supplementing that plan;
- (l) “monitoring methodology plan” means the plan attached as Appendix 2, together with any modifications notified to the regulator under condition 14 and includes the written procedures supplementing that plan;
- (m) “new operator” means the operator of an installation whose permit was granted after 1 January 2021;
- (n) “operator” means the holder of this permit;
- (o) “the Order” means The Greenhouse Gas Emissions Trading Scheme Order 2020 as amended from time to time;
- (p) “regulated activity” has the meaning given in Schedule 2, paragraph 3 to the Order;
- (q) “the regulator” means the Environment Agency;
- (r) “reportable emissions” means the total emissions of gases specified in Table 1 in Part 1 of this permit (expressed in tonnes of carbon dioxide equivalent) which arise from the regulated activities carried out in the installation;
- (s) “scheme year” means a calendar year commencing on 1 January;
- (t) “surrender” means the process described in Schedule 5A, paragraph 24(1) to the Order;
- (u) “sub-installation” has the same meaning as in the Free Allocation Regulation;

- (v) "verification report" has the same meaning as in the Verification Regulation and for the purposes of condition 7 means a report submitted in accordance with condition 2 of this permit;
- (w) "the Verification Regulation" means Commission Implementing Regulation (EU) 2018/2067 of 19 December 2018 on the verification of data and on the accreditation of verifiers pursuant to Directive 2003/87/EC of the European Parliament and of the Council (disregarding any amendments adopted after 11th November 2020), as given effect for the purpose of the UK ETS by Article 25 of the Order subject to the modifications made for that purpose from time to time;

## Appendix 1 to Greenhouse gas emissions permit number UK-E-IN-11467

### Monitoring Plan

List of environmental licenses related to this installation

| Type                                 | Number | Issuing authority  | Permit holder                  |
|--------------------------------------|--------|--------------------|--------------------------------|
| PPC / Kimberly Clark Northfleet Mill | BJ7379 | Environment Agency | Kimberly Clark Northfleet Mill |

Estimated annual emissions (tonnes CO<sub>2(e)</sub>) 15,600

Installation Category Category A (Low emitter)

#### Source Streams (fuels and/or materials)

Summary of the source streams used in the regulated activities at the installation.

| Source Stream Reference | Source Stream Type                       | Source Stream Description |
|-------------------------|------------------------------------------|---------------------------|
| F1                      | Combustion: Other gaseous & liquid fuels | Natural Gas               |
| F2                      | Combustion: Commercial standard fuels    | Gas/Diesel Oil            |
| F3                      | Combustion: Other gaseous & liquid fuels | Acetylene                 |
| F5                      | Combustion: Commercial standard fuels    | Liquefied Petroleum Gases |

#### Emission Sources

Summary of emission sources which relate to the regulated activities at the installation.

| Emission Source Reference | Emission Source Description                                            |
|---------------------------|------------------------------------------------------------------------|
| S1                        | Boiler 1                                                               |
| S2                        | Boiler 2                                                               |
| S3                        | Boiler 3                                                               |
| S4                        | Boiler 4                                                               |
| S7                        | Hood Burner PM3                                                        |
| S8                        | Site Emergency Fire Pumps                                              |
| S9                        | Canteen Cookers                                                        |
| S10                       | Cutting / Welding                                                      |
| S11                       | Emergency Lighting Generator                                           |
| S12                       | Technical Block Central Heating Boiler                                 |
| S13                       | Localised heating & hot work                                           |
| S14                       | Various diesel/gas oil fuelled equipment brought onto site as required |

## Emission Points

Summary of the emission points which relate to the regulated activities at the installation.

| Emission Point Reference | Emission Point Description                            |
|--------------------------|-------------------------------------------------------|
| A1                       | Boiler house stack (common flue for all four boilers) |
| A4                       | Hood Burner exhaust PM3                               |
| A5                       | Emergency fire pumps' exhausts                        |
| A6                       | Canteen stack                                         |
| A7                       | Engineering workshops - Cutting / Welding emissions   |
| A8                       | Emergency lighting generator exhaust                  |
| A9                       | Technical block central heating boiler flue           |
| A10                      | Fugitive LPG emissions                                |
| A11                      | Fugitive diesel/gasoil emissions                      |

## Technical details of the regulated activities

| Source streams (Fuel / Material) | Emission Source Refs.  | Emission Point Refs. | Regulated Activity            |
|----------------------------------|------------------------|----------------------|-------------------------------|
| F1                               | S4, S1, S9, S2, S7, S3 | A4,A6,A1             | Paper or cardboard production |
| F2                               | S8, S11, S14           | A8,A5,A11            | Paper or cardboard production |
| F3                               | S10                    | A7                   | Paper or cardboard production |
| F5                               | S12, S13               | A10,A9               | Paper or cardboard production |

## Measurement Devices

| Measurement Device Ref.        | Type of Measurement Device | Measurement Range | Metering Range Units | Specified Uncertainty (+/- %) | Location                             |
|--------------------------------|----------------------------|-------------------|----------------------|-------------------------------|--------------------------------------|
| Fire Pumps Diesel Storage tank | Tank dip                   | 0 to 500 litres   | litres               | 1                             | South of conversion department       |
| Gas Meter GM1 (North)          | Turbine meter              | N/A               | m3                   | 1                             | Gas compound adjacent to Gatehouse 1 |
| Gas Meter GM2 (South)          | Turbine meter              | N/A               | 10x ft3              | 1                             | Gas compound adjacent to Gatehouse 1 |
| GM3                            | Bellows meter              | n/a               | m3                   | 7.5                           | Outside below canteen stairs         |
| Lighting Diesel Storage Tank   | Tank dip                   | 0 - 200 litres    | litres               | 1                             | PM1 Machine house basement           |
| P1                             | Invoices/bottle count      | n/a               | kg                   | N/A                           | Offices                              |
| P2                             | Invoices/ Calculation      | n/a               | kg                   | N/A                           | Offices                              |

| <b>Measurement Device Ref.</b> | <b>Type of Measurement Device</b> | <b>Measurement Range</b> | <b>Metering Range Units</b> | <b>Specified Uncertainty (+/- %)</b> | <b>Location</b> |
|--------------------------------|-----------------------------------|--------------------------|-----------------------------|--------------------------------------|-----------------|
| P3                             | Invoices/tank dips                | n/a                      | litres                      | N/A                                  | Offices         |
| P4                             | Invoices/bottle count             | n/a                      | kg                          | N/A                                  | Offices         |

# Calculation

## Approach Description

Natural gas, F1, is monitored via continual metering through two gas meters and their corresponding correctors within the gas compound. The metering installation is owned by NG/Transco. The natural gas is the single major source stream serving the paper mill processes. An additional, de-minimis, fuel stream of natural gas services the canteen via a bellows meter. The activity for F1 is thus determined by metering.

Diesel/gasoil, F2, is used for fuelling emergency and temporary equipment. It is a de-minimis source stream. Activity is determined from tank dips and invoices.

Acetylene, F3, is used for engineering purposes including cutting and welding. It is a de-minimis source stream. Activity is determined from invoices and bottle counts.

LPG, F5, is used for heating and engineering purposes. It is a de-minimis source stream. Two activities are determined: that for localised heating and hot work from invoices and bottle counts; and that for the technical block heating boiler from invoices minus the consumption by forklift trucks (which also draw from the supply tank).

For F1, F2 and F5, the National Inventory values of properties which are published annually present Tier 2a values for NCV and EF. These along with a Tier 1 value (MRR Annex II, Section 2.3) for OxF are used in the following equation that enables the emission to be calculated:  $\text{CO}_2 \text{ emission} = \text{Activity} \times \text{NCV} \times \text{EF} \times \text{OxF}$  (where EF is in terms of tCO<sub>2</sub>/unit energy)

For F3, regulator approved tier 1 calculation factors are employed. The equation  $\text{CO}_2 \text{ emission} = \text{Activity} \times \text{NCV} \times \text{EF} \times \text{OxF}$  is used.

## Applied tiers

| Source Stream Ref. | Emission Source Refs. | Measurement Device Refs.                                         | Overall uncertainty (+/- %) | Activity Data Tier | NCV Tier | Emission Factor Tier | Oxidation Factor Tier | Carbon Content Tier | Conversion Factor Tier | Bio-mass Fraction Tier | Category   |
|--------------------|-----------------------|------------------------------------------------------------------|-----------------------------|--------------------|----------|----------------------|-----------------------|---------------------|------------------------|------------------------|------------|
| F2                 | S8, S11, S14          | P3, Lighting Diesel Storage Tank, Fire Pumps Diesel Storage tank | N/A                         | No tier            | Tier 2a  | Tier 2a              | Tier 1                | N/A                 | N/A                    | N/A                    | De-minimis |
| F3                 | S10                   | P1                                                               | N/A                         | No tier            | Tier 1   | Tier 1               | Tier 1                | N/A                 | N/A                    | N/A                    | De-minimis |
| F5                 | S12, S13              | P2, P4                                                           | N/A                         | No tier            | Tier 2a  | Tier 2a              | Tier 1                | N/A                 | N/A                    | N/A                    | De-minimis |
| F1                 | S7                    | Gas Meter GM2 (South)                                            | 2.5% or less                | Tier 1             | Tier 2a  | Tier 2a              | Tier 1                | N/A                 | N/A                    | N/A                    | Major      |
| F1                 | S4, S1, S2, S3        | Gas Meter GM1 (North)                                            | 2.5% or less                | Tier 1             | Tier 2a  | Tier 2a              | Tier 1                | N/A                 | N/A                    | N/A                    | Major      |
| F1                 | S9                    | GM3                                                              | N/A                         | No tier            | Tier 2a  | Tier 2a              | Tier 1                | N/A                 | N/A                    | N/A                    | De-minimis |

## Reference sources applied

The table below lists, for each parameter, the reference sources to be used for calculation factors.

| Source Stream Refs. | Emission Source Refs. | Parameter | Reference Source                                                | Default Value applied (where appropriate) |
|---------------------|-----------------------|-----------|-----------------------------------------------------------------|-------------------------------------------|
| F2                  | S11, S8, S14          | NCV       | UK National Greenhouse Gas Inventory as submitted to the UNFCCC | N/A                                       |
| F2                  | S11, S8, S14          | EF        | UK National Greenhouse Gas Inventory as submitted to the UNFCCC | N/A                                       |
| F2                  | S11, S8,              | OxF       | Tier 1 Default Value (Annex II MRR)                             | 1                                         |

| Source Stream Refs. | Emission Source Refs. | Parameter | Reference Source                                                | Default Value applied (where appropriate) |
|---------------------|-----------------------|-----------|-----------------------------------------------------------------|-------------------------------------------|
|                     | S14                   |           |                                                                 |                                           |
| F3                  | S10                   | NCV       | Regulator approved tier 1 calculation factor                    | 48.2 GJ/t                                 |
| F3                  | S10                   | EF        | Regulator approved tier 1 calculation factor                    | 3.38 tCO2/t                               |
| F3                  | S10                   | OxF       | Tier 1 Default value (Annex II MRR)                             | 1                                         |
| F5                  | S13, S12              | NCV       | UK National Greenhouse Gas Inventory as submitted to the UNFCCC | N/A                                       |
| F5                  | S13, S12              | EF        | UK National Greenhouse Gas Inventory as submitted to the UNFCCC | N/A                                       |
| F5                  | S13, S12              | OxF       | Tier 1 Default Value (Annex II MRR)                             | 1                                         |
| F1                  | S7                    | NCV       | UK National Greenhouse Gas Inventory as submitted to the UNFCCC | N/A                                       |
| F1                  | S7                    | EF        | UK National Greenhouse Gas Inventory as submitted to the UNFCCC | N/A                                       |
| F1                  | S7                    | OxF       | Tier 1 Default Value (Annex II MRR)                             | 1                                         |
| F1                  | S3, S4, S1, S2        | NCV       | UK National Greenhouse Gas Inventory as submitted to the UNFCCC | N/A                                       |
| F1                  | S3, S4, S1, S2        | EF        | UK National Greenhouse Gas Inventory as submitted to the UNFCCC | N/A                                       |
| F1                  | S3, S4, S1, S2        | OxF       | Tier 1 Default Value (Annex II MRR)                             | 1                                         |
| F1                  | S9                    | NCV       | UK National Greenhouse Gas Inventory as submitted to the UNFCCC | N/A                                       |
| F1                  | S9                    | EF        | UK National Greenhouse Gas Inventory as submitted to the UNFCCC | N/A                                       |
| F1                  | S9                    | OxF       | Tier 1 Default Value (Annex II MRR)                             | 1                                         |

#### Analytical approaches to be applied to each source stream

The table below lists, for each source stream, where calculation factors are to be determined by analysis.

| Source Stream Refs. | Emission Source Refs. | Parameter | Method of Analysis | Frequency | Laboratory Name | Laboratory ISO17025 Accredited |
|---------------------|-----------------------|-----------|--------------------|-----------|-----------------|--------------------------------|
|                     |                       |           |                    |           |                 |                                |

# Management Procedures

## Monitoring and Reporting Responsibilities

Responsibilities for monitoring and reporting emissions from the installation are listed below.

| Job Title / Post                                | Responsibilities                                                                                                                                                                                                  |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Site Environmental Advisor                      | Responsible for UK ETS and reporting against targets. Detailed collation of relevant UK ETS and CCA data and internal reporting under KCSDB/SOFi. Responsible for collection of meter readings on a monthly basis |
| Safety And Environmental Leader                 | Functional responsible for all site safety, quality and environmental matters                                                                                                                                     |
| Northsite Electrical Engineer (Energy Champion) | Responsible for the coordination of the calibration and maintenance of site meters by gas supplier                                                                                                                |

## Assignment of Responsibilities

Details of the procedure used for managing the assignment of responsibilities for monitoring and reporting within the installation and for managing the competencies of responsible personnel.

This procedure identifies how the monitoring and reporting responsibilities for the roles identified above are assigned and how training and reviews are undertaken.

|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title of procedure                                                          | Routine Environmental Monitoring, Reviewing and Reporting                                                                                                                                                                                                                                                                                                                                 |
| Reference for procedure                                                     | Loss Control Procedure 63                                                                                                                                                                                                                                                                                                                                                                 |
| Diagram reference                                                           |                                                                                                                                                                                                                                                                                                                                                                                           |
| Brief description of procedure                                              | This procedure describes the data collection and reporting methods for the Climate Change Agreement and European Union – Emissions Trading Scheme reporting to the Confederation of Paper Industries. It sets out all roles, responsibilities and competencies of all those involved in UK ETS and CCA reporting. The procedure is audited annually to ensure that it remains up to date. |
| Post or department responsible for the procedure and for any data generated | Site Environmental Advisor                                                                                                                                                                                                                                                                                                                                                                |
| Location where records are kept                                             | Hard copies are kept in the Environmental Advisor's office and electronic copies are stored on the site's main computer file.                                                                                                                                                                                                                                                             |
| Name of IT system used                                                      |                                                                                                                                                                                                                                                                                                                                                                                           |
| List of EN or other standards applied                                       |                                                                                                                                                                                                                                                                                                                                                                                           |

## Monitoring Plan Appropriateness

Details of the procedure used for regular evaluation of the monitoring plan's appropriateness covering in particular any potential measures for the improvement of the monitoring methodology.

|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title of procedure                                                          | Routine Environmental Monitoring, Reviewing and Reporting                                                                                                                                                                                                                                                                                                                                                                                           |
| Reference for procedure                                                     | Loss Control Procedure 63                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Diagram reference                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Brief description of procedure                                              | This procedure ensures that all forms of environmental monitoring and auditing are carried out as a means of measuring the effectiveness of the Environmental, Health and Safety management system. The procedure sets out to ensure compliance with, the site's Greenhouse Gas Permit, Environmental Permit . The procedure is audited by trained competent auditors to ensure that specific areas, including UK ETS, are complete and up to date. |
| Post or department responsible for the procedure and for any data generated | Site Environmental Advisor                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Location where records are kept                                             | Hard copies are kept in the Environmental Advisor's office and electronic copies are stored on                                                                                                                                                                                                                                                                                                                                                      |

|                                       |                                |
|---------------------------------------|--------------------------------|
|                                       | the site's main computer file. |
| Name of IT system used                |                                |
| List of EN or other standards applied |                                |

## Data Flow Activities

Details of the procedures used to manage data flow activities.

|                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title of procedure                                                                                                                                                                                                                                                                                                                                                                                        | Routine Environmental Monitoring, Reviewing and Reporting                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Reference for procedure                                                                                                                                                                                                                                                                                                                                                                                   | Loss Control Procedure 63                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Diagram reference                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Brief description of procedure                                                                                                                                                                                                                                                                                                                                                                            | This procedure describes the actions to be taken to control and monitor energy consumption to satisfy the requirements of the UK ETS, Climate Change Agreement, Greenhouse Gas Permit and the site's Environmental Permit. It includes the responsibilities and required actions should a gas meter or corrector should fail.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Post or department responsible for the procedure and for any data generated                                                                                                                                                                                                                                                                                                                               | Site Environmental Advisor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Location where records are kept                                                                                                                                                                                                                                                                                                                                                                           | Hard copies are kept in the Environmental Advisor's office in the UK ETS file and electronic copies are stored on the site's main computer file.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Name of IT system used                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| List of EN or other standards applied                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| List of primary data sources                                                                                                                                                                                                                                                                                                                                                                              | The meter and corrector readings are collected on the last or first (which ever is the most appropriate) working day of each calendar month. The meter readings are taken by the Environmental Advisor, or in their absence, by one of the Site Services Engineers. The readings are verified against the previous months' readings and against supplier invoices. The gas supplier receives remote telemetry data from the gas meters on a half hourly basis. Hard copies of the meter readings are filed in the Environmental Advisor's office. The data is inputted in a spreadsheet before submission to the UK ETS database.<br>Diesel is available to both the emergency lighting generator and the emergency fire pumps. These are tested annually so consumption is minimised. Consumption is calculated by physically measuring the volume in the supply tanks.                                                                                                                                                                                                                                                                                                                                                                                                     |
| Description of the relevant processing steps for each specific data flow activity.<br><br>Identify each step in the data flow and include the formulas and data used to determine emissions from the primary data. Include details of any relevant electronic data processing and storage systems and other inputs (including manual inputs) and confirm how outputs of data flow activities are recorded | The corrector readings are automatically transferred to our energy supplier, via telemetry systems, on a daily basis. The monthly invoice is sent to our shared service centre in Brighton and from there it is forwarded to the mill. The site Energy Champion then reviews the data to ensure that it accurately reflects the amount of gas consumed. The verified invoice is then forwarded to the Mill Manager for final approval.<br>Once the data has been verified the Environmental Advisor enters the consumption figures into a spread sheet and into the TMC database. Before the final data is submitted the Engineering Leader verifies all entered data is correct against the original invoices and corrector readings. As the data has been submitted to TMC the software package highlights any variation greater than +/-10%. If there is a variation the data is rechecked and an explanation is given for the increase/decrease in monitored consumption.<br>The sites management and performance standards are audited annually to ensure full compliance. Any corrective actions raised are then tracked until completion. the results of the annual audit process are stored electronically in the Environment, Health and Safety files held on site. |

Documents relevant to the recording of data flow activities.

|                   |
|-------------------|
| <b>Attachment</b> |
|                   |

## Quality Assurance of Information Technology used for Data Flow Activities

Details of the procedures used to ensure quality assurance of information technology used for data flow activities.

|                         |                                                           |
|-------------------------|-----------------------------------------------------------|
| Title of procedure      | Routine Environmental Monitoring, Reviewing and Reporting |
| Reference for procedure | Loss Control Procedure 63                                 |

|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Diagram reference                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Brief description of procedure                                              | The gas meter readings are taken from the identified National Grid owned meters. For the UK ETS these numbers are used directly, without any manipulation, and checked against the previous month's usage. Once these figures have been checked they are entered into the TMC database. As the data has been submitted to TMC the software package highlights any variation greater than +/-10%. If there is a variation the data is rechecked and an explanation is given for the increase/decrease in monitored consumption. |
| Post or department responsible for the procedure and for any data generated | Site Environmental Advisor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Location where records are kept                                             | Hard copies are kept in the Environmental Advisor's office and electronic copies are stored on the site's main computer file.                                                                                                                                                                                                                                                                                                                                                                                                  |
| Name of IT system used                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| List of EN or other standards applied                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

## Review and Validation of Data

Details of the procedures used to ensure regular internal reviews and validation of data.

|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title of procedure                                                          | Routine Environmental Monitoring, Reviewing and Reporting                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Reference for procedure                                                     | Loss Control Procedure 63                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Diagram reference                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Brief description of procedure                                              | <p>The corrector readings are automatically transferred to our energy supplier, via telemetry systems, on a daily basis. The monthly invoice is sent to our Shared Service Centre in Brighton and from there it is forwarded to the mill. The site Energy Champion then reviews the data to ensure that it accurately reflects the amount of gas consumed. The verified invoice is then forwarded to the Mill Manager for final approval.</p> <p>Once the data has been verified the Environmental Advisor enters the consumption figures into a spread sheet and into the TMC database. Before the final data is submitted the Engineering Leader verifies all entered data is correct against the original invoices and corrector readings. As the data has been submitted to TMC the software package highlights any variation greater than +/-10%. If there is a variation the data is rechecked and an explanation is given for the increase/decrease in monitored consumption.</p> <p>Once the data has been entered into the TMC website a report is generated that allows for the comparison of that month's usage with the previous month's along with the data for one year previous.</p> <p>The data sent to TMC is further controlled by the review of the final data contained in AEMs. Once this data is checked it is submitted to the verifier by the Environmental Advisor via the ETSWAP system.</p> |
| Post or department responsible for the procedure and for any data generated | Site Environmental Advisor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Location where records are kept                                             | Hard copies are kept in the Environmental Advisor's office and electronic copies are stored on the site's main computer file.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Name of IT system used                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| List of EN or other standards applied                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

## Assessing and Controlling Risks

Details of the procedures used to assess inherent risks and control risks.

|                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title of procedure             | Routine Environmental Monitoring, Reviewing and Reporting                                                                                                                                                                                                                                                                                                                                                                                                                |
| Reference for procedure        | Loss Control Procedure 63                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Diagram reference              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Brief description of procedure | <p>Once the data has been verified and entered into the TMC database the Safety, Quality and Environment Leader reviews both the raw data and the proposed submission. Once the SQE Leader is satisfied that the data is correct they will sign the audit sheet and only then is the data formerly submitted to TMC. Once the data is submitted to TMC, there is a secondary sense check; if the data is at variance +/-10% from the previous month's then a comment</p> |

|                                                                             |                                                                                                                                                                                            |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                             | expalining the difference has to be supplied.<br>The site Energy Champion, along with the Finance Department also scrutinise the gas consumed in order to confirm payment of the invoices. |
| Post or department responsible for the procedure and for any data generated | Site Environmental Advisor                                                                                                                                                                 |
| Location where records are kept                                             | Hard copies are kept in the Environmental Advisor's office and electronic copies are stored on the site's main computer file.                                                              |
| Name of IT system used                                                      |                                                                                                                                                                                            |
| List of EN or other standards applied                                       |                                                                                                                                                                                            |

## Quality Assurance of Metering / Measuring Equipment

Details of the procedures used to ensure quality assurance of measuring equipment.

|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title of procedure                                                          | Routine Environmental Monitoring, Reviewing and Reporting                                                                                                                                                                                                                                                                                                                                                                                           |
| Reference for procedure                                                     | Loss Control Procedure 63                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Diagram reference                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Brief description of procedure                                              | Natural Gas usage is reported from the two parallel fiscal meters located in the gas compound (adjacent to Gatehouse 1). The meters each have a stated accuracy of +/-1.5% and their corresponding correctors +/-1%. The correctors ensure that the data submitted to the National Grid (the meters and correctors owners) is corrected for temperature and pressure. Each meter and corrector are individually identified by unique serial number. |
| Post or department responsible for the procedure and for any data generated | Site Environmental Advisor                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Location where records are kept                                             | Hard copies are kept in the Environmental Advisor's office in the UK ETS file and electronic copies are stored on the site's main computer file.                                                                                                                                                                                                                                                                                                    |
| Name of IT system used                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| List of EN or other standards applied                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

## Corrections and Corrective Actions

Details of the procedures used to handle corrections and corrective actions.

|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title of procedure                                                          | Routine Environmental Monitoring, Reviewing and Reporting                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Reference for procedure                                                     | Loss Control Procedure 63                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Diagram reference                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Brief description of procedure                                              | If discrepancies or errors are found an investigation is performed and remedial action must be taken to both correct the data and (if practicable) to ensure that the fault is not repeated. Records of the fault are kept (along with the original data entry) as hard copies in the UK ETS file and the electronic data entry spread sheet is annotated accordingly. If a mistake is determined by TMC then a "Howler" report is generated and the matter has to be corrected before any further data is submitted.<br>The site's Energy Champion is responsible for monitoring, reporting and recording any malfunctions of the site's gas and electricity meters. Once informed of any malfunction it is the Environmental Advisor's responsibility to report the matter to the Environment Agency. The management of the UK ETS and CCA data is logged on the connected checking board in the Environmental Advisor's office. Any problems or concerns raised are discussed with the SQE Leader in the weekly review with the Environmental Advisor. These problems will continue to be tracked through the weekly meeting schedule until they are resolved. |
| Post or department responsible for the procedure and for any data generated | Site Environmental Advisor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Location where records are kept                                             | Hard copies are kept in the Environmental Advisor's office file and electronic copies are stored on the site's main computer file.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Name of IT system used                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| List of EN or other standards applied                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## Control of Outsourced Activities

Details of the procedures used to control outsourced processes.

|                                                                             |                                                                                                                                                                          |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title of procedure                                                          | CPI/TMC Data Capture Process                                                                                                                                             |
| Reference for procedure                                                     | Loss Control Procedure 63                                                                                                                                                |
| Diagram reference                                                           |                                                                                                                                                                          |
| Brief description of procedure                                              | A web-based data capture application is controlled by CPI/TMC and the procedures relate how the mill collects and submits the data and then checks the database outputs. |
| Post or department responsible for the procedure and for any data generated | Site Environmental Advisor                                                                                                                                               |
| Location where records are kept                                             | Hard copies are kept in the Environmental Advisor's office and electronic copies are stored on the site's main computer file.                                            |
| Name of IT system used                                                      |                                                                                                                                                                          |
| List of EN or other standards applied                                       |                                                                                                                                                                          |

## Record Keeping and Documentation

Details of the procedures used to manage record keeping and documentation.

|                                                                             |                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title of procedure                                                          | Document Control                                                                                                                                                                                                                                                                                                                         |
| Reference for procedure                                                     | Loss Control Procedure 67                                                                                                                                                                                                                                                                                                                |
| Diagram reference                                                           |                                                                                                                                                                                                                                                                                                                                          |
| Brief description of procedure                                              | All records pertaining to UK ETS and CCA are held in hard copy form in the Environmental Advisor's office for a period of no less than 10 years. Electronic copies are stored on the site's main drive in a dedicated environmental folder. It is the responsibility of the Environmental Advisor to develop and maintain these records. |
| Post or department responsible for the procedure and for any data generated | Site Environmental Advisor                                                                                                                                                                                                                                                                                                               |
| Location where records are kept                                             | Hard copies are kept in the Environmental Advisor's office and electronic copies are stored on the site's main computer file.                                                                                                                                                                                                            |
| Name of IT system used                                                      |                                                                                                                                                                                                                                                                                                                                          |
| List of EN or other standards applied                                       |                                                                                                                                                                                                                                                                                                                                          |

## Environmental Management System

|                                                                     |     |
|---------------------------------------------------------------------|-----|
| Standard to which the Environmental Management System is certified: | N/A |
|---------------------------------------------------------------------|-----|

## Abbreviations

Abbreviations, acronyms or definitions referred to in the monitoring plan

| Abbreviation | Definition                                                                                                                          |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------|
| CPI          | Confederation of Paper Industries - the industry trade body                                                                         |
| TMC          | The Paper Sector Climate Change Management Co Ltd - technical consultant (and CPI subsidiary) in relation to CCA and EU ETS matters |

# Monitoring methodology plan

## Installation description

### Installation details

|                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Describe the installation and its main processes | The installation is a bathroom tissue manufacturing facility with a daily production of approximately 112 tonnes. There is a tissue machine and related conversion assets operating on the site which is owned and operated by Kimberly-Clark Corporation Ltd. As part of the tissue drying process up to four 12MW gas fired boilers are used to generate the 26 tonnes of steam required per hour. Mains gas is also utilised for the drying hoods on the tissue machine which has an energy input of up to 4000kW. It is the operation of Kimberly-Clark's boiler house and drying hoods that gives rise to the production of carbon dioxide. There is also a number of de-minimis sources at the site. The site is located directly adjacent to the River Thames' south bank in Northfleet in Kent. The site only has one sub-installation and this is represented by a product benchmark. The product benchmark is "tissue" (carbon leakage status applies), which is produced on a paper making asset; TM3. The activity level is calculated by sensors detecting the weight of the paper and the speed at which the sheet is moving. Emission sources S8-S14 are accounted as de-minimis site maintenance activities and are excluded from the product benchmark sub-installation for allocation purposes. S11 is an electricity generator and therefore ineligible for allocation. Reference to a flow diagram: KC Northfleet flow diagram - August 2021 |
| Upload a flow diagram                            | UK-E-IN-11467 Process Flow Diagram.docx                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

## Sub-installations

### Sub-installations with product benchmarks

| Sub-installation type | Carbon leakage |
|-----------------------|----------------|
| Tissue                | Exposed        |

### Sub-installations with fallback approaches

| Sub-installation type | Carbon leakage |
|-----------------------|----------------|
|-----------------------|----------------|

## Sub-installation with product benchmark: Tissue

### Sub-installation details

|                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Product benchmark                                       | Tissue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Describe the system boundaries of this sub-installation | The boundaries of the Tissue product benchmark sub-installation encompass the tissue making machines. Emission sources included under the product benchmark are S1-S7 (GM1 & 2) as can be seen from the flow diagram in section C of this report. Other emissions are accounted as de-minimis site maintenance activities and are excluded from the sub-installation for allocation purposes. GM1 is used for the production of steam. GM2 is used for heat production for drying on the hoods. Natural gas (F1) is used for both of these streams. |

## Annual production levels (activity)

| Data sources           | Source 1 | Source 2 |
|------------------------|----------|----------|
| Quantities of products | 4.4.(c)  | 4.4.(c)  |

|                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Method used to determine the annual quantity of products                       | 5. (a) based on continual metering at the process where the material is consumed or produced                                                                                                                                                                                                                                                                                                                                                                            |
| Description of methodology applied for each data source                        | The tonnes of paper produced by tissue machines (calculated at 6% moisture content) are weighed as they come off of the paper machines. This is reported through a monthly efficiency and reliability document. The weigh scales are calibrated regularly to within a 2% margin of error. Other data source (corroborative) - There are daily checks between converted tissue and weighed reels<br>Reference to external files, if relevant: Loss Control Procedure #63 |
| Has the hierarchical order been followed                                       | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Reason for not following the hierarchy                                         | Unreasonable costs                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Provide more details on any deviation from the hierarchy                       | Current scales do not meet the requirements for 4.4.b. An unreasonable costs form has been submitted to install scales compliant with 4.4.b.                                                                                                                                                                                                                                                                                                                            |
| Description of the methodology used for keeping track of the products produced | Only one material is made on site, all production is assigned against it. The prodcom code for this product is 17.12.20.55 (21122155 under Prodcom 2007).                                                                                                                                                                                                                                                                                                               |

## Imported measurable heat flows from non-ETS

|                                                                                      |    |
|--------------------------------------------------------------------------------------|----|
| Are there any measurable heat flows imported from non-ETS installations or entities? | No |
|--------------------------------------------------------------------------------------|----|

## Directly attributable emissions

|                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Attribution of directly attributable emissions | Emissions from point GM1 & GM2 are attributed to the product benchmark. All other site emissions result from de-minimis site maintenance activities and are excluded from the attribution.<br>For F1 natural gas, the National Inventory values of properties which are published annually present Tier 2a values for NCV and EF. These along with a Tier 1 value (MRR Annex II, Section 2.3) for OxF are used in the following equation that enables the emission to be calculated: $\text{CO}_2 \text{ emission} = \text{Activity} \times \text{NCV} \times \text{EF} \times \text{OxF}$ (where EF is in terms of tCO <sub>2</sub> /unit energy) |
| Are further internal source streams relevant?  | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

|                                                          |    |
|----------------------------------------------------------|----|
| Is any transferred CO <sub>2</sub> imported or exported? | No |
|----------------------------------------------------------|----|

## Fuel input and relevant emission factor

|                                                   |     |
|---------------------------------------------------|-----|
| Is fuel input relevant for this sub-installation? | Yes |
|---------------------------------------------------|-----|

|                             |          |
|-----------------------------|----------|
| Data sources for fuel input | Source 1 |
| Fuel input                  | 4.4.(a)  |
| Weighted emission factor    | 4.6.(a)  |

|                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Description of methodology applied for each data source | Fuel input for the sub-installation is F1 natural gas which is monitored and reported on annually in the AEM report. EF is that determined for natural gas in the LDZ each year. As shown on the flow diagram, GM1 covers only S1-S4 and GM2 covers S7. Fuel input is therefore determined from readings of these measurement devices in accordance with the approved MP.<br>Weighted emissions factor = Total emissions divided by the energy input to this sub-installation. |
| Has the hierarchical order been followed                | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

## Imported and exported measurable heat

|                                                                            |                                                                                           |
|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Is any measurable heat imported to or exported from this sub-installation? | No, we do not have any measurable heat imported to or exported from this sub-installation |
|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|

## Waste gas balance

|                                                              |                                                                      |
|--------------------------------------------------------------|----------------------------------------------------------------------|
| Are there any waste gas activities at this sub-installation? | No, we do not have any waste gas activities at this sub-installation |
|--------------------------------------------------------------|----------------------------------------------------------------------|

## Methods at installation level

### Physical parts of the installation and units which serve more than one sub-installation

|                                                                                                       |    |
|-------------------------------------------------------------------------------------------------------|----|
| Are there any physical parts of the installation or units which serve more than one sub-installation? | No |
|-------------------------------------------------------------------------------------------------------|----|

## Data gaps and double counting

|                                                                          |  |
|--------------------------------------------------------------------------|--|
| Methods used for ensuring that data gaps and double counting are avoided |  |
|--------------------------------------------------------------------------|--|

## Procedures

### Assignment of Responsibilities

|                                                     |                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the procedure                               | Routine Environmental Monitoring, reviewing and reporting                                                                                                                                                                                                                                                                                                                                 |
| Procedure reference                                 | Loss control procedure 63                                                                                                                                                                                                                                                                                                                                                                 |
| Diagram reference                                   | N/A                                                                                                                                                                                                                                                                                                                                                                                       |
| Procedure description                               | This procedure describes the data collection and reporting methods for the Climate Change Agreement and European Union – Emissions Trading Scheme reporting to the Confederation of Paper Industries. It sets out all roles, responsibilities and competencies of all those involved in EU ETS and CCA reporting. The procedure is audited annually to ensure that it remains up to date. |
| Department or role responsible for data maintenance | Environmental Advisor                                                                                                                                                                                                                                                                                                                                                                     |
| Location of records                                 | Environmental Advisors office & ETQ document control system                                                                                                                                                                                                                                                                                                                               |
| IT system used                                      | Document control through ETQ system                                                                                                                                                                                                                                                                                                                                                       |
| List of EN or other standards applied               | N/A                                                                                                                                                                                                                                                                                                                                                                                       |

### Monitoring plan appropriateness

|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the procedure                               | Routine Environmental Monitoring, reviewing and reporting                                                                                                                                                                                                                                                                                                                                                                                           |
| Procedure reference                                 | Loss control procedure 63                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Diagram reference                                   | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Procedure description                               | This procedure ensures that all forms of environmental monitoring and auditing are carried out as a means of measuring the effectiveness of the Environmental, Health and Safety management system. The procedure sets out to ensure compliance with, the site's Greenhouse Gas Permit, Environmental Permit . The procedure is audited by trained competent auditors to ensure that specific areas, including EU ETS, are complete and up to date. |
| Department or role responsible for data maintenance | Environmental Advisor                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Location of records                                 | Environmental Advisors office & ETQ document control system                                                                                                                                                                                                                                                                                                                                                                                         |
| IT system used                                      | Document control through ETQ system                                                                                                                                                                                                                                                                                                                                                                                                                 |
| List of EN or other standards applied               | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

### Data flow activities

|                                         |                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the procedure                   | Routine Environmental Monitoring, reviewing and reporting                                                                                                                                                                                                                                                                     |
| Procedure reference                     | Loss control procedure 63                                                                                                                                                                                                                                                                                                     |
| Diagram reference                       | N/A                                                                                                                                                                                                                                                                                                                           |
| Procedure description                   | This procedure describes the actions to be taken to control and monitor energy consumption to satisfy the requirements of the EU ETS, Climate Change Agreement, Greenhouse Gas Permit and the site's Environmental Permit. It includes the responsibilities and required actions should a gas meter or corrector should fail. |
| Department or role responsible for data | Environmental Advisor                                                                                                                                                                                                                                                                                                         |

|                                       |                                                             |
|---------------------------------------|-------------------------------------------------------------|
| maintenance                           |                                                             |
| Location of records                   | Environmental Advisors office & ETQ document control system |
| IT system used                        | Document control through ETQ system                         |
| List of EN or other standards applied | N/A                                                         |

## Control activities

|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the procedure                               | Northfleet Doc Ref Phase IV & GHG risk assesment                                                                                                                                                                                                                                                                                                                                                                 |
| Procedure reference                                 | Risk assesment                                                                                                                                                                                                                                                                                                                                                                                                   |
| Diagram reference                                   |                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Procedure description                               | Northfleet Doc ref Phast Iv: A risk assesment for the controlled activities contained within the monitoring and reporting that is conducted on site with regards to ensuring the reliability of the meter readings. Northfleet GHG Risk assesment: These items are also referenced in the riask assesment document which documents the control measures with regards to specified activities undertaken on site. |
| Department or role responsible for data maintenance | Environmental Advisor                                                                                                                                                                                                                                                                                                                                                                                            |
| Location of records                                 | Environmental Advisors office & Site wide computer network                                                                                                                                                                                                                                                                                                                                                       |
| IT system used                                      |                                                                                                                                                                                                                                                                                                                                                                                                                  |
| List of EN or other standards applied               |                                                                                                                                                                                                                                                                                                                                                                                                                  |

## Energy flows

### Fuel input flows

| Data sources   | Source 1 | Source 2 |
|----------------|----------|----------|
| Fuel input     | 4.4.(a)  | 4.4.(d)  |
| Energy content | 4.6.(a)  |          |

|                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Description of methodology applied for each data source</b> | <p>All fuel inputs are monitored in accordance with the approved monitoring plan.</p> <p>Natural gas (F1), is monitored via continual metering through two gas meters (GM1 is gas for boilers S1-S4, GM2 is gas for machine hoods S7) and their corresponding correctors within the gas compound. The metering installation is owned by NG/Transco. The natural gas is the single major source stream serving the paper mill processes. The activity for F1 is thus determined by metering. The readings from gas meters GM1 &amp; GM2 can be corroborated with the uncorrected meter readings (4.4(d) meters owned by NG/Transco).</p> <p>Diesel/gasoil, F2, is used for fuelling emergency and temporary equipment. It is a de-minimis source stream. Activity is determined from tank dips and invoices. S11 is an electricity generator which is not eligible for allocation and is excluded.</p> <p>Acetylene, F3, is used for engineering purposes including cutting and welding. It is a de-minimis source stream. Activity is determined from invoices and bottle counts.</p> <p>LPG, F5, is used for heating and engineering purposes. It is a de-minimis source stream. Two activities are determined: that for localised heating and hot work from invoices and bottle counts; and that for the technical block heating boiler from invoices minus the consumption by forklift trucks (which also draw from the supply tank).</p> <p>For F1, F2 and F5, the National Inventory values of properties which are published annually present Tier 2a values for NCV and EF. For F3, the value of EF is determined by stoichiometry.</p> <p>Reference to external files, if relevant: Gas Meter Readings Spreadsheet</p> |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                          |     |
|------------------------------------------|-----|
| Has the hierarchical order been followed | Yes |
|------------------------------------------|-----|

### Measurable heat flows of imports, exports, consumption and production

|                                                          |          |
|----------------------------------------------------------|----------|
| Are measurable heat flows relevant for the installation? | Yes      |
| Data sources                                             | Source 1 |
| Quantification of measurable heat flows                  | 4.5.(f)  |
| Net measurable heat flows                                | 7.2.(d)  |

|                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Description of methodology applied for each data source  | <p>Heat meters, although installed have not historically been used and won't be going forward into Phase IV, this is because they are not a reliable system and cannot be accessed for daily review and can develop faults.</p> <p>Therefore, measurable heat flows are determined based on the fall-back 70% boiler efficiency multiplied by the fuel input. The fuel input is determined using the fiscal meter GM1 (S1-S4) as defined in the monitoring plan. Readings are logged in the gas meter readings spreadsheet available on the common folder. GM1 also has uncorrected meters associated with it, this can be used to corroborate the meter readings.</p> <p>GM1 supplies the boiler house (S1-S4) and represents the measurable heat (steam) on site.</p> <p>Measurable Heat: <math>TJ = \text{fuel input (GM1)} * \text{Reference efficiency (70\%)}</math>.</p> <p>This assumes a 70% efficiency for fuel conversion into heat as permitted in the guidance. Since the free allocation at this site is determined by a product benchmark rather than a heat benchmark, we believe this method is sufficiently accurate.</p> <p>Reference to external files, if relevant: Gas Meter Readings Spreadsheet</p> |
| Has the hierarchical order been followed                 | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Reason for not following the hierarchy                   | Unreasonable costs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Provide more details on any deviation from the hierarchy | An unreasonable costs tool has been supplied, with supporting word document, demonstrating that re-commissioning of heat meters to a state where they would provide reliable and accurate data is deemed unreasonable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

### Waste gas flows of imports, exports, consumption and production

|                                                    |    |
|----------------------------------------------------|----|
| Are waste gas flows relevant for the installation? | No |
|----------------------------------------------------|----|

### Electricity flows of imports, exports, consumption and production

|                                                  |    |
|--------------------------------------------------|----|
| Is electricity produced within the installation? | No |
|--------------------------------------------------|----|