Briefing Note: Medium Combustion Plant (MCP) and Specified Generators (SG) update – England only.

26th June 2023

SCAIL Combustion Screening tool update

The Simple Calculation of Atmospheric Impact Limits (SCAIL) Combustion tool is now live! We have also published <u>guidance</u> which explains how the tool is to be used for bespoke permit applications in England. See below for more details.

General reminder

To comply with the requirements of the Environmental Permitting Regulations (EPR), Schedule 25A & 25B **you can now apply** for a permit from the Environment Agency (EA) for the following:

- New standalone MCPs between 1-50MWth (before it is commissioned)
- Existing standalone MCPs between 5-50MWth (must be permitted by 1st January 2024)

We recommend that you make an application as soon as possible.

Applications for standard rules and simple bespoke permits should be made by the September 30th 2023 at the latest.

• Tranche A and B specified generators (permitting date requirement varies)

Please note: The following parts of this briefing note are technical in nature and may require background knowledge of MCP&SG regulations. If you are new to the requirements, then we recommend that you read our guidance pages starting here: Medium combustion plant and specified generator regulations - GOV.UK (www.gov.uk) There is also a leaflet here which you may find useful.

Standard rules (SR) permit for new and existing low risk stationary MCPs

The EA has published a revised SR2018 No7 which will now mean it can be used for existing low risk stationary MCPs 5-20MWth in addition to new MCPs 1-20MWth.

We have also published a new SR2022 No9 which is for new 1-20MWth and existing 5-20MWth low risk, stationary MCP which are natural gas boilers.

You can view the available standard rules here.

To apply for a SR permit you must be able to meet the rules set out in the permit, if you cannot you need to apply for a bespoke permit.

The MCP and SG standard rules application form is located here. The application form contains a handy rule set helper which will confirm if you can meet the criteria for an MCP or SG SR permit. Since launching at the end of March 2023 there have been a few bugs identified in the SR application form, these have now been fixed and version 5.1 of the form is now available using the above link, please delete any earlier versions you may have downloaded and use this new version for all future applications.

If you already have a SR2018 No7 permit and you now want to add some existing MCPs at the same site then you should use the same application form as you would if applying for a new SR permit here. The application form will ask you for the details of your current permit. In the application form tell us about the plant you want to add to that permit and pay a charge relevant to the number of plant being added under this application. Following determination of the permit you will be issued with a new appendix A which will list all the permitted plant at this site.

Operators who already have a SR2018 No7 permit should have received an email explaining how they will transition to the revised rule set at the end of March 2023. If you do not receive this communication, it could be because you have not updated your contact details with us since you applied for the permit. A copy of the letter can also be viewed here.

Some of the frequently asked questions about MCP and SG SR permits can be found in our recent <u>consultation response</u>.

Standard Rules permit applications for in scope existing MCPs should be made by the 30th September 2023.

Bespoke permits for existing standalone MCP 5-50MWth

If you cannot meet the conditions in a standard rules permit, you must apply for a bespoke permit. There are 2 types:

- simple bespoke (low risk) does not require detailed air dispersion modelling
- complex bespoke (high risk) does require detailed air dispersion modelling

We have updated our <u>guidance</u> so that you can assess which type of bespoke permit you must apply for and the information you will need to provide.

We have updated the air emissions risk assessment process breaking it down into stages.

Stage 1 provides a minimum screening distance to a protected habitat, if you are operating MCP outside of these distances then you can apply for a simple bespoke permit. Please note these screening distances were amended in March 2023 and are now linked to the thermal input and fuel types used.

Simple bespoke permit applications for existing MCPs should be made by the 30th September 2023.

If you are within the stage 1 screening distances, then you should move to a stage 2 assessment. This involves using the <u>simple calculation of atmospheric impact limits</u> (<u>SCAIL</u>) <u>Combustion tool</u> to do an air emissions risk assessment. The output of the screening and subsequent assessment will determine if you:

- 'Screen out' and need to apply for a low-risk simple bespoke permit
- 'Screen in' and need to apply for a high-risk complex bespoke permit.

Follow the <u>guidance</u> on how to use SCAIL combustion tool and assess the outputs. You will need specialist knowledge to use it. You should find an air quality consultant to do it for you.

If you do not use the SCAIL combustion tool and guidance to carry out a stage 2 air emissions risk assessment, you will need to apply for a complex bespoke permit.

Complex bespoke permits will require you to send us a detailed air dispersion modelling report. You must also include information about any actions you are taking to reduce air impacts to prevent harm to a habitat. Detailed modelling requires specialist knowledge. You should find an air quality consultant to do it for you.

Complex bespoke permit applications should be made as soon as possible but before the 31st December 2023 at the latest.

The application forms for a new bespoke permit application for MCPs and SG have been updated and can be found here.

Variations to bespoke permits

Application forms to vary a bespoke permit can be found here.

The type of variation (minor or normal) depends on the change that is being made.

The application charge is based on whether the original permit being varied is complex bespoke (1.10.2) or simple bespoke (1.10.3). This extract is from the charging scheme:

Table 1.10 Combustion and power							
Ref	Activity	Permit application	Minor variation	Normal variation	Substantial variation	Transfer application	Surrender application
1.10.1	Section 1.1 - combustion plant - rated thermal input of 50MWth or more.	£19,103	£5,731	£9,552	£17,193	£2,459	£11,462
1.10.2	Medium combustion plant site – requires dispersion modelling.	£6,550	£1,965	£3,275	£5,895	£2,459	£3,930
1.10.3	Medium combustion plant site – does not require dispersion modelling.	£2,028	£608	£1,014	£1,825	£2,459	£1,217

Table 1.10 Combustion and power

Here are some examples:

Adding more MCPs to a complex bespoke permit

If your original permit was a complex bespoke and the existing MCP was included in the air dispersion modelling report (ADMR) which was submitted during determination of that permit you may use this ADMR again when you apply to vary the permit providing there have been no changes, such as to fuel types with additional pollutant emission limits or increase in operating hours. The charge would be for a minor variation to a complex bespoke permit ref 1.10.2 - £1,965.

Likewise, if the plant to be added screens out as low risk using the stage 1 air emissions risk assessment guidance this would also be considered a minor variation charge ref 1.10.2 £1,965 and no additional modelling would be required to be submitted.

If existing plant was not included in the original ADMR and you cannot screen out using stage 1 air emissions risk assessment guidance, then you will need to submit another ADMR which does include both new and existing combustion plant. You may want to future proof this report to include all combustion plant on site – for example MCPs 1-5 MWth. The charge would be a normal variation to a complex bespoke permit ref 1.10.2 - £3,275

Adding more MCPs to a simple bespoke permit

If your original permit was a simple bespoke which didn't require you to have submitted ADMR and you now want to add existing plant which also meets the criteria for a simple bespoke permit you should pay the normal variation charge ref 1.10.3 - £1,014.

Complex bespoke specified generator permit is now also an MCP

If you already have a complex bespoke permit for a specified generator and that plant will now need permitting as an existing MCP you will need to make an application to vary your permit. The type of application you need to make, the charge and the supporting information will vary depending on the circumstances:

- If your permitted plant burns natural gas or gas oil it will retain the same emission limit values in the permit, this means that we will not need to reassess any air quality emissions assessments/modelling - you should make a minor variation application ref 1.10.2 - £1,965.
- If the emission limit values will change when we add the MCPD requirements because you are burning a fuel which has dust and SO₂ emissions, you may need to provide a revised d air quality modelling report (if not previously provided to assess these risks) particularly where habitats are present within the minimum screening distances given in the <u>guidance</u>. In these cases, you will need to make a normal variation application ref 1.10.2 £3,275.

EA review of MCPs which are listed as part of an Industrial Emissions Directive (IED) permit

For existing MCP between 5-50MWth which are listed as part of an Industrial Emissions Directive (IED) permit we will carry out a review of these permits to ensure they are MCPD compliant as a minimum.

Reviews of permits in the industrial food, drink and milk and biowaste sectors are already underway as part of a wider review programme. Where a review is not already planned, we will send out Regulation 61 notices requiring the necessary Medium Combustion Plant Directive (MCPD) Annex 1 information in summer 2023 and carry out agency-initiated variations where necessary during 2024. There is a separate more detailed briefing available about this process which was last updated in March 2022 here.

Existing MCPs which have a 1.1 Part B and 5.1 Part B permit

For existing MCP which currently hold a permit for Environmental Permitting Regulation Schedule 1, Part 2, Chapter 1, Section 1.1. Part B activity (unit greater than or equal to 20MWth) or a Schedule 1, Part 2, Chapter 5, Section 5.1 Part B (burning of waste biomass as described in Article 3 (18) (b) of the MCPD) permit with the Local Authority we will provide further briefings in the future about when and how your permit will transfer to the Environment Agency as the regulator on the 1st January 2024.

When the transfer takes place, we will also review and possibly vary your permit to ensure it meets MCPD requirements before the compliance deadline of 1st January 2025.

Existing MCPs that are part of a Part A2 facility regulated by the Local Authority (LA)

For MCP(s) at Part A2 facilities regulated by LA's, we are still working on preparations to ensure compliance with MCPD of in scope combustion plant at these facilities and determine who the regulator will be. We will update you with more information in a future briefing note.

EA review of MCPs which are part of a waste permitted facility

For existing MCP between 5-50MWth which are listed as part of a waste permit (non IED) and the air emissions risks has already been assessed we will carry out a review of these permits to ensure they are MCPD and SG compliant as a minimum.

We will send out Regulation 61 notices requiring the necessary Medium Combustion Plant Directive (MCPD) Annex 1 information later in 2023 and carry out agency-initiated variations where necessary during 2024.

If an MCP and/or SG is absent from the permit, then the operator will need to make an application at the appropriate time. MCP and/or SG which is associated to the waste activities taking place will likely require a variation to the existing permit. MCP and/or SG which is not associated to the waste activity will require a standalone separate permit.

Specified Generators

We have published a revised specified generator tool <u>here.</u> You can now use this tool as part of an air emissions risk assessment for a bespoke application if you operate one of the following:

- Tranche B or Tranche A specified generator site, or a mix of Tranche A and B specified generator site where all Tranche A generators comply with the Tranche B requirements
- single or group of new or existing engines that can achieve the medium combustion plant directive and, or specified generator emission limit values
- specified generator or generators that have vertical stacks without cowls or caps
- specified generator or generators that are fuelled by natural gas, that is, there
 are insignificant emissions of sulphur dioxide and particulates or, are fuelled
 by ultra-low sulphur diesel with secondary abatement, used for balancing (no
 more than 500 hours), and aggregated to no more than 20MWth

SCAIL Combustion tool should not be used for applications that include Specified Generators.

If you cannot use the specified generator tool, then you can screen the emissions using our <u>air emissions guidance</u> where there are no habitats or carry out detailed air dispersion modelling.

New email address for standard rules permit holders

The way that you correspond with us regarding your standard rules permit is changing.

The <u>MCPDHelp mailbox</u> introduced to help with the implementation of the Medium Combustion Plant Directive during 2018, is no longer fully monitored and will shortly be completely closed.

For submitting monitoring returns and correspondence to us regarding compliance and billing you should now use the replacement mailbox MCPReturns@environment-agency@gov.uk.

This does not affect any compliance data submitted through the MCPDHelp to date.

Please ensure you include your permit number in any correspondence with us.

Providing correct contact details

It is important you ensure we hold up to date contact details of the people in your business responsible for compliance with this Standard Rules Permit in order that we can continue to undertake compliance activities in an effective and efficient manner.

Your Environmental Management System, required by Condition 1.1.1 of your Standard Rules Permit is an appropriate place for you manage change in personal responsible for compliance and corresponding with the regulator.

Please provide any updates to contact details using MCPReturns@environment-agency@gov.uk

Bespoke permit holders should contact their local compliance officer to manage any changes to contact details.

Developing an online apply for and manage environmental permissions service

The Environment Agency has an ongoing project which is developing an online portal which would support individuals/businesses/representatives to make permit applications and provide an account to help you manage the permissions you already hold.

If you would like to take part in user research and test an early beta prototype, then please email Katie.Walker@environment-agency.gov.uk for more information or to sign up. We are particularly looking for operators or consultants who will be making applications for new plant in early 2024.

Pre-application advice

Did you know we offer a <u>pre-application advice service?</u> You can use the service to make sure your permit application is correct. To access the service for MCP and SG applications use the 'installations activities' link towards the bottom of the page.

We have also produced some flow charts to help you:

Overview of MCPD and SG requirements

Stationary MCP air emissions risk assessment for protected habitats (updated June 23)

Guidance

There are several guidance pages available on our website which give a more detailed understanding of the regulations when you need a permit and how to apply and comply.

This <u>document</u> provides the hyperlinks to all MCP & SG related guidance and application forms on our website to make it easier to navigate.

If you have any other questions

Please read the guidance here

If you have any questions about specific permit applications, you can access preapplication support <u>here</u>, selecting the 'installations activities' form.

You can join our mailing list here

All other enquiries can be made to enquiries@environment-agency.gov.uk or call us on 03708 506 506

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