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

27th March 2023

To comply with the requirements of the Environmental Permitting Regulations (EPR), Schedule 25 **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)
- Tranche A and B specified generators (permitting date requirement varies)

We recommend that you make an application for standard rules and simple bespoke permits for existing standalone MCPs between 5 - 20 MWth as soon as possible to meet the regulatory requirement for a permit before the 1^{st} January 2024.

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: <u>Medium combustion plant and specified generator regulations - GOV.UK</u> (www.gov.uk) There is also a leaflet <u>here</u> which you may find useful.

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.

On the 27th March 2023 the EA made some updates to the following guidance pages so that we can start receiving applications for existing medium combustion plant between 5-50MWth:

Medium combustion plant and specified generator permits: how to comply - GOV.UK (www.gov.uk)

- Replaced link and reference to monitoring stack emissions: low risk MCPs and specified generators
- Updated text under records and reporting to account for first monitoring requirements of new and existing plant.
- Added new text around how to vary, cancel or transfer standard rules and bespoke permits

<u>Medium combustion plant and specified generators: environmental permits -</u> <u>GOV.UK (www.gov.uk)</u>

- Amended text under the deadline for getting a permit.
- Amended text for clarity under IED chapter 2 permits affected by the regulations

<u>Medium combustion plant: apply for an environmental permit - GOV.UK</u> (www.gov.uk)

- Amended table heading for charges for standard rules to reflect amended and new standard rules sets relating to MCPs
- Removed reference to charges for biogas and anaerobic digestion
- Amended text under stage 1 air emissions risk assessment for clarity
- Added new text under stage 2 air emissions risk assessment to clarify position regarding use of SCAIL combustion tool for existing MCP applications
- Removed the link to 'find a consultant'

Medium combustion plant (MCP): comply with emission limit values - GOV.UK (www.gov.uk)

- Removed text under ELV to use for landfill gas engines relating to when you need a permit to make the guidance simpler
- Under title MCP located near a habitat site added that marine conservation zones are also considered to be a habitat site.
- Under stack arrangements added text to make operators aware of other permissions relating to stack arrangements
- Added text under monitoring requirements to distinguish between first monitoring requirements for standard rules and bespoke permits
- Removed reference to application open dates
- Under monitoring standards, text amended to make clear when you can use the low-risk method.

Medium combustion plant: when you need a permit - GOV.UK (www.gov.uk)

- Amended text under when a MCP is classed as new or existing and the meaning of 'put into operation'
- Under permitting and compliance dates amended text for 1 January 2024 permitting deadline to show that we are now open for permit applications

Specified generator: apply for an environmental permit - GOV.UK (www.gov.uk)

- Under charges for standard rules added text about charges where the plant is also a new MCP
- Under title air emissions risk assessment added in that the specified generator tool can now also be used for tranche A specified generators
- Removed the link to 'find a consultant'

• Added more guidance on which monitoring methods should be used for different types of permits for specified generators

Specified generators: dispersion modelling assessment - GOV.UK (www.gov.uk)

- Amended the reference to the specified generator tool to make it clear that it can also be used for Tranche A specified generators.
- Under title impact on protected habitats added that marine conservation zones also need considering for NOx impacts.

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
- <u>Stationary MCP air emissions risk assessment for protected habitats</u>

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.

There is a revised MCP and SG standard rules application form <u>here</u>. You must use this new form for all SR applications for MCP and SG, we will stop accepting the old version of the forms from today. 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.

Operators who already have a SR2018 No7 permit will receive an email explaining how they will transition to the revised rule set this week. 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. Contact <u>MCPDHelp@environment-agency.gov.uk</u> to let us know your new contact details. A copy of the letter can also be viewed <u>here.</u>

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 <u>here</u>. 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.

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

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.

If you are within the stage 1 screening distances, then you should move to a stage 2 assessment. Stage 2 assessment will involve using a screening tool called 'SCAIL combustion'. It is still under development but is expected to be available by the 31st May 2023. If you wish to apply for a permit before SCAIL is available, you can apply for a complex bespoke.

The application forms for a new bespoke permit application for MCPs and SG have been updated and can be found <u>here</u>. Application forms to vary a bespoke permit can be found <u>here</u>. We will not accept any applications using old versions of forms B2.5 or C2.5 from the 30th April 2023.

If you already have a complex bespoke permit for your new plant and you now want to add existing plant, you will need to make a variation application. Provided existing plant was included in the original 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.

If existing plant was not included in the original ADMR and you cannot screen out using the 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.

If you already have a 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.
- 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.

Monitoring requirements for MCPs

For new MCP: The first monitoring measurements shall be carried out within four months of the issue date of the permit or the date when the MCP is first put into operation, whichever is later.

Follow up monitoring will also be required to the frequency and standard specified <u>here.</u>

For existing MCP 5-50MWth: Monitoring results obtained within the last 2 years can be submitted with your permit application as demonstration of compliance with MCP emission limit values. Otherwise, it must be provided within 4 months of the permit being issued for Standard Rules Permits and no later than the compliance deadline (1st January 2025) for bespoke permits. Monitoring should conform to the monitoring standards relevant to your combustion plant – see <u>here</u> to select the most appropriate monitoring standard.

This approach therefore gives a large window of opportunity for the first monitoring measurement to be taken and for operators to demonstrate that they can meet the required ELVs from the <u>MCPD</u>. We recommend doing this as early as possible to ensure you can comply or take steps to modify or replace plant if required before the compliance deadline.

Follow up monitoring will be from the date you carried out the first monitoring used to demonstrate compliance as described above providing it was accepted by the EA as being representative. There is more guidance on monitoring requirements <u>here</u>

For limited operating hours MCP (i.e., running less than 500 hours per annum) which includes back-up generators:

Whilst there are no ELVs which need to be met for this type of plant there are still requirements for monitoring which will need to be submitted to the EA. This includes a requirement for first monitoring and follow up monitoring.

Any monitoring of limited operating hours plant will need to follow this method: <u>Monitoring stack emissions: low risk MCPs and specified generators - GOV.UK</u> (www.gov.uk)

The frequency of follow up monitoring is given in the guidance here.

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 <u>here.</u>

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.

When the transfer takes place, we will also review and possibly vary your permit to ensure it meets MCPD requirements.

Plant between 5-50 MWth input capacity are likely to be transferred to the EA during 2024 but before the compliance deadline of 1st January 2025.

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 with a process of how and when this will happen.

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 should not be used for applications that include Specified Generators.

If you have any 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 <u>here</u>

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