

Briefing Note: Review of existing medium combustion plant (MCP) on industrial emissions directive (IED) permits

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Existing MCP between 5-50MWth listed as a DAA (directly associated activity) or as a S1.1 Part A(1) (a) activity at a chapter II or chapter III (excluding Large Combustion Plant) IED installation must have the requirements of the medium combustion plant directive (MCPD) applied to the permit as a best available technique (BAT) and comply by 1st January 2025.

Any combustion activities listed in installation permits either as activities or by virtue of their point source discharge points being included in schedule 3 of the permit, are interpreted by the Environment Agency's (EA) as already permitted and therefore meet the regulatory requirement for a permit by the 1st January 2024.

This briefing sets out how the EA intends to implement these requirements in England.

What is in the scope of a MCP BAT review?

IED combustion activities between 1-50 MWth listed as a S1.1. Part A(1)(a) at chapter II and chapter III (excluding Large Combustion Plant), and combustion DAA's to scheduled activities in all installations permits not previously having had the MCPD requirements applied to the permit as a best available technique.

Please note the exclusions which may apply in Article 2, Paragraph 3 of the MCP Directive - [summarised on GOV.UK](#)

The EA are not expecting to review chapter II data centres as they are already MCPD compliant.

What process will the EA use to carry out the review of the permit?

If not previously requested or provided, Regulation 61 notices will be issued to IED installation operators. **The EA now plans to send out regulation 61 notices between December 2023 and March 2024**, we apologise for the delay in starting this process.

The notices will be asking for MCPD, Annex 1 information for all existing MCP between 1 and less than 50 MWth. Operators are likely to be given 3 months to return this information. An example of the information we are likely to require is shown in this [spreadsheet](#).

The EA will then carry out a review of the information supplied against the permit conditions and where necessary carry out an Environment Agency led variation to make the permit MCPD compliant.

The EA plans to do this during 2024 and 2025 for sites with plant over 5MWth. Where there is plant below 5MWth only this will be before 1st January 2030.

A normal variation charge will be applied where an EA led permit variation takes place. If once the EA has carried out the permit variation, they think that a minor variation charge is more appropriate and proportionate given the time spent carrying out the variation determination they will apply this charge instead.

Where a variation forms part of a wider BREF review it will be included in that variation charge (i.e., there is no additional charge on top of that). If there are no changes to permit conditions required, then there will be no EA led variation and no charge.

If operators have medium combustion plant on site which is not listed in the installation permit either as an activity (e.g., DAA or 1.1.A) or as a point source discharge point to air in schedule 3 of the permit then the operator should apply for a variation to add it to the permit as soon as possible, this includes where the plant was previously permitted and was removed. It will not be appropriate for us to add these as part of the EA led variation and they would not meet the requirement to be permitted by the 1st January 2024.

If combustion units are grouped together in the permit and there is no detail provided this can be left for the review and variation and are permitted.

What will a review of MCP on an installation permit involve?

- The EA will vary the permit to add the minimum emission limit values (ELV's), stack monitoring and reporting requirements from the MCPD.
- Existing air quality standards in the permit will continue to be met; therefore, tighter ELV's than those in the MCPD might already be in place due to AQS concerns and they will remain. This review will not lead to any backsliding from current permit conditions.
- EU Best Available Technique reference documents (BREF's) normally exclude from their scope any plant covered by MCPD. If by exception a BREF does cover an MCP the BAT-AELs would only be applied as appropriate if more stringent than MCPD ELV's.
- The EA will add in the standard condition for energy efficiency if not already included. There will however be no requirement for assessment of energy efficiency as part of the review.
- There will be no reassessment of air quality impacts as part of the review as assessment of environmental impacts was performed at the time the combustion activity was permitted.
- There will be no habitats assessment carried out, based on the same principles as above.

- Where MCP review is the only purpose of the variation there will be no modernisation (consolidation) carried out on the permit.
- If existing plant can't meet the MCPD emission limit values, there is no derogation process. Establishing if plant can meet the ELV's as soon as possible is recommended to give operators time to take action to ensure compliance by the 1st January 2025 rather than waiting until a review takes place when options may be more limited or difficult to achieve in the time available.
- BAT for new build emergency diesel engines operating <500 hours per annum will follow the 2G - US EPA Tier II or TA Luft 2g emissions profiles of 2000mg/m³ NO₂ @ 5%O₂ (750mg/m³@ 15% O₂), or equivalent. More guidance is provided here: [BAT for emergency back-up diesel engines on installations](#)

What monitoring and reporting will be applied for my IED permit as part of the review?

Stack monitoring and reporting frequencies requirements will be required to follow the MCPD as a minimum. If the current permit has provision over and above this that will satisfy the requirement and there will be no change required. If the permit has tighter requirements than the MCPD then you can request a variation to relax the monitoring to once every three years (<20MWth).

The monitoring method to be used will be [MCERTS](#) other than in the situations given in table 1 below when the '[monitoring stack emissions; low risk MCPs and specified generators](#)' (formerly called TGN M5) can be used instead:

Table 1

Individual MCPs with a rated thermal input of ≤20MW, that aggregate to less than 50MWth, which use natural gas or gas oil (light fuel oil), providing you MCP is not located in an AQMA.
MCPs operating for <500 hours per year, without a specified ELV
Diesel back-up generator MCPs that are operated for <50 hours per year, without a specified ELV

Methane slip reporting requirement (and formaldehyde reporting if appropriate) on gas engines will be added if not already.

There will be no exemptions for monitoring requirements for less than 500 hour per year plant or emergency back-up plant with a test limit of 50 hours per year.

CO monitoring will still be required (there has been no change in position on this from Defra but they are aware of operator concerns)

What defines the window for monitoring?

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.

For existing MCPs

Annex 3, para 4 of the MCPD states that “the first monitoring measurements needs to be carried out within 4 months of the grant of a permit to, or registration of, the plant, or the date of start of the operation, whichever is latest” in this case the plant is already permitted so we will instead give the compliance deadline of either 1st Jan 2025 or 2030 depending on the size of the plant, in other words first monitoring measurements demonstrating compliance should be provided to the regulator before that date. We will accept first monitoring that has been carried out within the last 2 years before the relevant compliance deadline i.e., after 01/01/2023 for 5-50MWth MCP’s and 01/01/2028 for 1-5MWth MCP’s.

You can provide the monitoring information at the time of your permit application/return of reg 61 information but no later than the relevant compliance date. Please ensure you use an appropriate monitoring method relevant to the plant otherwise it may not be accepted (see above), once permitted this will be specified in the monitoring conditions.

This approach therefore gives a large window of opportunity for the first measurement to be taken and for operators to demonstrate with this first monitoring that they can meet the required ELV’s.

Follow up monitoring is required for example 3 yearly or annually (dependant on plant size and running hours), this is called the ‘anniversary date’ and will be set based on the date you carried out the first monitoring used to demonstrate compliance as described above. You are required to test on or up to 3 months before the anniversary date. Reporting of the results shall be no longer than 1 month after the anniversary date.

Depending on the date of compliance being targeted and the expected frequency of monitoring your plant will be required to submit to the EA you may wish to consider when will be the optimum time for you to take the first declared monitoring measurement given that the subsequent anniversary will be set based on the first monitoring date. This does not prevent you from monitoring to check your compliance earlier if you want to be confident you can comply.

In respect to subsequent monitoring returns, they must be tested and submitted on or before the anniversary date. This should be no more than 3 months before the due date to ensure the anniversary date is not affected.

Will you add phase III MCP 1-5MWth requirements at the same time?

Where there are phase II MCP (5-50MWth) we will also include a MCP review of phase III plant at the same facility unless requested to be omitted by the operator due to planned closure or replacement, ELVs for Phase III MCP will be post-dated to the compliance deadline.

If there are only phase III MCP (1-5MWth) at the facility, we will be programming in the review of these once we have completed all of the more urgent Phase II permit reviews. Where possible we will try and link this to other sector-based reviews or operator led variations being carried out to prevent multiple variations to those permits and minimise the costs to operators. All Phase III reviews to include MCPD requirements are to be completed by 1st January 2030.

If you have any questions

Please read the guidance [here](#)

If you have any questions about specific permit applications, you can access pre-application support [here](#), 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