### Briefing Note: Existing Medium Combustion Plant (MCP) and Specified Generators (SG) Phase II preparations update – England only.

January 10th 2023

Schedule 25 of the Environmental Permitting Regulations (EPR) brings in permitting requirements for MCP and SG in phases depending on the capacity of the combustion plant and the date it was brought into operation.

To date the Environment Agency (EA) in England have permitted all relevant new MCP applications and standalone Tranche A&B SG, this is referred to as phase I.

Preparations for **phase II** are now being made by the Environment Agency to ensure we can permit the following existing MCP & SG by the required dates:

- Existing standalone MCP's between 5-50MWth must be permitted by 1/1/2024 and comply with ELV's by 1/1/2025
- Existing MCP between 5-50MWth listed as a DAA or as 1.1a activity at chapter II, IED installations must have MCP and SG emission limit values applied to their permit and comply by 1/1/2025 and we must collect annex 1, MCPD information by 1/1/2024
- Remaining tranche A 5-50MWth generators must be permitted and comply by 01/01/2025

## When does the EA expect to open for applications for phase II plant in England?

For existing standalone plant between 5-50MWth we are planning to open for applications for new permits and variations to add phase II plant to existing permits by the 31<sup>st</sup> March at the latest. We will keep you updated via briefings and on our website.

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

Reviews at 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 annex 1 information in summer 2023 and carry out agency-initiated variations during 2024. There is a separate more detailed briefing available about this process which was last updated in December 2022 – please ask if you would like to receive a copy.

There are a few limited circumstances when we will already accept variation applications to add existing plant 5-50MWth which will future proof those permits to meet phase II requirements – please ask to see the separate May 2022 operator briefing note for more details.

## Will there be any standard rules (SR) permits for existing medium combustion plant?

Yes, we have been consulting on changes to SR2018 no7 and a new SR for natural gas only boilers - SR2022 No 9. The consultation ended on the 8<sup>th</sup> January 2023 and we will soon publish our consultation response. We will then publish the new and revised rule sets to coincide with when we are ready to start accepting permit applications, this will be before the 31<sup>st</sup> March 2023. If you are interested in what the new and revised SR's will look like they will be similar to the drafts produced for the consultation here.

#### Is your guidance going to be updated?

Yes, we are planning a series of guidance updates on webpages relating to MCP & SG in the next 6 months. After each new release we will issue a briefing note describing the changes.

Did you know that you can also set alerts from our webpages? Look for the button 'get emails about this page' at the bottom of each webpage you are interested in.

Most MCP & SG relevant pages can be found from here:

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

On the 4th January 2023 we updated the following guidance pages:

- Medium combustion plant: when you need a permit GOV.UK (www.gov.uk)
- We have updated the page to advise operators that we will open for applications for existing MCP's between 5-50MWth by the 31<sup>st</sup> March 2023 at the latest in England
- Specified generator: apply for an environmental permit GOV.UK (www.gov.uk)
- We have removed the link to the online application service and replaced it with links to our pdf application forms. See more information below on the changes to online application services
- Medium combustion plant: apply for an environmental permit GOV.UK (www.gov.uk)
- We have removed the link to the online application service and replaced it with links to our pdf application forms. See more information below on the changes to online application services
- Environmental permit application form: new bespoke permit GOV.UK (www.gov.uk)
- A link has been inserted to form B2.5 medium combustion plant to make it easier to find: <u>Application for an environmental permit: part B2.5 new</u> <u>bespoke medium combustion plant and specified generator permit - GOV.UK</u> (www.gov.uk)
- Medium combustion plant and specified generator permits: how to comply -GOV.UK (www.gov.uk)
- Link added to the <u>application forms required to change, transfer and cancel</u> your permit.

- Medium combustion plant (MCP): comply with emission limit values -GOV.UK (www.gov.uk)
- We have changed the text under the title 'Less than 500 operating hours per year exemption' to explain that if a dual fuel MCP uses a back-up fuel only in an emergency or for less than 50 hours testing in a year the MCP is exempt from meeting the ELV's that apply to the back-up fuel.
- We have also changed the text with respect to 'fuel supply interruption' to make the requirements clearer and in line with those for large combustion plant.
- Specified generator: comply with permit conditions GOV.UK (www.gov.uk)
- We have updated the text regarding the use of abatement to achieve the standard ELV for specified generators and which records should be kept.

#### Are you developing an online application service?

Yes, a new customer portal for online applications is in development however it has been delayed until late 2023. We will therefore need to continue with existing ways of making permit applications for the time being.

For **standard rules permit applications** we will continue using <u>this excel form</u>. It will be modified so that we can accept applications of existing MCP's 5-20MWTh in line with the amended and new SR sets which we have recently consulted on.

For **bespoke** applications we have made the decision to stop using the existing online service which we called 'MyPermit', this will allow us to transition towards the new online customer portal service more easily in the future. As a result, we have now removed the link to the old online application service and instead we will be asking all bespoke MCP and SG applicants to use the <a href="mailto:pdf/paper application forms">pdf/paper application forms</a> until further notice (likely until end of 2023). We will soon be publishing amended application forms to allow for application for existing MCPs 5-50 MWTh. Application forms for variations to existing permits to add more plant can be found <a href="mailto:here.">here.</a>

## Will there be any new screening tools and air emission risk assessment guidance?

Yes, for bespoke MCP applications we are in the process of updating the air emission risk assessment guidance. Firstly, we are planning to publish some new generic screening distances as a first stage screen. As a second stage screen we plan to introduce a tool called <a href="SCAIL combustion">SCAIL combustion</a> to replace H1. The screening stages will help you to determine if you need to apply for a simple bespoke (not requiring an air quality assessment) or a complex bespoke (which will require an air quality assessment to be submitted).

The improved SCAIL combustion tool is not yet ready for us to incorporate formally into the process, we will let you know as soon as it is and publish new air emissions risk assessment guidance for MCP's at the same time.

Existing screening tools for SG's will continue to be used and can be found here: Specified generator Tranche B screening tool - GOV.UK (www.gov.uk)

#### If I have a bespoke permit already for my new plant and I want to add existing plant how will the Air Quality Assessment (AQA) reports be audited?

If you already have a bespoke permit for your new plant and during phase II you want to add existing plant, where that existing plant was included in the original AQA report which was assessed during determination of that permit you may use this AQA again when you apply to vary and add the existing plant during phase II.

If existing plant was not included in the original AQA report and you cannot screen out using the air emission risk assessment guidance, then you will need to submit another AQA report which does include both new and existing combustion plant. You may want to future proof this report to include all combustion plant on site.

# Will I have to do monitoring within 4 months of the permit being issued? I'm concerned there will be high demand for monitoring services.

**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 MCP:** Monitoring results obtained with 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. Monitoring should conform to the monitoring standards relevant to your combustion plant.

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. We recommend doing this as early as possible to ensure you can comply or take steps to modify or replace plant.

Follow up monitoring that is required 3 yearly or annually (dependant on size) 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.

#### If you have any questions

Please read the guidance here

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

You can join our mailing list here

All other enquiries can be made to <a href="mailto:enquiries@environment-agency.gov.uk">enquiries@environment-agency.gov.uk</a> or call us on 03708 506 506