Environment Agency

Review of an Environmental Permit under the Environmental Permitting (England & Wales) Regulations 2010 (as amended)

Decision document recording our decision-making process following review of a permit

The Permit number is: EPR/BP3239LA The Operator is: Centrica KL Limited

The Installation is: King's Lynn Power Station

This Variation Notice number is: EPR/BP3239LA/V005

What this document is about

All Environmental permits which permit the operation of large combustion plant (LCP), as defined by articles 28 and 29 of the Industrial Emissions Directive(IED), need to be varied to implement the special provisions for LCP given in the IED, by the 1 January 2016 (Article 82(3)). The IED makes special provisions for LCP under Chapter III, introducing new Emission Limit Values (ELVs) applicable to LCP, referred to in Article 30(2) and set out in Annex V.

The IED provides a period of transition towards the new ELVs via Article 32, the Transitional National Plan (TNP). It also makes provision for plant that wish to be exempted from compliance with the new ELVs in Article 33, the Limited Life Derogation (LLD). Other derogations include limited operating hour regimes for sites using 500 hr or 1500 hr derogations. There are also options for exemption from emission limits based on operating hours.

The operator has submitted a response to our notice requiring information, issued under regulation 60(1) of the Environmental Permitting Regulations (EPR), which has provided us with information on which compliance route they wish to follow for each LCP. The response also includes specific details relating to each LCP, necessary for accurate implementation the IED requirements. A copy of the regulation 60 notice and the operator's response is available on the public register.

We have reviewed the permit for this installation, including all variations since the last permit consolidation, and referred to the operator's response to the regulation 60 notice requiring information. This is our decision document, which explains the reasoning for the consolidated variation notice that we have issued. It explains how we have reviewed and considered the compliance routes and, where relevant, the emissions limits proposed by the Operator for each LCP on the installation. This review has been undertaken with reference to the:

- Chapter III and annex V of the IED
- "IED BAT ESI Review Paper, 28 October 2014" produced by the Environment Agency (referred to as the "2014 ESI BAT review paper" in this document)
- "Electricity Supply Industry IED compliance protocol for Utility Boilers and Gas Turbines", published by the Joint Environmental Programme.

It is our record of our decision-making process and shows how we have taken into account all relevant factors in reaching our position.

As well as implementing the chapter III IED compliance of the installation, the consolidated variation notice takes into account and brings together in a single document all previous variations that relate to the original permit issue. It also modernises the entire permit to reflect the conditions contained in our current generic permit template.

The introduction of new template conditions makes the Permit consistent with our current general approach and philosophy and with other permits issued to installations in this sector. Although the wording of some conditions has changed, while others have been deleted because of the new regulatory approach, it does not reduce the level of environmental protection achieved by the Permit in any way. In this document we therefore address only our determination of substantive issues relating to chapter III review.

How this document is structured

Glossary

- 1. Our decision
- 2. How we reached our decision
- 3. The legal framework
- 4. Key Issues

Annex 1 – Review and assessment of changes that are not part of the Chapter III IED derived permit review.

GLOSSARY

Baseload means: (i) as a mode of operation, operating for >4000hrs

per annum; and (ii) as a load, the maximum load under ISO conditions that can be sustained continuously, i.e.

maximum continuous rating

BAT best available techniques

BREF best available techniques reference document

CCGT combined cycle gas turbine

Derogation as set out in Article 15(4) of the IED

ELV emission limit value set out in either IED or LCPD

GT gas turbine

IED Industrial Emissions Directive 2010/75/EC

LCP large combustion plant – combustion plant subject to

Chapter III of IED

MCR Maximum Continuous Rating

MSUL/MSDL Minimum start up load/minimum shut-down load

Part load operation operation during a 24 hr period that includes loads

between MSUL/MSDL and maximum continuous rating

(MCR)

TNP Transitional National Plan

1 Our decision

We have decided to issue the Variation Notice to the Operator. This will allow it to continue to operate the Installation, subject to the conditions in the Consolidated Variation Notice.

We consider that, in reaching that decision, we have taken into account all relevant considerations and legal requirements and that the varied permit will ensure that a high level of protection is provided for the environment and human health.

The Consolidated Variation Notice contains many conditions taken from our standard Environmental Permit template including the relevant annexes. We developed these conditions in consultation with industry, having regard to the legal requirements of the Environmental Permitting Regulations and other relevant legislation. This document does not therefore include an explanation for these standard conditions. Where they are included in the Notice, we have considered the techniques identified by the operator for the operation of their installation, and have accepted that the details are sufficient and satisfactory to make those standard conditions appropriate. This document does, however, provide an explanation of our use of "tailor-made" or installation-specific conditions, or where our Permit template provides two or more options.

2 How we reached our decision

2.1 Requesting information relating to the requirements of Chapter III of and Annex V to the IED

We issued a Notice under Regulation 60(1) of the Environmental Permitting (England and Wales) Regulations 2010 (a Regulation 60 Notice) on 31/10/14 requiring the Operator to provide information for each LCP they operate, including:

- The type of plant, size and configuration.
- The proposed compliance routes.
- Minimum start up and shut down loads.
- The proposed emission limits and how they accord with the 2014 BAT review paper.
- For gas turbines, proposed emission limits for each unit between the MSUL/MSDL and 70% load, with a justification.

The Regulation 60 Notice response from the Operator was received on 31/03/15.

We considered it was in the correct form and contained sufficient information for us to begin our determination of the permit review

The Operator made no claim for commercial confidentiality. We have not received any information in relation to the Regulation 60 Notice response that appears to be confidential in relation to any party.

3 The legal framework

The Consolidated Variation Notice will be issued under Regulations 18 and 20 of the EPR. The Environmental Permitting regime is a legal vehicle which delivers most of the relevant legal requirements for activities falling within its scope. In particular, the regulated facility is:

- an installation as described by the IED;
- subject to aspects of other relevant legislation which also have to be addressed.

We consider that, in issuing the Consolidated Variation Notice, it will ensure that the operation of the Installation complies with all relevant legal requirements and that a high level of protection will be delivered for the environment and human health.

We explain how we have addressed specific statutory requirements more fully in the rest of this document.

Meeting the requirements of the IED

The table below shows how each requirement of the IED has been addressed by the permit conditions.

| IED Article Reference | IED requirement | Permit condition |
|--------------------------|--|------------------------------------|
| 30(6) | If there is an interruption in the supply of gas, an alternative fuel may be used and the permit emission limits deferred for a period of up to 10 days, except where there is an overriding need to maintain energy supplies. The EA shall be notified immediately. | Not Applicable |
| 32(4) | For installations that have applied to derogate from the IED Annex V emission limits by means of the transitional national plan, the monitoring and reporting requirements set by UK Government shall be complied with. | 3.1.5 Schedule 3, Table S3.4 |
| 33(1)b | For installations that have applied to derogate from the IED Annex V emission limits by means of the Limited Life Derogation, the operator shall submit annually a record of the number of operating hours since 1 January 2016; | Not Applicable |
| 37 | Provisions for malfunction and breakdown of abatement equipment including notifying the EA. | Not Applicable |
| 38 | Monitoring of air emissions in accordance with Ann V Pt 3 | 3.5, 3.6 |
| 40 | Multi-fuel firing | Not Applicable |
| 41(a) | Determination of start-up and shut-down periods | 2.3.12 Schedule 1 Table S1.5 |
| Ann V Pt 1(1) | All emission limit values shall be calculated at a temperature of 273,15 K, a pressure of 101,3 kPa and after correction for the water vapour content of the waste gases and at a standardised O2 content of 6 % for solid fuels, 3 % for combustion plants, other than gas turbines and gas engines using liquid and gaseous fuels and 15 % for gas turbines and gas engines. | Schedule 6, Interpretation |
| Ann V Pt 1 | Emission limit values | 3.1.2 Schedule 3, Table S3.1 |
| Ann V Pt 1 | For plants operating less than 500 hours per year, record the used operating hours | Not Applicable |
| Ann V Pt 1(6(1)) | Definition of natural gas | Schedule 6, Interpretation |
| Ann V Pt 2 | Emission limit values | 3.1.2 Schedule 3, Table S3.1 |
| AnnV Pt 3(1) | Continuous monitoring for >100MWth for specified substances | 3.5, 3.6 Schedule 3, Table S3.1 |
| AnnV Pt 3(2, 3, 5) | Monitoring derogations | 3.5.1 Schedule 3, Table S3.1 |

| IED Article Reference | IED requirement | Permit condition |
|--------------------------|--|---------------------------------|
| AnnV Pt3(4) | Measurement of total mercury | Not Applicable |
| AnnV Pt3(6) | EA informed of significant changes in fuel type or in mode of operation so can check Pt3 (1-4) still apply | 2.3.1 Schedule 1, Table S1.2 |
| AnnV Pt3(7) | Monitoring requirements | 3.5.1 Schedule 3, Table S3.1 |
| AnnV Part 3(8,9,10) | Monitoring methods | 3.5, 3.6 |
| AnnV Pt 4 | Monthly, daily, 95%ile hourly emission limit value compliance | 3.5.1 Schedule 3, Table S3.1 |
| AnnV Pt7 | Refinery multi-fuel firing SO2 derogation | Not Applicable |

4. Key Issues

Unless the decision document specifies otherwise we have accepted the applicant's proposals.

Where relevant and appropriate, we have incorporated the techniques described by the Operator in their Regulation 60 Notice response as specific operating techniques required by the permit, through their inclusion in Table S1.2 of the Consolidated Variation Notice.

The variation notice uses a updated LCP numbers in accordance with the most recent DEFRA LCP reference numbers. The LCP references have changed as follows:

- LCP 113 is changed to LCP 48 at King's Lynn A
- LCP 399 is a new LCP number for a GT at King's Lynn B
- LCP 400 is a new LCP number for a GT at King's Lynn B

LCP 48

This LCP consists of 1 x 625 MWth CCGT which is not yet installed on site. This will vent via a dedicated stack at emission point A1. The unit burns natural gas.

Compliance Route:

The operator has proposed to operate this LCP under the TNP (for NOx) compliance route.

For plant operating under the TNP, ELVs are set which have been derived for the period 2016 – 30 June 2020 (the duration of the TNP). At the end of this period it is expected that both Annex V and the revised LCP BREF will become applicable, in which case Annex V or the BAT conclusions must be achieved (whichever is stricter), or operators must have applied for a derogation from the BAT conclusion (if that is stricter: Annex V will apply in any event. The operator will apply, at the appropriate time, to vary the permit again to reflect this.

Net Rated Thermal Input:

The new gas turbine for King's Lynn A will have a net rated thermal input of 625 MW. The information is derived from manufacturer's plant data. As the plant is yet to be installed and there is no actual commissioning or test data available. Therefore an improvement condition (IC11) has been set to provide a report providing demonstration of the net rated thermal input following completion of commissioning.

Minimum start up load and Minimum shut-down load:

The Operator has given a "minimum start up load" and "minimum shut-down load" for the LCP in their response to question 6 of the Reg 60, in terms of the output load (i.e. electricity, heat or power generated) (MW); and this output load as a percentage of the rated output of the combustion plant (%)

The quoted figures are not justified, and as the plant is yet to be installed and there is no actual commissioning or test data available an improvement condition (IC12) has been set to provide a report providing justification of minimum start up & shut down loads following completion of commissioning.

Standard permit condition 2.3.12 has been set to define the period of start up and shut down, referring to the thresholds in tableS1.5

Emission limits:

The operator has proposed limits in line with annex V of the IED and the 2014 BAT review paper. Consequently we have accepted the proposed limits and incorporated them into table 3.1 of the permit.

| NOx Existing mg/m3 | Reference Period | Annex V mg/m3 | New Permit limit mg/m3 |
|--------------------|---------------------|------------------|---------------------------|
| None | 95%ile of hourly | 200 | 100 |
| | averages | | |
| 60 | 24 hourly | 55 | 50 |
| | averages | | |
| 50 | Monthly | 50 | 50 |
| | averages | | |

The NOx 24 hourly average represents a tightening of the existing limit

| CO Existing | Reference | Annex V | New Permit limit |
|-------------|------------------|---------|------------------|
| mg/m3 | Period | mg/m3 | mg/m3 |
| None | 95%ile of hourly | 200 | 200 |
| | averages | | |
| 100 | 24 hourly | 110 | 100 |
| | averages | | |
| None | Monthly | 50 | 50 |
| | averages | | |

The daily average CO figure remains at 100 mg/m³ - no backsliding principle

LCP 399 & LCP 400

These LCP's will each consist of an approx 500 MWTh CCGT and will each vent via their own dedicated stacks at emission points A7 and A8. The units will burn natural gas.

Compliance Route:

The operator has proposed to operate this LCP under the ELV compliance route. The operator has proposed limits in line with annex V of the IED and the 2014 BAT review paper. Consequently we have accepted the proposed limits and incorporated them into table 3.1 of the permit.

| Kings Lynn B (LCP | NOx | CO |
|--------------------|-----|-----|
| 399 & LCP 400) | | |
| 95%ile of hourly | 100 | 200 |
| average | | |
| 24 hourly averages | 50 | 100 |
| Monthly averages | 50 | 100 |
| | | |

The daily average NOx & CO limits & 95%ile hourly NOx average figure remains as per previous permit - no backsliding principle

All LCP's (LCP48/399/400)

Gas Turbines:

Sulphur dioxide emissions from natural gas firing will be reported on the basis of the fuel sulphur content without continuous or periodic monitoring since only trace quantities of sulphur are present in UK natural gas. Likewise, dust emissions from natural gas firing will be reported on the basis of emission factors without continuous or periodic monitoring. Natural gas is an ash-free fuel and high efficiency combustion does not generate additional particulate matter. The fuel gas is always filtered and, in the case of gas turbines, the inlet air is also filtered resulting in a lower dust concentration in the flue than in the surrounding air.

The IED Annex V ELVs for oxides of nitrogen and carbon monoxide apply to OCGTs, CCGTs and mechanical drive gas turbines when the load is >70%. This has been interpreted as 70% of the rated output load. The rated output load used here is the same as that used for calculating the percentage load when specifying the end of start-up and beginning of shut-down.

"Low Load" Gas Turbine Emission Limits set when the load varies between MSUL/MSDL and base load during the daily reference period: IED Annex V ELVs for GTs apply when the load is >70%.

Reporting efficiency:

In order to ensure the efficiency of plant using fossil fuels or biomass is maximised and regularly recorded, condition 1.2.1(c), condition 4.2.2(b) and table S4.2 have been added to the permit.

Monitoring & standards:

Standards for assessment of the monitoring location and for measurement of oxygen, water vapour, temperature and pressure have been added to the permit template for clarity.

A row has been included in table S3.1 which requires the operator to confirm compliance with BS EN 15259 in respect of monitoring location and stack gas velocity profile in the event there is a significant operational change (such as a change of fuel type) to the LCP. For a new plant in pre-operational commissioning the same requirement applies.

Resource efficiency metrics:

A more comprehensive suite of reporting metrics has been added to the permit template for ESI plant. Table S4.2 "Resource Efficiency Metrics" has been added requiring the reporting of various resource parameters, as this is an Electrical Supply Industry (ESI) power plant. This table is being used for all ESI plant.

Additional IED Chapter II requirements:

Condition 3.1.6 relating to protection of soil, groundwater and groundwater monitoring, has been added in compliance with IED requirements.

Conditions 4.3.1 and 4.3.2 relating to notifications have been amended in compliance with IED requirements.