

For the attention of:

Operators with Medium Combustion Plant

Department for Energy Security & Net Zero

Offshore Petroleum Regulator for Environment and Decommissioning

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15th September 2023

Dear Sir / Madam

The Offshore Combustion Installations (Pollution Prevention and Control) Regulations 2013 (the PPC Regulations)

Medium Combustion Plant - PPC Regulations 4A and 12A

Purpose

Further to previous communication with industry, the Department is writing to operators who operate Large Combustion Installations (LCI) and Medium Combustion Installations (MCI) to advise that where an LCI or MCI has **existing** Medium Combustion Plant (MCP) with rated thermal input greater than 5 Megawatts (MW), operators must hold an approved PPC permit for such plant from the 'relevant date' of 1st January 2024, in accordance with regulations 4A and 12A.

Scope

The definition of MCP is set out in regulation 2 of the PPC Regulations as: "medium combustion plant" means, subject to regulation 2A, an offshore combustion plant with a rated thermal input which is equal to or greater than 1 megawatt and less than 50 megawatts, but does not include—

- (a) gas turbines, gas engines and diesel engines; or
- (b) combustion plant in which gaseous products of combustion are used for the direct

heating, drying or any other treatment of objects or materials".

The type of combustion plant in scope of MCP which must be included in your permit are boilers, heaters and dual fuel engines.

The relevant dates in the PPC Regulations, require that from 20th December 2018 operators must hold a PPC permit for all **new** medium combustion plant (plant which was put into operation on or after 20 December 2018, or, if permitted before 19

December 2017, put into operation after 20 December 2018) with rated thermal input equal to or greater than 1 megawatt and less than 50 megawatts. Please note that under the circumstances of regulation 2A, two or more new MCP are treated as a single MCP and will require a PPC permit where the total rated thermal input of the combined plant is equal to or greater than 50 megawatts, unless Chapter III of the 2010 Directive applies. In relation to **existing** MCP (i.e. put into operation before 20th December 2018, or, if permitted before 19 December 2017, put into operation on or after 20 December 2018), a permit is required from 1st January 2024 where that plant has a rated thermal input above 5MW. **Existing** MCP with rated thermal input at or above 1 MW and not more than 5MW will require a permit from 1st January 2029.

In this letter the Department explains the steps that should be taken by operators to submit permit applications for **existing** MCP with rated thermal input greater than 5MW in good time to allow the Department to review applications ahead of the relevant date; and for any **new** MCP with rated thermal input equal to or greater than 1MW, before they are put into operation. Where there is an existing PPC permit, a variation can be submitted to account for any relevant MCP. Where no PPC permit is in place a new permit must be submitted to account for any relevant MCP.

The Department has recently made changes to the UK Energy Portal to facilitate these additional requirements for PPC permit applications as outlined below.

What should operators do next?

Operators need to:

- Review the combustion plant on your LCI and your MCI to ascertain if you
 operate existing MCP with rated thermal input of greater than 5MW.
- Proceed to make the appropriate permit application to MCI or variation applications to LCI within the energy portal where there is any relevant MCP.

You must ensure as part of your review that the information in the 'description of equipment' table in your permit application is correct to ensure that you will comply with the requirements of regulation 9A from the relevant date of 1 January 2024.

The permit application requires additional information listed in Annex 1¹ under regulation 4A in relation to the operation of MCP as follows:

- Rated thermal input (MW) of the medium combustion plant;
- Type of the medium combustion plant (e.g. dual fuel engine, boiler or heater);
- Type and share of fuels used according to the fuel categories laid down in Annex 2²;

¹ "Annex 1" means Annex I of the MCPD

² "Annex 2" means Annex II of the MCPD

- Date of the start of the operation of the MCP or, where the exact date of the start of the operation is unknown, proof of the fact that the operation started before 20 December 2018;
- Sector of activity of the MCP, or the facility in which it is applied (NACE code);
- Expected number of annual operating hours of the MCP and average load in use:
- Under Regulations 11C and 11D, a declaration signed by the operator that the MCP will not be operated more than the operating hours specified;
- Name and registered office of the operator and, in the case of stationary MCP, the offshore installation (Platform) location.

Timeline

In order to have received an approved permit by the relevant date, the operator of the offshore combustion installation must apply to the Department through the <u>UK Energy Portal</u> Environmental Tracking System (PETS) and submit the application to the Department by **20**th **October 2023**.

On receipt of the application, the Department will review the application to determine that the specific requirements of MCP have been provided and we may contact the applicant for further clarification. The permit will be approved once the Department is satisfied that your application meets the requirements of the PPC Regulations.

It should be noted that in accordance with the PPC Regulations, any **existing** MCP put into operation before 20th December 2018 with rated thermal input capacity <u>equal to or greater than 1MW but not greater than 5MW</u> does not require to be permitted until the relevant date of 1st January 2029. Only **existing** MCP with rated thermal input greater than 5MW are required to be permitted by 1st January 2024.

Guidance

For guidance, please refer to the following two documents:

- Offshore Pollution Prevention and Control (PPC) Guidance
- UK Energy Portal <u>PETS Industry User Guidance</u> should be consulted for any queries about how to use this permitting system.

The PPC guidance has a series of flowcharts in Appendix 1 to guide you through the assessment for a PPC permit. Once it is determined you have MCP please refer to Figure 10 - Stage 3B - Determining the requirements of MCP.

FAQs will be added to the Department's web page: https://www.gov.uk/guidance/oil-and-gas-offshore-environmental-legislation#offshore-combustion-installations-pollution-prevention-and-control-regulations-2013-as-amended

Should you have any queries about the content of this letter, please contact the Department using the details above.

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