

Review of an Environmental Permit under the Environmental Permitting (England & Wales) Regulations 2010 (“EPR”)

Decision document recording our decision-making process

We have decided to vary the Permit for Oakenholt Paper Mill operated by SCA Hygiene Products UK Limited, as a result of an Environment Agency review of the Permit.

The Permit number is EPR/BV3715IL

The Variation notice number is EPR/BV3715IL/V004

What this document is about

This is a decision document, which accompanies a variation notice.

It explains:

- **how** we have carried out our statutory review¹ of the Operator’s Permit;
- **why** we have decided to vary the Permit as a result of that review; and
- **why** we have included the specific conditions in the revised Permit through the variation notice we have issued.

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

This is a more complex variation than the norm, because it is doing three different things at the same time:

- **First**, it gives effect to our decisions following the statutory review of the existing Permit.
- **Second**, it takes the opportunity to bring earlier variations into an up-to-date, consolidated Permit. These changes have already taken place, but the consolidated Permit should be easier to understand and use.
- **Third**, it modernises the entire Permit to reflect our current template. The template reflects our modern regulatory permitting philosophy and was introduced because of a change in the governing legislation. This took place when the Pollution Prevention and Control (England and Wales) Regulations 2000 (“PPC”) were replaced in 2008 by a new statutory regime under the Environmental Permitting Regulations 2007 (now the 2010 version).

¹ Explained further below: see section 2 *The legal framework*.

The introduction of new template conditions makes the Permit consistent with our current general approach and philosophy. Although the wording of some conditions has changed, while others have disappeared because of the new regulatory approach, it does not affect the level of environmental protection achieved by the Permit in any way. We therefore explain only the statutory review in this document.

This Variation is considered to be a minor technical variation because most of the changes are administrative in nature i.e. consolidating previous variations and moving to the new template. The BAT review work will require some technical input but not sufficient for this to be a normal variation. As the Variation will not have any negative effects on the environment it is not a substantial variation and so does not require consulting on. A fixed minor technical variation charge of £1280 will be invoiced to the Operator.

Preliminary information and use of terms

We refer to the Permit (both existing and as varied) as “the **Permit**” in this document; and to the variation of the Permit as “the **Variation**”.

The Operator of the Installation is SCA Hygiene Products UK Limited: we call SCA Hygiene Products UK Limited “the **Operator**” in this document. We refer to SCA Hygiene Products UK Limited’s Oakenholt Paper Mill as “the **Installation**”.

How this document is structured

- Summary of our proposed decision
- The legal framework
- How we took our decision
- The changes we are proposing
- Conclusion

1 Our decision

We have issued a Variation, which will allow the Operator to operate the Installation, subject to the conditions in the varied Permit.

The Variation does three things:

- it consolidates the original Permit to reflect changes made through earlier variations;
- it brings the Permit into line with our modern regulatory template; and
- it varies the Permit where appropriate to reflect the outcome of our statutory review.

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

The original Permit, issued on 30/08/2002, ensured that the Installation, employed Best Available Techniques (BAT) or set improvement conditions to achieve BAT and ensured a high level of protection for human health and the environment. To the extent that we have substantively altered the Permit as a result of the statutory review, the new requirements will deliver a superior level of protection to that which was previously achieved.

As we explained above, we do not in this document address changes to the Permit, to the extent that they give effect to either the consolidation of earlier variations, or introduce new template conditions.

2 The legal framework

The Installation is regulated under the Environmental Permitting (England and Wales) Regulations 2010 (SI 2010 No 675). It is also subject to the requirements of (among other things) the European Integrated Pollution Prevention and Control (IPPCD).

The original Permit was granted on 30/08/2002 under the Pollution Prevention and Control (England and Wales) Regulations 2000. This regime also delivered compliance with European Directives, including IPPCD.

Article 3 of the IPPCD requires us to ensure that the Installation is operated in such a way that all the appropriate preventative measures are taken against pollution, in particular through the application of the BAT. Under Article 9(3), the Permit must contain emission limit values (ELVs) (or equivalent parameters or technical measures) for any pollutants likely to be emitted from the Installation in significant quantities. These ELVs are to be based on BAT, but also on local factors and EU Environmental Quality Standards. The overarching requirement is to ensure a high level of protection for the environment and human health. In issuing the original Permit in 2002 we have already satisfied these requirements.

We are required by Article 11 of the IPPCD to keep abreast of developments in Best Available Techniques. In addition, Article 13 requires us to carry out a periodic review of the permit's conditions, and to update them if necessary.

The IPPCD requires the European Commission to organise an exchange of information between EU Member States so that what are known as BAT reference documents (or BREF notes) can be published, creating a level playing field across the EU, providing a consistent set of standards for new plant, to which regulatory authorities in the Member States can then have reference. These BREF notes are the basis for our own national sectoral technical guidance. The Commission is also required to update BREF notes on a regular basis. The paper and pulp sector BREF was originally one of the first to be published, in December 2001. It is currently being reviewed however at the time of the permit review, the final issue date is still unclear.

In the absence of the revised BREF note, it is not practical to carry out a full permit review because the current BREF working draft does not contain the BAT detail required. However, the paper and pulp sector was the first to be permitted under PPC in 2001. There was no sector specific template produced at the time and so the general PPC template was used. Consequently the permits are non standard with many site specific conditions and there have been many variations. We have recently reviewed the permits in the sector. The review showed significant variability between permits and a number of inconsistencies where permit conditions and/or performance differed significantly from current guidance. This was particularly evident with respect to the setting of emission limits and monitoring requirements. This sector review is therefore an interim review based on our review of the permits against current standards. We consider it appropriate to complete an interim review to deliver environmental benefit now, whilst we wait for the BREF to be finalised. Under the Industrial Emissions Directive all permits will be subject to review within four years of the publication of a revised BREF. This means that we will need to do a further review against any new standards in the BREF at sometime in the future.

As the Permit already achieves a high standard of protection for the environment and human health, this will clearly continue to be the case. This Variation takes place pursuant to regulation 34 of the EPR 2010 and Article 13 of the IPPCD.

3 How we reached our decision

In March 2009 we completed our Sector Performance Review of the entire paper and pulp sector, which identified a series of areas which needed to be addressed by the industry. The review compared the environmental performance of individual installations with their current permit requirements and against the environmental standards for the sector as set out in the Sector Guidance Note (EPR 6.01) and current BREF note (December 2001).

The review noted that the most significant issues for the sector are water usage (resource efficiency), emissions to controlled water and air emissions

mainly from large combustion plants and sludge combustors. Manufacture of paper and pulp is not a major source of any air pollutants for which national reduction targets have been set. It is against this background that the review was conducted.

The next stage in the process was our Permit Review Plan (PRP) finalised in January 2011. The Plan builds on the work of the Sector Performance Review and sets out and explains the changes to permit conditions that we considered are needed in each case, and to which this Variation gives effect.

4 The changes we are proposing

(A) Changes to conditions – General

Changes to Monitoring and Reporting Requirements

(i) Releases to Air

The review noted that some permits contained ELVs and monitoring requirements for combustion plant < 20 MW thermal rating i.e. below the regulatory threshold for Part B control under the EPR regulations. Given that this sector is not a significant source of air pollutants, it is considered appropriate to remove such requirements for this scale of plant, subject to:

- 1) A suitable planned maintenance system in place to ensure continued efficient operation of burners
- 2) No local air quality impacts from the installation and
- 3) No waste is burnt as a fuel.

Other emissions to air from the installation are not significant and therefore the monitoring and limits have been removed.

(ii) Releases to Controlled Waters

The performance review concluded there was a degree of variability in monitoring requirements e.g. in the range of plant protection substances and likely contaminants from deinking processes. In order to maintain sector consistency and ensure the protection of receiving waters the following determinands have been added to the monitoring requirements of emission point W1: Phosphorus, Metals (Zinc, Arsenic, Copper, Chromium, Nickel and Lead) and a specified Water Framework Directive dangerous substances suite. The COD limit has been retained in the permit, this is justified because of the sensitivity of the receiving waters, as it ensures the adequate performance of the effluent treatment plant.

Monitoring of discharges to controlled water is critical to protect the environment and the review highlighted that control needs to be improved by the application of MCERTS performance standards and inclusion of standard monitoring methods. Therefore we are including an improvement condition, IC 1, requiring the Operator to submit a written report for the subsequent

approval of the Environment Agency that summarises a review of the provision of MCERTS accreditation for the monitoring equipment, personnel and organisations employed for the emissions monitoring programme in condition 3.5.1. The report shall also propose a timetable for achieving this standard for any elements that are not MCERTS certified. The intention of this site-specific improvement condition is for the Operator to review what would be required to upgrade to the MCERTS standard in the future as required by permit condition 3.5.3 and to propose a timescale when this will be achieved.

We have added an improvement condition IC 2 to ensure that the test methods meet the accredited standards in our monitoring technical guidance note M18 “Monitoring Discharges to Water and Sewer”. The improvement condition requires the Operator to submit a summary report assessing current monitoring methods. The assessment shall consider both in-house and external monitoring against the standards set out in M18 and identify where these standards are met, justify deviations or submit proposals for improvement”.

Emissions of surface water run-off are controlled by general management condition 1.1.1a and the “Emissions of substances not controlled by emission limits” conditions in section 3.2 of the varied Permit, to ensure that they will not cause pollution. The monitoring requirements for release point W3 have been removed as this is nominally uncontaminated surface water.

(iv) Changes to Performance Indicators

In order to avoid duplication with data collection under the Pollution Inventory Resource Efficiency Physical Indicators (REPI) metrics, we have removed the requirement to report performance indicators in the existing Permit for water, waste and energy consumption where identical to REPI metrics.

The following performance indicators have been added to Table S4.3 of the Permit:

BOD/Air Dried Tonne (ADT)

Suspended solids /ADT

Nutrients N and P / ADT

NOx/ADT

CO2/ADT

These will enable an assessment to be made of performance against indicative standards set out in the BREF note

(B) Changes to conditions – Site Specific

(i) Specified activities

When the Paper & Pulp sector was permitted under the PPC regime, Agency approach was to consider on-site effluent treatment plants as unlisted directly associated activities rather than listed activities under Section 5.3 A(1) (c).

The wording of the regulations at the time would have had the effect of introducing Fit and Proper Person (FAPP) requirements as a Specified Waste Management Activity. Subsequent amendment of the PPC Regulations changed the definition of Specified Waste Management Activity to exclude (amongst other descriptions) disposal of waste falling within Section 5.3 of Part 1 of Schedule 1 where carried out at the same installation as another activity falling within Part A(1) and where it was not the primary activity.

This review implements current Agency approach and identifies the on-site Effluent Treatment Plant (ETP) as a listed activity in Table S1.1 of the Permit. The ETP is an existing item of plant, so the change in the way it is recorded in Table S1.1 does not constitute a change in operation and thus does not meet the definition of a substantial change as defined in Schedule 5, Part 1, paragraph 5 (5) of the EPR 2010. Furthermore, there is no change to emissions from the installation nor impacts on the environment associated with this.

(ii) Improvement conditions

IC3, this improvement condition is included to assess the current effluent treatment plant against its current effluent loading and to ensure that any identified improvements are carried out within an appropriate timescale.

IC4, this improvement condition is to require a BAT assessment of current disposal options for effluent sludge to be carried out.

IC5, this improvement condition is to require the operator to review and improve the performance of the effluent treatment plant in relation to BOD. The operator is required to work to achieve the BAT limit of 25 mg/l, current permit limit is 50 mg/l.

5 Conclusion

We consider that the Installation already employed what used to be BAT, and that the Operator has achieved significant improvements in performance since the Permit was originally granted. The Sector Performance Review provides the opportunity to consider further environmental improvements. Coupled with the consolidation and modernisation of the Permit, we believe this Variation provides a sound basis for ongoing regulation of the Installation.

We believe that we have ensured compliance with all relevant legal requirements in carrying out this review and making our determination on the Variation.