



DOCUMENT TITLE Request to Consume Historical Gas Oil via the High Pressure Hot Water Boilers; Coatings II Shotton Works
INSTALLATION NAME Shotton Works
PERMIT NUMBER BR7321
AUTHOR Shaun McKenna
DATE 10/01/2014

Dear Alison,

As part of planned environmental risk reduction measures to be undertaken at Shotton Works, gas oil tanks utilised as a secondary fuel source for each of the on-site boilers are to be drained. It is proposed to consume the gas oil, approximately 70,000 to 80,000L, purchased prior to the introduction of the Sulphur Content of Liquid Fuels (England & Wales) Regulations 2007, within the high-pressure-hot-water boilers at Coatings II. It is estimated that the total firing duration will be 15 days.

If possible Tata would like to proceed under a Regulatory Position Statement Letter held within site records and dated from the time at which the Regulations were being introduced (enclosed). Tata would welcome a Regulatory position as to whether the approach is acceptable. There is significant cost associated with the disposal/recovery of the fuel by a licensed waste contractor with little environmental benefit considering the short duration of the burn.

Kind Regards

Shaun McKenna
Senior Environment & Energy Officer

	INITIALS	DATE
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SULPHUR CONTENT OF LIQUID FUELS REGULATIONS

FURTHER UPDATE

This e-mail is primarily aimed at Area PIR Teams.

Background

At the beginning of March 2007 I sent you a note prepared by Policy about the enforcement from 1 January 2008 of the Sulphur Content of Liquid Fuels (England and Wales) Regulations 2000 (SI 2000 No.1460). This is when the limit for the sulphur content of Gas Oil is reduced from 0.2% to 0.1% by mass.

The need for this Note arose because we had received a large number of calls from holders of Gas Oil expressing concern that they had been encouraged by DTI last autumn to hold maximum stocks of Gas Oil to meet any fuel shortages in case of a bad winter. This had not happened and as a consequence they had these large stocks of Gas Oil, which would become non-compliant post 1 January 2007. Furthermore the post 1 January 2008 compliant Gas Oil would not become available until Q3/4 of 2007. This leaves them little time to become compliant.

In particular the Note informed you that Policy together with Legal has decided that while we should require operators on sites that we regulate to use compliant Gas Oil by 1 January 2008, we can take an enforcement position where it was reasonable to do so. Thus as long as we do not provide any incentive to delay the introduction of the compliant Gas Oil, we could:

- Take into account in individual cases where there was good reason for them not to be using post 1 January 2008 compliant Gas Oil, for example, because they had not had sufficient time to use up their existing stocks of Gas Oil and to replenish supplies with post 1 January 2008 compliant fuel, which is only likely to become available at the end of 2007. This should be by enforcement position, not variation.
- Much of the Gas Oil is held on site for the purpose of dealing with interruption of normal fuel supplies and the Permit may need to be varied for the Gas Oil to be used for other purposes. We should consider requests from operators to vary their Permits to enable them to burn the non-compliant fuel outside of their authorised conditions, say before January 2008. Any such changes should not compromise environmental standards.
- Ensure any Gas Oil bought after 1 January 2008 is compliant.

Further update on this position

Since the note was sent to you, operators holding Gas Oil have made additional representations through the CBI to Ben Bradshaw, Minister of State at Defra and argued that:

- As most of this fuel is stored for use in emergency generation, it is possible that, in some instances, stocks of non-compliant fuel may not be used up for a number years.
- Furthermore, if they are required to burn this oil instead of gas just to use up the stocks it is unlikely to generate the best environmental outcome as well as imposing additional costs to industry.

In light of these concerns, the Minister has asked that, where an operator needs more time to use up stocks of non-compliant fuel beyond 31 December 2008, this is taken into account in enforcing the Regulations.



Page 3 of 3

He also confirmed that he would not however expect us to use our enforcement discretion in relation to companies replenishing fuel stocks after the introduction of the compliant Gas Oil.

What action is needed?

We have accepted the first request by the Minister and have changed our enforcement position set out above to allow operators, where appropriate, more time to use up stocks of non-compliant Gas Oil already on site on 1 January 2008 beyond the earlier deadline of 31 December 2008.

It would be helpful if you would let operators know who could be affected by this update to the enforcement position as soon as you can.

As regards the second request, we already intend to take a firm line that replenishment of Gas Oil should be with post 1 January 2008 compliant fuel once this becomes available. So no additional action is needed here.

What's the deadline date?

The reduction in the limit in the sulphur content of Gas Oil from 0.2% to 0.1% by mass comes into force from 1 January 2008. However in appropriate circumstances, the enforcement position as outlined above is available until stocks of non-compliant fuel held on site on 1 January 2008 is used up.

Any Gas Oil bought for replenishment of stocks after 1 January 2008 should be with compliant fuel.

Supporting documents/information

The link to the Sulphur Content of Liquid Fuels (England and Wales) Regulations 2007 (SI 2007 No. 79) is www.opsi.gov.uk/si/si2007/20070079.htm

What will happen next, when and how will I know?

Together with Policy, I will closely monitor the situation and I will let you know of any further developments as soon as they happen.

Who has this email been sent to?

* Area PIR Contacts

If you have queries, please contact me.

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