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Natural Resources Wales permitting decisions

Flexible Generation Limited (Pentref y Groes) Decision document

Natural Resource Wales Initiated Variation

The application number is: PAN-029220

The permit number is: EPR/DB3499FD

The Operator is: Flexible Generation Limited

The Facility is located at: Pentref y Groes, Croespenmaen, Crumlin, Newport
Wales, NP11 3BT

We have decided to issue an Natural Resources Wales initiated variation for Pentref y Groes operated by Flexible Generation Limited.

The variation number is **EPR/DB3499FD/V002**.

We consider in reaching that decision we have taken into account all relevant considerations and legal requirements and that the permit will ensure that the appropriate level of environmental protection is provided.

Purpose of this document

This decision document:

- explains how the application has been determined
- provides a record of the decision-making process
- shows how all relevant factors have been taken into account
- justifies the specific conditions in the permit other than those in our generic permit template.

Structure of this document

- Table of contents
- Key issues

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Key issues of the decision

1 Our decision

This is a Natural Resources Wales initiated variation to make the following amendments to the permit for Pentref y Groes;

- 1) Change the permit number from PAN-005837 to EPR/DB3499FD following an update on our internal systems
- 2) Remove Part B conditions from the permit - the site was originally incorrectly permitted as a 1.1 Part B permit with additional conditions and operating techniques for the Part B.

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

The regulated facility is subject principally to the Environmental Permitting Regulations 2016 (EPR), and Specified Generator (SG) regulations.

The permit 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 EPR and other relevant legislation. This document does not therefore include an explanation for these standard conditions. Where they are included in the permit, we have considered the Application and accepted the details are sufficient and satisfactory to make the standard conditions appropriate. This document should be read in conjunction with the application and supporting information and permit.

2 How we reached our decision

2.1 Receipt of Application

This is an NRW initiated variation to vary the permit to remove the Part B conditions that were added in error in the original permit. We started this on the 12/05/2025.

2.2 Consultation on the Application

No consultation was required for this permit

3 The Legal Framework

The variation will be issued, under Regulation **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:

- plant as described by Schedule 25B covering the Specified Generator (SG) regulations respectively;
- plant as described in EPR Schedule 1, Part 2, Chapter 1, Section 1.1 Part B (a) (iv) through aggregation of two or more units <20MWth. The only parts of Schedule 8 of EPR that applies to these sites are paragraphs 1(2) and 4(1)(a)
- subject to aspects of the Well-Being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016 which also have to be addressed.

We address the legal requirements directly where relevant in the body of this document. NRW is satisfied that this decision is consistent with its general purpose of pursuing the sustainable management of natural resources (SMNR) in relation to Wales, and applying the principles of SMNR. In particular, NRW acknowledges that it is a principle of sustainable management to take action to prevent significant damage to ecosystems. We consider that, in granting the Permit a high level of protection will be delivered for the environment and human health through the operation of the Facility in accordance with the permit conditions. NRW is satisfied that this decision is compatible with its general purpose of pursuing the sustainable management of natural resources in relation to Wales and applying the principles of sustainable management of natural resources.

Environment Wales Act 2016 – Biodiversity and resilience of ecosystems duty

Section 6 of the Environment Wales Act 2016 requires that we seek to maintain and enhance biodiversity in the exercise of our functions, and in so doing promote the resilience of ecosystems, in a manner that is consistent with the proper exercise of our functions. NRW is satisfied that in this case we have taken into account and had due regard to this duty in so far as it is consistent with the function of determining an application for an EPR permit.

4 The Facility

4.1 Description of the Facility and related issues

4.1.1 The permitted activities

The Facility is subject to the EPR because it carries out an activity as described in Schedule 25B of the EPR as well as an activity listed in Part 2 of Schedule 1 of the EPR:

- Chapter 1, Section 1.1 Part B (a) Burning any fuel in (iv) a compression ignition engine with an aggregated net rated thermal input of 20 or more megawatts, but a rated thermal input of less than 50 megawatts via two or more units that are <20MWth.
- One combined Tranche B Specified Generator/existing Medium Combustion Plant aggregated to <50MWth at a specified location

There is no change in activities carried out on site. The NRW initiated variation is to correct an error in the original permit that resulted in the site being subject to additional permit conditions that are required for Part B installations. However, as the generators only form a Section 1.1 Part B activity because their aggregated net rated thermal input is >20MW, and there are no individual generators with a net rated thermal input >20MW, then paragraph 1(2) of schedule 8 of EPR indicates that only paragraph 4(1)(a) of the same schedule applies.

4.1.2 The Site

There are no changes to the site boundary as a result of the variation

4.1.3 What the Facility does

Flexible Generation Limited operates a 49 MWth specified generator that comprises of fourteen 3.5 MWth diesel fuelled compression ignition engines at Pentref y Groes, These engines are operated via a balancing services contract on a short-term basis meeting peak demand or short falls in generation within the electrical distribution network. The site is permitted to operate up to 500 hours per year. The engines are deemed existing medium combustion plants (MCP) as they were brought online before the 20th December 2018.

4.1.4 Key Issues in the Determination

The variation makes the following changes

- 1) Changes to permit number – Following update of NRW's internal systems to include MCP/SG permits the permit number has been changed from PAN-005837 to EPR/DB3499FD.
- 2) Remove Part B conditions from the permit - The site was original permitted as a 1.1 Part B permit with additional conditions and operating techniques (including requirements for compliance with best available techniques) that are applicable to Part B installations subject to all of schedule 8 of EPR. However the site that are classed as 1.1 Part B of schedule 1 part 2 of EPR through aggregation of two or more units which are all less than 20MWth are only subject to paragraphs 1(2) and 4(1)(a) of schedule 8. When the permit was originally determined paragraph 1(2) of schedule 8 was overlooked and as such the permit had additional conditions and operating techniques which were not required for an activity of this type and resulting in the site having additional conditions and operating techniques than what is required for a site of this type. As such NRW is varying the permit to correct this error.

4.2 Operation of the Facility – general issues

4.2.1 Administrative issues

The Applicant is the sole Operator of the Facility. We are satisfied that the Applicant is the person who will have control over the operation of the Facility if the Permit were to be granted; and that the Applicant will be able to operate the Facility so as to comply with the conditions included in the Permit.

We have also updated the permit number as a result of an update to our systems. The permit number will change from PAN-005837 to EPR/DB3499FD. Any references to PAN-005837 in the permit and any correspondence should be read as EPR/DB3499FD.

4.2.3 Operating techniques

Section 1.1, Part B sites that are subject to paragraph 1(2) of Schedule 8 of EPR are not subject to Part B conditions, Part B operating techniques and best available techniques (BAT).

As such the following operating techniques have been removed as a result of the NRW initiated variation;

- Part B operating techniques table S1.2A.

The site is still subject to Schedule 25B of EPR. As such the operating techniques (table S1.2B) for relevant for Schedule 25B Specified generators is still applicable and will remain in the permit.

The relevant guidance notes that are also still applicable for the site:

- Technical Guidance Note (TGN) M5: Monitoring of stack emissions from medium combustion plants and specified generators.

4.2.4 Energy efficiency

There is no change to energy efficiency as a result of the NRW initiated variation.

5 Minimising the Facility's environmental impact

For this kind of regulated activity, the principal emissions are emissions to air. There are no permit conditions for water, land, odour or noise and BAT does not apply.

The next sections of this document explain how we have approached the critical issue of assessing the likely impact of air emissions from the Facility on human health and the environment and what measures we are requiring to ensure a high level of protection.

We have reviewed impact assessment of the original permit application for environmental risk from the facility and have concluded that the removal of the Part B conditions would not alter the risk.

We will discuss the operators risk assessment in more detail as follows:

5.1 Assessment of Impact on Air Quality

The impacts from the operation of the site were assessed during the original application. All emissions screened out initially apart from NO₂ which was assessed further with detail modelling and was shown to screen out as insignificant at the nearest sensitive receptor (process contribution of 0.6%) and as such the site does not pose any impacts to air quality. There is no change to limit for NO_x in the permit as a result of the variation.

Given the operational hours of less than 500 hours per year and the conclusion of the original air quality assessment, the removal of the Part B conditions and monitoring would not lead to any additional risk of impact and the remain permit conditions and emission limits (as outline in schedule 25B of EPR) will be sufficient to ensure protection to the environment and human health.

5.2 Impact on Habitats sites, SSSIs, non-statutory conservation sites

The Facility is within the relevant screening distance criteria for protected conservation sites

The OGN 200 Habitats regulatory assessment (HRA) for European sites done during the original application (there were no SSSIs within 2 km of the site), showed that the emissions of NO_x (short and long term) and SO₂ and nitrogen deposition all screened out as insignificant.

The site has been operating since before 2018 so any emissions would be captured under the background and any other plan or project would therefore include this site. The site is only permitted to operate less than 500 hours per year.

We therefore conclude that given the original impact assessments, the removal of the Part B conditions will not result in any risk of damage to the features of the designated

sites and the SG conditions that remain in the permit would continue to provide adequate protection to the environment.

6 Setting ELVs and other Permit conditions

We have decided that emission limits should be set for the parameters listed in the permit.

We have removed the permit conditions that were relevant for Part B installations. We have also removed Table S1.2A and Table S3.1 in the original permit as these tables were operating techniques (S1.2A) and monitoring (S3.1) for Part B permits that are subject to standard Part B conditions.

The previous table S3.2 remains in the permit but is now renumbered to S3.1. Emissions Limit Values (ELVs) outlined in tables S3.1 (previously S3.2) and operating techniques in Table S1.2B are still present in the permit as the site is still subject to schedule 25B of EPR.

6.1 Monitoring

We have revised the monitoring that should be carried out for the parameters following the removal of the Part B conditions. Monitoring for carbon monoxide, oxides of nitrogen and dust remain in the permit in Table S3.1 (which was formerly table S3.2). The monitoring techniques remain the same but the monitoring frequency has been changed from yearly to *“After the maximum average annual operating hours have elapsed and no less frequent than every 5 years”*

We have removed the original Table S3.1 which required monitoring for dark smoke. This was a requirement for Part B sites but as this site is 1.1 Part B through aggregation of two or more units <20MWth each, this monitoring is not required. There is no indication that dark smoke has been an issue at the site in the original application and since the site was permitted.

6.2 Reporting

We have updated the reporting requirements in Schedule 4 of the Permit to reflect the changes as a result of the removal of Part B conditions. The site will be required to monitor and report in-line with the specified generator regulations, Schedule 25B for an SG operating less than 500 hours per year.

7 SG Charges and Subsistence Fees

The relevant MCP Subsistence fees will continue as a result of the variation.