techUK

TechUK submission to DEFRA

Consultation on the Medium Combustion Plant Directive transposition and Domestic Diesel Generator proposals

8th February 2017

About techUK

techUK is the industry voice for the UK tech sector, representing more than 900 companies that collectively employ approximately 800,000 people, about half of all tech sector jobs in the UK. These companies range from leading FTSE 100 companies to new innovative start-ups. The majority of our members are small and medium-sized businesses.

We are grateful for the opportunity to respond to this consultation and would also like to express our thanks for the useful and informative workshops organised by the DEFRA team and the obvious care that has been taken in drafting the proposals. We have provided input at those events so these points can be considered as supplementary.

We have responded to the consultation questions by extracting the relevant table and inserting a column with our answers to those that we think are applicable to us, or where we have a view.

Since our operators are likely to be exempt from ELVs under MCPD and fully exempt from the domestic requirements, the Q&A does not capture the full scope of the comments we would like to submit which tend to relate to our own specific circumstances, so those not captured in the table are inserted above it for good measure in sections 1 and 2.

We have attached separately a briefing note explaining emergency generation in data centres and a generator compliance roadmap. The former may be useful for reference and the latter simply provides an indication of the quantity and complexity of regulation that data centres generators are obliged by, despite the fact that they are almost never used. We would be happy to cooperate on the production of guidance that we could tailor to the needs of our members.

1 Comments on MCPD

a) We are concerned that provisions for relaxing the obligation to state the location of generators are not yet clear. Many of our sites are mission critical or support high profile or safety critical operations and a published list of generator clusters along with named operators would not be in the national interest.

b) We think there is around 1GW of embedded generating capacity within the sector. We believe that, in the interests of security of supply, the transposition arrangements should not be limited to emergency running provided sensible thresholds are given (such as those indicated in the domestic proposals) and should not explicitly exclude DSR since it might provide welcome relief at times of peak demand.

c) We would like further clarity on what is meant by run hours, particularly when multiple generators may not be operating concurrently at a site.
d) We think there could be room for greater consistency with the domestic proposals and with other instruments, for instance by introducing the same criteria for testing and DSR that are proposed in the domestic measures. We have provided a separate roadmap that sets out the multiple requirements that different schemes place on individual plant.
e) We would be interested to learn what load is proposed for generators during monitoring, if this is to be specified.
f) We have provided a separate note explaining emergency generation in data centres.

2 Comments on domestic diesel generator proposals

a) With regard to the proposed domestic diesel generator requirements, In principle we do not believe that normal businesses should be burdened with additional legislation developed purely to correct the unintended consequences of another policy initiative. Policy failure should be corrected at source.
b) That said, we are generally content with the approach which is thoughtfully drafted, exempts our operators and leaves pragmatic scope for emergency generation and a limited degree of DSR which we fully support. Initial data gathered from our members indicates that the additional running such a provision might generate would be marginal at most and total running would remain well below the 50 hour limit. We would be happy to supply further information on this point if need be.
c) Our members thought that trying to pre-define generators by manufacturers' specifications would be tricky and could be abused. For example a "Caterpillar" generator purchased from the US would have to be recalibrated for UK fuels so US type testing might well be irrelevant in the UK. Members observed that maintenance, age, exhaust arrangements etc. are more likely to influence emissions.
d) In the light of discussions at the workshops we have considered the complexity of the proposed domestic requirements. Since these are specifically targeted at unregulated plant used to increase domestic generating capacity under CFD, we wonder whether the exclusions could be simplified: The legislative targets are plant that:
    - Are not obliged under EPR/IED or EU ETS
    - Are not part of a CCA scheme
    - Are not subject to ELVs under MCPD (presumably they run under 500 hours)
    - Export power to the grid (?under CFD) , either directly or through aggregators.

    If these criteria are unique to the target of this proposed legislation, could they be used as a simpler route to capturing the correct regulatory target cohort? For example: "Any unregulated diesel generators that export power" further clarified by means of example.

3 Table of consultation questions with answers

MCPD Transposition Questions		
Q1.	*Do you agree with the general approach to permitting that is proposed?*	*Yes*

Q2.	*Do you agree with the proposed approaches set out in Table 1? If not, why not?*	*Yes, but we seek clarity on the level of disclosure of the location of generators. We do not wish to have location details on public record.*
Q3.	*What are the practical problems with applying the 3-year and 5-year rolling averages?* *Should a yearly maximum be applied?*	*Data centre operators appreciate the extra flexibility provided by rolling averages but consider that a yearly maximum would be easier to record and more pragmatic as a compliance requirement. Having said that, operators are extremely unlikely to approach the 500 run hours threshold.*
Q4.	*Do you have specific examples where applying the extension to exempted hours in exceptionally cold weather is justified?*	*N/A*
Q5.	*For biomass and district heating plants which qualify for later application of Annex II emission limits, do you have views on how emission limits should be set which ensure that no significant pollution is caused and that a high level of protection of the environment as a whole is achieved?*	*N/A*
Q6.	*What are the practical difficulties with applying the MCPD to compression ignition engines within the MCPD size range which are not used in the propulsion of a vehicle, ship or aircraft and are not subject to 'placing on the market' emission standards under the Non-Road Mobile Machinery Directive?*	*N/A*
Q7.	*What approach for compliance checks to you prefer:* ***a)*** *Random compliance checks as described above* ***b)*** *Scheduled compliance checks as described above* ***c)*** *Other – please describe*	*Members did not feel strongly. Some felt that in view of the highly scheduled nature of most activity, scheduled checks would be easier. If checks were non-intrusive (counting generators or checking paperwork) most preferred a spot check approach but observed that some notice would be required because data centres are highly secure facilities (so someone turning up unannounced saying they were from the EA to check the generators would not be given access!).*
Q8.	*Do you agree with the proposed approach for monitoring plants? If not, what are your concerns?*	*For our plant (operating under 500h per year), we think the approach is sensible. We would like some clarification on exactly what is being monitored – it appears to be just CO. Is this the case?.*

Q9.	*Do you have any suggestions for monitoring methods which could be applied to MCPs as an alternative to MCERTs?*	*Our generators are likely to be exempted from ELVs etc. but we certainly consider MCERTS to be overly burdensome for this application. Our members suggested estimated impact based on manufacturers technical data and run hours and proof of routine maintenance being completed.*
Emission controls generators Questions		
Q10.	*Do you agree with the proposed definition of "generators"? If not please explain your reasons and propose an alternative definition.*	*Yes*
Q11.	*Do you agree with the emissions limits proposed and that where secondary abatement is applied it must abate emissions to the required Emission Limit Value within five minutes?*	*N/A*
Q12.	*Do you agree with the proposed timescales for implementation, which reflect those specified in the Medium Combustion Plant Directive?*	*Yes*
Q13.	*Do you agree that generators with Capacity Market Agreements from 2014/ 2015 auctions that are not already operating should be regulated in the same way as generators that are already operating?*	*Yes*
Q14.	*Do you believe that generators with an aggregated rated thermal input <1MW (at a single site) should be required to comply with low emission limits?*	*N/A*
Q15.	*Is there a case for allowing back-up generators to be tested at peak times of demand?*	*Yes. Generators have to be tested regularly. By allowing these tests to be scheduled at periods of peak demand the running process could provide some third party benefit by taking load off the grid. Industry data indicated only marginal impact on total running hours.*
Q16.	*Do you agree with the proposed approach to controlling particulate emissions from generators?*	*N/A*
Q17.	*Do you agree with the proposed exemptions from emission controls?*	*Yes, members supported this approach. They were appreciative that a distinction had been made between standby power for grid supply and emergency standby for business continuity in the event of interruption in or degradation of mains power provision.*

Q18.	*Do you agree that permitted generators should be required to monitor their emissions every three years only if they have adopted abatement?*	*Yes*
Proposed legislative approach Questions		
Q19.	*Do you foresee any challenges to using the Environmental Permitting Regulations for implementing the MCPD and controls on generators?*	*We have generators that are exempt from ELVs but are subject to EPR. Provided those exemptions are reflected in amendments to EPR we agree that this seems the most pragmatic approach for those installations.*
Q20.	*Do you agree with this approach?* *If not, please explain*	
Q21.	*Which of the following approaches do you consider to be the best option for choice of the regulator:* ***A)*** *Plants where regulator must determine the permit conditions to safeguard local air quality and those in Part A1 installations are regulated by EA in England and NRW in Wales, and other plants are regulated by LAs* ***B)*** *EA regulates all plants in England and NRW regulates all plants in Wales* ***C)*** *LAs regulate all plants*	*B: EA/ NRW regulate. Our multi-site operators report significant differences in approach and expertise between authorities and would prefer a single regulator. As representative body for a sector with peculiar generating characteristics we very much prefer a single regulator. We believe a single regulator should be able to benefit from economies of scale and provide a dedicated resource with the right level of technical expertise. The EA already administers other schemes that our members are party to such as CCA, EU ETS and we have been able to work productively across EA teams on tricky problems relating to multiple schemes (like accounting for fuel use in generators) so for us it makes sense to keep as much as possible in the same place. While we think the EA indulges in too much lily-gilding, we thoroughly respect the EA's technical expertise, consistency, openness to discussion and probity.*
Q22.	*Are there any situations where you consider the identity of regulator needs to be further clarified?*	*Our members asked that the regulator and permit issuer should be the same. We assume it will be.*
Q23.	*Do you agree with the assumptions made/ evidence provided in the policy analysis and associated impact assessment e.g. number of plants, operating hours, emissions?* *If not, please provide details.*	*We have detailed data on our sector that we can provide if needed, however this does not cover all our UK installations, for which we would have to provide estimates. We have no insight into generating capacity and characteristics within other sectors.*

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