

IED, UK Pulp & Paper Sector

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UK Pulp & Paper sector in 2011

- 2 integrated mechanical pulp mills
- 70%+ feedstock recovered paper
- Sulfite & kraft pulp 100% imported
- Deployed CHP, most gas
- Increasing use of biomass/waste
- Smaller mills grid electricity & boilers

UK Paper Mills

- 42 mills in EU ETS (2010)
- 5 associated CHP
- 9 CCA only mills
- Inc 2 new inward investments circa £700m
- Annual production 4.3mt
- Annual consumption 10.5mt
- Collected for recycling 8mt
- 2000 90 mills, 6.3 mt production

EU ETS Emissions

2010 (tonnes CO2 as reported)

- Direct by UK pulp & paper mills

1,279,299

(2008 1,534,404)

- Associated CHP

1,040,926

(2008 1,660,482)

(Closed since 2008, 10 paper mills with 3 third party CHP)

UK Pulp & Paper energy stats

- Gas purchased 11,843,870 MWh
(inc all CHP & boilers)
- CHP electricity 1,203,961 MWh
- Exported electricity 438,321 MWh
- Purchased electricity 2,349,274 MWh
- Coal 584,507 MWh
- Biomass/renewable waste 2,038,357 MWh

2010 figures as recorded by CPI

Areas of concern - IED

- LCPD – impact on a small number of large mills, esp on third party CHP
- WID – two waste combustors, but heat need means interest in this area, potentially linked to biomass
- IPPC – revised sector BREF

Pulp & Paper BREF

Currently being revised – further delayed

Chapter 1 – Introduction

Chapter 2 – General (so cross cutting)

Chapter 3 – Kraft pulping

Chapter 4 – Sulfite pulping

Chapter 5 – Mechanical pulping

Chapter 6 – Processing of recovered paper

BREF – key issues

- BAT figures – and we still wait!
- Requirement to include in permits within 4 yrs
- New permit conditions; including non normal operation, protection/monitoring of soil/groundwater
- Public participation strengthened
- ELVs linked to BAT

BREF - derogations

- Derogations from BAT but only where;
“disproportionately higher costs compared to the environmental benefits due to geographic location or local environmental conditions, or technical characteristics of the installation”

Questions – what will be BAT and how will this be interpreted in the UK?

Required to document in a permit annex and report use to the Commission who may issue guidance and propose EU wide minimum standards

BREF BAT Emission Levels

- BAT AEL included in the Directive – under “normal” conditions – potential for confusion over definition, but “not normal” is defined in parts of the IED
- Major issue for recovery boilers on pulp sites – regulation via BREF, but consideration of minimum values during 2013
- European Safety Net – 3 yr review of the Directive - environmental impact/BAT implementation – EU wide minimum standards?

BREF unresolved key issues

- Definition of BAT
 - at extreme could require a new mill; clear it is not BAU – where is the balance?
- Local interpretation by regulators
- Use and justification of derogation
- When is an emerging technology emerged/failed?
- Consultation opportunities – over 1,000 comments lodged on first draft – slipped timetable limiting opportunities

Interactions with other initiatives

- EU ETS – Phase III starts 2013
- Global carbon targets – carbon leakage
- UK rebalancing of the economy
- Energy Efficiency Directive/Cogen policies
- UK Climate Change Agreements
- Waste initiatives
- Biomass
- Water
- Marine shipping sulphur limits!