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
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!