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21st October 2025

Consultation on modernising environmental permitting for industry

Dear Industrial Emissions Team,

Fuels Industry UK represents six manufacturing, supply and marketing companies that operate the four major oil refineries in the UK and source over 85% of the transport fuels used. Our associate membership comprises a wide range of companies – from heating fuel supply and Liquefied Natural Gas (LNG) imports, renewable and sustainable fuel producers, to terminals and pipelines.

I am pleased to submit the Fuels Industry UK response to the DEFRA consultation on modernising environmental permitting for industry.

Yours sincerely,

Simon Wood
Environment, Health and Safety Specialist

Fuels Industry UK response to the DEFRA consultation on modernising environmental permitting for industry

Question 1: Would you like your response to be confidential?

No

Question 2: What is your name?

Simon Wood

Question 3: What is your email address?

Simon.wood@fuelsindustryuk.org

Question 4: In which part of the United Kingdom are you based?

England

Question 5: Which part of the UK are you primarily interested in?

All of the UK

Question 6: Who are you responding as (select one option only)?

Trade Body

Question 7: If you are responding on behalf of an organisation, what is its name?

Fuels Industry UK

Question 8: Are there other reform goals that we should aim to deliver as part of the modernised framework?

Proportionate and pragmatic regulation and coherence in the framework, consistent across industries and with the Regulator's code is required. We believe that regulator effectiveness and efficiency is paramount as this is where the whole set of proposals will fall apart, especially if regulators are given the powers to write the regulations they enforce. Industry already faces problems with interpretation of regulation and enforcement being out of sync with the legal intent of the regulation.

Fuels Industry UK seeks to maintain equivalent standards comparable with the EU while providing flexibility for UK industry and maintaining competitiveness by addressing some issues in different way.

For an industry that is trying to adjust to a rapidly developing different energy framework (i.e. high CO2 emissions to low CO2 emissions), some recognition is necessary of the need to be more risk tolerant during transitional periods where certain emissions will increase in the short term but provide more significant longer term emission improvements.

Question 9: What key factors should be considered when further developing a regulatory sandbox approach for industrial R&D activities under the EPRs, ensuring it fosters innovation while maintaining robust environmental and health safeguards?

Fuels Industry UK welcomes the development of a regulatory sandbox approach for industrial research and development (R&D) activities. Further consultation with industry is required to enable detailed development of any conditions for managing risk.

To help provide certainty for developers and their investors we would encourage DEFRA to provide flexibility for the duration of any sandbox trial. This is because they may be linked with the operation of an existing piece of equipment which may be linked to a particular investment cycle.

The scope of the process for engagement must be clear to all parties. Decisions must be transparent, and time bound. Application of the sandbox approach and what R&D is included as the associated testing activity should be carefully considered and clearly defined, as the design of an R&D sandbox should be bespoke to the novel activity.

Question 10: Do you have comments on the alternative approaches to commercial confidentiality outlined above, or other suggested approaches that would balance environmental protection, public access to information and innovation?

Fuels Industry UK agrees with the idea of limiting the information that operators are required to provide to the regulator for R&D trials to only the information required to ensure significant pollution is not caused. This is because publishing information under the Environmental Information Regulations will lead to disclosure of commercially sensitive information which significantly discourages UK R&D.

Question 11: What key factors should be considered when further developing proposals on commercial activity at R&D and testing sites?

Fuels Industry UK has no specific response to this question.

Question 12: What would the benefits and costs be of requiring operators of sites, which fall under the EPRs R&D and testing exemption, to notify the relevant regulator?

Fuels Industry UK believes that specific guidance would be needed for both operator and regulators to avoid making further information requests, unless essential to do so.

Question 13: What key factors should be considered when further developing the proposal to exempt R&D and testing of generators from the EPRs?

Fuels Industry UK supports this proposal and welcomes the EAs regulatory position statement that that it will not generally enforce permitting requirements on R&D testing for specified generators assuming certain conditions are met.

Question 14: Do you have comments or suggestions on whether and how regulation of emerging techniques could be improved?

Fuels Industry UK supports the ongoing use and development of Guidance on Emerging Technologies (GET) as a more agile and flexible process for new/emerging techniques. To work closely with industry and subject matter experts to develop the understanding of new innovative technology is key to success. Fuels Industry UK also believes that the existing GET process provides a more agile, timely and proportionate means of putting in place initial standards for emerging technologies than the UK BAT system.

Question 15: Do you agree or disagree that the proposals in this chapter will achieve the goal – ‘Enabling innovation and encouraging new technologies and techniques’? If you disagree then please provide alternative suggestions along with supporting evidence where available.

Agree. Fuels Industry UK believes that the proposals in this chapter do enable innovation and encourage new technologies and techniques. We also believe that the development and implementation of a flexible regulatory sandbox process is key to support innovation. A sandbox approach is an essential element of the process, especially if the UK is to compete against other nations for business.

Question 16: What key factors should be considered when further developing the proposal to create a more dynamic approach to setting BAT?

Fuels Industry UK agrees that the current Best Available Techniques (BAT) system is outdated and slow. We would advocate for dynamic standards and a more integrated approach to permitting to reduce bureaucracy and accelerate project development.

Fuels Industry UK does not support providing the ability to write the regulations, to an executive agency, that it will then enforce and the removal of Ministerial approval of final BAT documents. Experience suggests that having regulators lead the development and implementation of BAT would likely present significant challenges with unintended consequences. Success in this model depends heavily on strong, collaborative relationships, something not consistently experienced across industry. Recent consultations have been released to industry very late in the process and often as near-final drafts, reducing stakeholder engagement to a procedural formality. There is concern that a similar approach to BAT could result in documents that do not capture broader industry challenges unless facilitated by an independent or neutral party.

We agree that the proposed Environmental Permitting and BAT reforms are aimed at delivering more agile, risk-based regulation, while addressing the need for certainty, transparency, and proportionate standards. This could have the potential to reduce the regulatory burden on industry, provide certainty for investment in new technologies and to ensure effective environmental outcomes. However, the framework proposed offers significant challenges including resourcing. Fuels Industry UK appreciates the

mechanisms listed require a separate consultation and sufficient detail to provide detailed commentary on.

The reforms must be proportionate to the pollution risk and provide clear, predictable standards and processes for investors in emerging clean technologies and industrial activities.

Concerns exist that while reform may aim for agility, if not implemented carefully and with clear communication it could inadvertently lead to tighter requirements which will undermine operator and investor confidence.

Removing the Ministerial approval and Statutory Instrument (SI) process will undoubtedly speed the BAT process up. However, the loss of Ministerial oversight may be a concern to Natural Resources Wales (NRW) who currently follow the same SI process as England.

Removal of the DEFRA and parliament led BAT consultations with ministerial oversight takes away a layer of governance, which could be a concern if new BAT proposals by the EA encounter significant opposition from sectors. For example, if the proposals cost is disproportionate to implement or threaten business viability in the UK. A key factor to help avoid this would be to have an appeal escalation process available to manage major disputes. This would need to involve suitably qualified independent assessors and advisors.

In summary, Fuels Industry UK sees the reforms as an opportunity to create a regulatory environment that supports the UK's transition to net zero by enabling innovation and new projects, provided that the new system offers the certainty and stability necessary for long-term investment.

Fuels Industry UK and our members must be involved in shaping any new regulatory framework for BAT and permitting. This is to ensure practical, effective standards are developed that would affect the downstream fuels sectors transition to net zero.

Question 17: Do you have comments on the role of horizontal BAT in creating a more dynamic system for setting industry standards?

Fuels Industry UK believes that a suite of horizontal BAT for emission limits that apply to all sectors, (for example on noise, odour), has worked well in the past for the UK when combined with H1, 2, 3, 4 and 5 guidance documents for environmental permitting. The implementation of narrative horizontal BATs has proven to be more challenging. Fuels Industry UK would encourage clear guidance from DEFRA to be provided to Regulators regarding horizontal BAT conditions into permits. Sites have experience of unexpected BAT conditions being added to permits when varied. "Substantial" also needs to be fully defined.

Keeping requirements separate from sector specific permit requirements would enable horizontal BAT to be updated as better environmental techniques become available. Industrial sites generally have mature environmental management systems which could be updated as and when improvement opportunities arise – either immediately or during permit review.

At present environmental permits contain a mix of legally binding emission requirements along with examples of the narrative for BAT best practice which could be included in horizontal guidance. A more dynamic system for setting industry standards idea could be to separate permits into Part A, (binding emission limits) and Part B, (narrative or management system requirements). The benefit of this approach could be to only require a permit variation for changes to Part A with Part B updated via exchange of letters with the regulator.

Question 18: What key factors should be considered when further developing policy on decarbonisation and circular economy standards?

Fuels Industry UK supports not having Emission Limit Values (ELV's) on Green House Gas (GHG) Emissions that are subject to Emissions Trading Scheme (ETS). Updating horizontal guidance documents to cover energy, climate change adaptation and resource efficiency (e.g. water and waste) is only supported provided that overlaps with other legal requirements are avoided especially regarding reporting requirements. For instance, with Sustainability Disclosure Requirements (SDR), Streamlined Energy and Carbon Reporting (SECR), Energy Savings Opportunity Scheme (ESOS), UK Emission Trading Scheme (ETS), Control of Major Accidents and Hazards (COMAH), Control of Substances Hazardous to Health (COSHH) and UK REACH.

Any horizontal guidance should also avoid prompting transformation plans, as these need to be set at company level, not at the installation level. This is because transformation towards climate neutrality is a strategic matter at a company's corporate level. Most companies aggregate individual installations to ensure the best use of energy, raw materials and natural resources. Transformation plans should, therefore, not be required at the level of individual installations or process units but rather at the corporate level, which is aligned with SECR, SDR and UK ETS.

Including Associated Environmental Performance Levels (AEPL's) is not supported. This is because operators do not believe that they provide additional benefit, as BAT is already applied and the nature of BAT drives operators to greater levels of environmental performance anyway. Applying additional limits could inadvertently remove degrees of freedom that currently allow businesses the operational flexibility to adapt and respond.

Question 19: Do you have any comments on the proposal to consider integrated pollution control for Part B installations? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

It is Fuels Industry UK's view that a single set of standards for all would help to simplify regulation. Non-Part A installations are lower risk and lower impact. However, Part A requirements should be assessed line by line and where possible, other lower impact facilities such as Part B processes should be exempted from the requirement if deemed disproportionate. A screening tool could be developed for regulators to work with operators to agree which of the Part A requirements is applicable to a specific Part B operation. Fuels Industry UK would welcome further consultation on which requirements to exempt.

Question 20: Do you have any comments on the proposal to consider applying BAT and integrated pollution control to small waste incineration plant? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

An integrated approach to pollution control for Part B installations would remove loopholes that allow pollution which would simplify and consolidate regulation into a single framework. However, BAT requirements for large incineration are very detailed and expensive to implement. For instance, the application of continuous monitoring of emissions requirements to small incineration units would be disproportionate and would be an additional burden and cost for small operators.

Question 21: Do you have any comments on the proposal to consider applying BAT and integrated pollution control to all solvent emission activities? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK has no view on this question.

Question 22: Do you have any comments on the proposal to consider applying BAT and integrated pollution control to medium combustion plant and specified generators? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK believes the proposal to give EA the flexibility to set suitable standards for MCP providing appropriate environmental protection is reasonable.

Question 23: Do you agree or disagree that the proposals in this chapter will achieve the goal - 'Agile standards - rapid, predictable and integrated standard setting? If

you disagree then please provide alternative suggestions along with supporting evidence where available.

Fuels Industry UK agrees that the current Best Available Techniques (BAT) system is outdated and slow. We would advocate for dynamic standards and a more integrated approach to permitting to reduce bureaucracy and accelerate project development. We see the proposed Environmental Permitting and BAT reforms as broadly positive. This is because they are aimed at delivering more agile, risk-based regulation, while addressing the need for certainty, transparency, and proportionate standards. This has the potential to reduce the regulatory burden on industry, provide certainty for investment in new technologies and to ensure effective environmental outcomes. However, we fear the unintended consequences of providing the ability to write the regulations to an executive agency that it will then enforce.

Fuels Industry UK generally supports the Government's move towards a more agile, risk-based, and flexible environmental permitting framework that enables innovation and new technologies to proceed more quickly. The reforms must be proportionate to the pollution risk and provide clear, predictable standards and processes for investors in emerging clean technologies and industrial activities.

Working to fewer standards helps with clarity and expectations, however for them to be agile, for lower impact installations, then a smart screening tool may help to make reviews rapid. This could be supplemented with a Best Practicable Environmental Option (BPEO) tool to help regulators and operators agree on actions needed to achieve optimal environmental outcomes (which could be no action).

Concerns exist that while reform may aim for agility, if not implemented carefully and with clear communication it could inadvertently lead to tighter requirements which will undermine operator and investor confidence.

Removing the Ministerial approval and Statutory Instrument (SI) process will undoubtedly speed the BAT process up. However, the loss of Ministerial oversight may be a concern to Natural Resources Wales (NRW) who currently follow the same SI process as England.

Removal of the DEFRA and parliament led BAT consultations with ministerial oversight takes away a layer of governance, which could be a concern if new BAT proposals by the EA encounter significant opposition from sectors. For example, if the proposals cost disproportionate to implement or threaten business viability in the UK. A key factor to help avoid this would be to have an appeal escalation process available to manage major disputes. This would need to involve suitably qualified independent assessors and advisors.

In summary, Fuels Industry UK sees the reforms as an opportunity to create a regulatory environment that supports the UK's transition to net zero by enabling innovation and new projects, provided that the new system offers the certainty and stability necessary for long-term investment.

Fuels Industry UK and our members must be involved in shaping any new regulatory framework for BAT and permitting. This is to ensure practical, effective standards are developed that would affect the downstream fuels sectors transition to net zero.

Question 24: Do you have any comments on the proposal to develop more flexible tiers of regulation? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK supports the proposals for a risk based tiered system of permitting. This will help both regulators and operators to align their limited resource where they can best help to protect the environment. It also removes much of the regulatory burden on lower risk activities so they can commence operation more quickly and support UK growth.

Permitting of more complex activities would still have to undergo the same level of scrutiny as they do today but having a tiered system would free up more regulator resource to expedite permit applications, which can typically take over 12 months to approve.

Fuels Industry UK notes that there is limited detail on these proposals within the consultation and there is a suggestion that a number of consultations are to be issued covering this topic. Please would DEFRA publish a timeline for when these can be expected so that industry and regulators may adequately resource and respond.

Question 25: Do you have any comments on permitting versus registration-based approaches for smaller MCP as outlined in this section? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK believes that a registration-based approach requiring operators of Medium Combustion Plant to register their unit while committing to meet emission limits set out in legislation is a reasonable alternative option to permitting. The proposed approach may require capping the number of smaller MCP's at one location. This would prevent operators gaming regulation by installing multiple MCP's that are just under the threshold.

Question 26: Do you have any comments on the regulation of back-up generators and data centres as outlined in this section? Please outline your views on any

potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK supports removal of the requirement to monitor CO and NOx for back-up generators. We question whether registering all generators below 1MWhr would bring significant benefit compared to the additional administrative burden. Understanding how many additional generators this covers would be useful. The consultation suggests there are tens of thousands of back-up generators currently not in scope that could then require Permits. Fuels Industry UK believes that this could prevent the whole permitting process from being agile.

Question 27: Do you have any comments on the most proportionate approach to permitting of hydrogen production via the electrolysis of water? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK supports the streamlining of permitting to remove the need for sites to obtain an installation permit that are below the production threshold of 50 tonnes per day of hydrogen generated by electrolysis of water. The 50te/day threshold will support smaller installations but may still impact larger industrial producers.

Question 28: Do you have any comments on groundwater permitting of sub-surface storage of hydrogen? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK has no substantive view on this question.

Question 29: Do you have any comments on the regulation of carbon capture activities as outlined in this section? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK support the proposal to consult further on amending the EPRs to address the regulatory gaps and include different carbon capture activities in the regulations.

Question 30: Do you have any comments on the appropriateness of using environmental permitting to manage the risks and impacts to public health and the environment of fires at BESS sites? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK has no substantive view on this question.

Question 31: Do you have any comments on the regulation of battery manufacturing as outlined in this section? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK has no substantive view on this question.

Question 32: Do you have any comments on the regulation of non-waste anaerobic digestion as outlined in this section? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK has no substantive view on this question.

Question 33: Do you have any comments on the mining and treatment of metals and minerals as outlined in this section? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK has no substantive view on this question.

Question 34: Do you have any comments on the regulation of alternative thermal treatment as outlined in this section? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK believes that waste streams can be an important feedstock for Development Fuel (DFs) for refineries, typically through co-processing with fossil based fuel. But the processing of these waste-based development fuels often increases regulatory and permitting requirements. The existing regime is not up to date with changing practices and therefore runs the risk of inconsistency and there is a need for the regulator to define residual waste in a different way. Technologies to produce or refine fuels are only accounted for under the Environmental Permitting Regulations for their application to fossil materials, and not residual waste. Thermal treatment of wastes is not clearly defined under Environmental Permitting which leads the regulator to permit activities under waste incineration and we believe that it is now time to redefine residual waste as a carbonaceous material.

We are aware of concerns about transparency of origin, where responsibility under the Renewable Transport Fuels Obligation falls to the supplier. The regulators' view is that the importer must demonstrate end of waste, when bringing a feedstock that has been generated by a third party outside of the UK into a refinery site. Refinery operators are often the importer and consider this an additional burden. For example, products supplied from the EU already hold end of waste, REACH registration and chemicals labelling on their packaging.

We understand that regulators are also concerned with potential health and environment impacts, and they are seeking to understand and mitigate any impacts with emerging waste-derived fuels. Of particular concern to the regulators is the release of emissions of DIOXINS and PFAS at the point of use. This has been raised with the BSI PTI/2 Committee Chair and will be considered further.

Fuels Industry UK would welcome further DEFRA consultation on this subject area.

Question 35: Do you have suggestions of regulated activities where a change in regulator would be beneficial? Please set out how your proposal would result in benefits to yourself or your organisation, or where proposals would result in harm or benefits to human health or the environment.

Fuels Industry UK is of the opinion that a review of the regulatory overlaps between Local and Environmental regulators would be beneficial. This is especially the case for local impacts such as noise and odour, where both may get involved when complaints occur. Having both regulators aligned from a technical and BAT perspective but also from a responsibility position would benefit regulators and industry. Complaints system management by both regulators need to complement each other's. This also needs to be the case for emergency management e.g. COMAH.

Question 36: Do you agree or disagree that the proposals in this chapter will achieve the goal – 'Proportionate regulation and coherence in the framework'? If you disagree then please provide alternative suggestions along with supporting evidence where available.

Fuels Industry UK supports the principles behind many of the proposals in the entire consultation. However, as they stand the majority apply to new net zero developments. DEFRA and the Environment Agency must consider how these proposals apply to existing industry with the potential to transition to net zero and how they are applied at the inspector level.

Question 37: Do you have any comments on the outline permitting approvals approach as outlined in this section?

Fuels Industry UK and our members would welcome a permitting process that could provide certainty to investors as early as possible in the process. A lack of certainty, a drawn-out permitting process and overly burdensome regulatory landscape are significant obstacles that companies state as barriers to them investing in the UK.

The alternative approach suggested in the consultation document, where sufficient reassurance on permitting approval could be provided earlier in the process to derisk investment, with detailed design considerations coming later is welcomed. However, the statement that follows the proposal is a significant concern:

“It should be noted that developers and investors will always have to bear a significant degree of risk, as it is only when detailed assessment is carried out that the acceptability of a proposal can definitively be determined”.

Fuels Industry UK sees this statement as backtracking on the initial intent of the proposal as the investment risk remains the same. We are of the opinion that the quoted statement can be mitigated as we are not asking for definitive predetermination based on limited information.

We are asking for a system where a permit may be granted in principle with a staged approach to final determination. By allowing for review points to assess the impact of any design changes with the permitting team would help to provide certainty to the developer and reducing the risk that the permit is rejected. In addition, a high level early impact assessment and commitment to apply BAT would provide the permitting authority with additional confidence in the application.

Industry would be open to supporting development of such a new process working alongside regulators and further consultation. The team conducting this within the agency needs to either be the team who make the permitting decisions or working in very close co-operation. Experience has shown that while there is a mechanism today to discuss permitting with the EA, it is a separate team/individual who fundamentally make decisions on permit variations. We would suggest a pragmatic approach would be to have a single point of contact for installations (i.e. nominated individual) who will manage all site permitting queries.

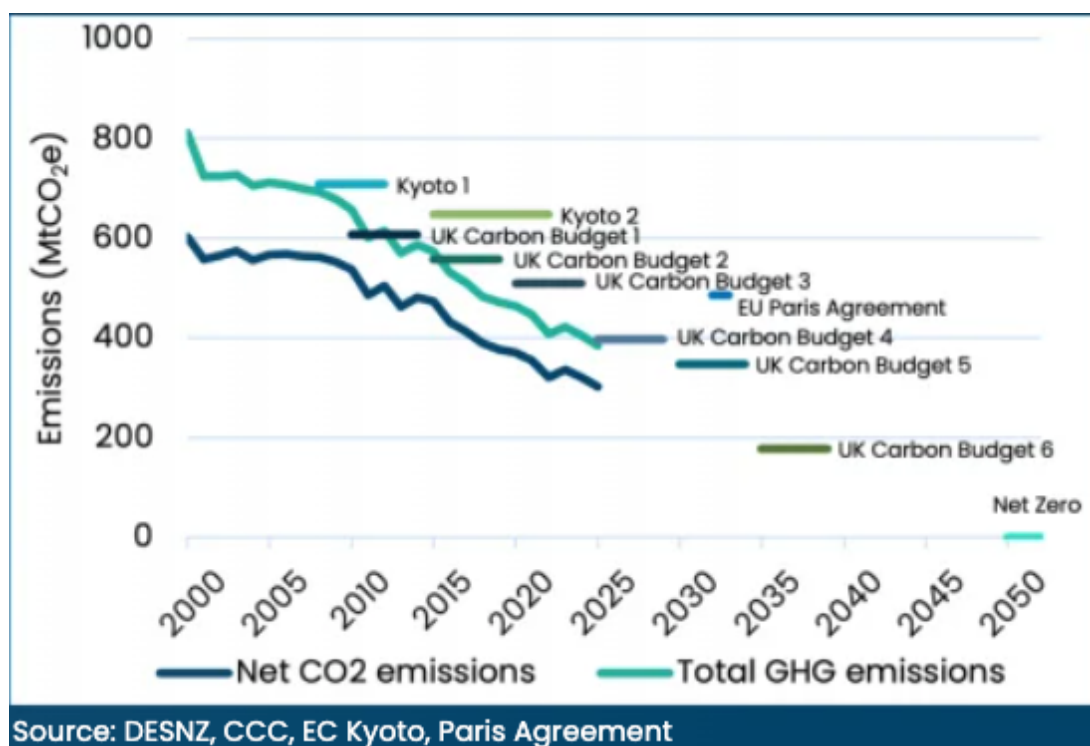
Question 38: Do you have any comments on the use of the flexible permit approach as outlined in this section?

Fuels Industry UK strongly supports the use of a 'bubble' approach as described in the refineries EU BAT reference document (BRef). Many large sites have more than 100 individual emission release points. A bubble permit approach gives an operator flexibility to manage emissions within a set boundary. A move away from setting emission limits for each separate technology or process at an industrial facility and instead setting an overall cap for the facilities' emissions of certain pollutants for example, particulate matter or nitrogen oxides would significantly reduce regulatory burden.

The bubble approach is also beneficial as sites grapple with conflicting environmental requirements. Application of a bubble approach across the range of potential pollutants would dramatically reduce the burden of bureaucracy while helping to reduce emissions in the most cost effective way. However, site operators must be allowed to appropriately utilise the flexibility that it provides.

Question 39. Do you have any comments on whether further action is needed to improve the environmental permitting framework to allow regulators to manage environmental capacity for industry in an effective and fair way? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

The UK has consistently met its carbon budgets and is on target to meet its GHG emissions targets set out by Carbon Budget 4, that came into effect in 2023. The total GHG emissions in 2023 were 385 MtCO₂e, below the roughly 400 MtCO₂e goal in Carbon Budget 4.



If a decision is taken to review permits within clusters, then regulators need to take into consideration the impact and cost of any desired permit changes on each business that may be affected. Some older processes are still critical to UK National Infrastructure and without them as a foundational activity it could have a detrimental impact to the UK economy.

Water scarcity is a real concern for resource constrained catchments, and where possible the planning and permitting process should look to protect water supplies. The three named industrial clusters are located in the tidally impacted zones of their catchments. Such locations have many complex environmental and water management issues and spatial planning for the UK is crucial in this aspect. By taking into consideration all the resource needs and availability for existing and future operations, including cluster locations it should be possible to identify additional headroom for new entrants.

Question 40: What key factors should be considered when exploring options for better alignment of the planning and environmental permitting systems for industry?

There are many different regulatory regimes that need to align with environmental permitting. To enable foundational industry transition to Net Zero, Fuels Industry UK believes that Government should use its authority to impose a new way of working on the various stakeholders that currently operate in parallel of permitting, such as Planning, Environmental Impact Assessment, COMAH, Flood, Climate and Environmental Risk Assessment and hazardous substance consenting. Aligning permitting with these other regulatory regimes consenting and licensing requirements and their timeframes has the potential give certainty to investors by reducing the time taken for a development to move from investment decision to operation faster.

Question 41: Do you have any comments on how to achieve better alignment between the Local Air Quality Management and environmental permitting regimes?

Industrial sites will rarely know their contribution to a local air quality standard. Where several installations contribute to adverse air quality, the regulator and local authority should work together to notify operators of their contribution to the plan along with a possible limit. This may help both regulator and operator to understand what headroom is left for any new activities proposed.

Additionally, the use of the bubble permit may help to supplement options if a site has a new process unit which also impacts the operation of another process unit's emissions. This approach for air impacts may be useful for cluster projects.

Question 42: Do you have any comments on improving the system for setting LAs permitting fees and charges? Please set out any evidence regarding current shortfalls in cost recovery. Additionally, please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK has no substantive view on this question.

Question 43: Do you have any comments on the approach to BAT AELs when setting ELVs? Please outline your views on any potential costs or benefits the proposal may bring to you and/or your organisation, as well as any positive or negative impacts it could have on human health or the environment.

Fuels Industry UK believes that the process for identification of best available techniques (BAT) and their associated emissions levels (BAT-AELs) must be robust and evidence-based. We support sites being able to operate at the upper end of the BAT AEL range. This upper range is still considered BAT and in the EU processes operating beyond the upper range have been legally required to reduce emissions to within the BAT range. Members states in the EU have the flexibility to choose if they want to regulate emissions

below the upper level. Some members states have said they will retain regulation to the upper level. Tightening emissions to the lower end of the BAT AEL range will have a minor benefit to emissions reduction and will have a significant cost impact on industry if required to meet them. This goes against the UK growth agenda.

Where emissions have an enhanced risk, due to a substance of concern, local geography and proximity to sensitive receptors, then regulators should have the flexibility to demonstrate reasons why emissions need to be reduced. Having a remit to drive to the lowest BAT AEL range irrespective of impact to business and actual environmental impact is not appropriate.

Question 44: Do you agree or disagree that the proposals in this chapter will achieve the goal – ‘Regulator effectiveness and efficiency’? If you disagree then please provide alternative suggestions along with supporting evidence where available.

Fuels Industry UK understands and supports the principles behind the proposals in this chapter. DEFRA and the Environment Agency must consider how these proposals apply to existing industry with the potential to transition to net zero and how they are applied at the inspector level. There is a lot of detail behind the proposals to understand, and we would encourage further consultation.

Question 45: What factors should be considered when developing a more transparent reporting framework, including adding new pollutants, lowering reporting thresholds and aligning UK PRTR reporting with other environmental reporting?

Fuels Industry UK believes that need to take care to ensure that any additional monitoring required is practically achievable and not cost disproportionate. Any new substance additions should also include reporting thresholds so that monitoring and costs involved are targeted based on emission impact rather than having a zero threshold. DEFRA and the Environment Agency must consider how these proposals apply to existing industry with the potential to transition to net zero and how they are applied at the inspector level.