SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

DEVELOPMENT OF THE ACTIVITY CHARGE

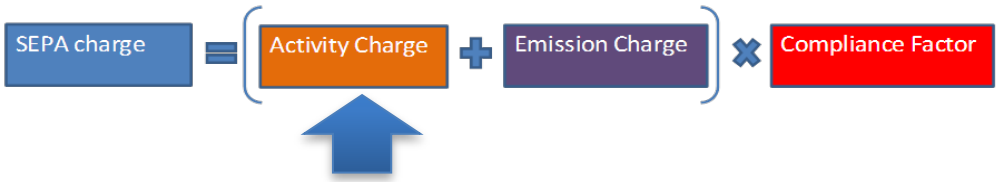
1. OVERVIEW

1.1 This document is an Annex to our consultation on the Proposed New SEPA Regulatory Charging Scheme. Our consultation proposals for charging for annual subsistence in this framework involve three charging components:

- Activity Charge,
- Emissions Charge, and
- Compliance Charge.

1.2 Annex A of the consultation outlines how Application and Annual Subsistence charges have been derived. The way the annual subsistence charge is calculated is shown schematically below:

Figure 1 – Schematic representation of our proposed charging scheme



1.3 This Annex covers the proposed Activity Charge element, which looks to recover our costs associated with our direct regulatory effort and regulatory support (approximately 40% of the total income under the proposed new charging arrangements). You should read this Annex if you want to know more about the development of the proposed Activity Charge and want an understanding of the suggested approach and rules for this element of the scheme.

1.4 Within this Annex:

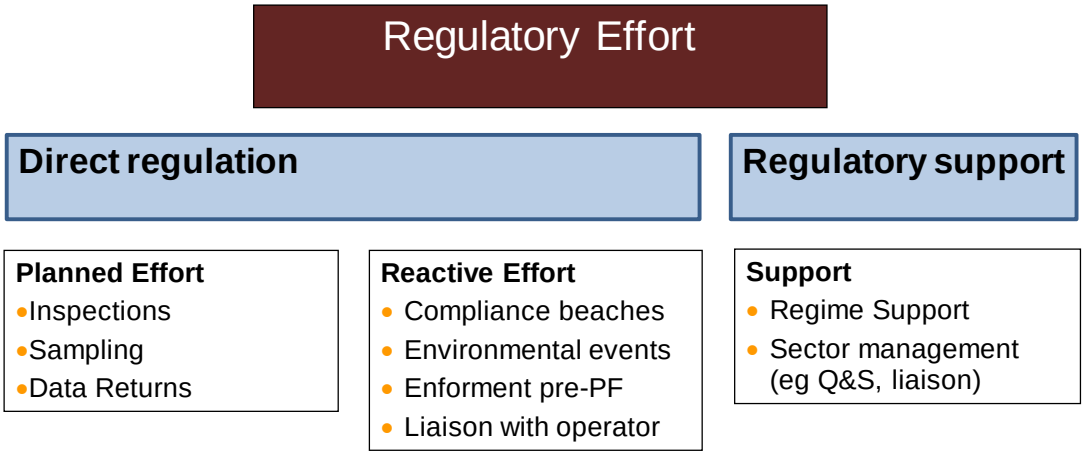
- Section 2 provides an overview of the main components that make up the Activity Charge;
- Section 3 provides an overview of the main development steps;
- Section 4 provides more detailed explanation of the allocation/calculation of effort and costs for each of the main and sub components;
- Section 5 provides an overview of multiple activity discounts/rules being applied;
- Appendix B1 provides a full list of activities by regime/sector/activity;
- Appendix B2 provides a list of sectors in Table 1 and list of sectors and sub-sectors in table 2;
- Annexes B3 – B5 list the corrections applied to the model at a technical regime, sector and activity level.

2. ACTIVITY CHARGE: OVERVIEW

2.1 The proposed Activity Charge is designed to recover our costs associated with regulatory effort. This covers Direct Regulation (the sum of our planned and reactive regulatory work) and our Regulatory Support, as summarized in the diagram below:

Figure 2

Overview of Regulatory Effort



Data Sources

2.2 To help us identify our regulatory effort, and then to calculate the costs, we used the following internal data sources to help determine the Activity Charge:

- Corporate Licensing Administration System (CLAS) – which tracks the licenced activities and status;
- Dynamic Regulatory Effort Assessment Model (DREAM) – used to assess the relative hazard of different activities;
- Compliance Assessment Scheme (CAS) – assesses compliance against the licence;
- National Environmental Monitoring System (NEMS) – sets the type and frequency of monitoring;
- Activity Time Recoding system (ATR) – SEPA's system to record staff time;
- Environment Events Database (ELMS) – records incidents and allocates them against a licence if this is possible;
- Work Load Planning Data (WLP);
- Professional judgement; and
- Miscellaneous sources, e.g. Scottish Water population equivalent data.

Direct Regulatory Effort

2.3 Figure 2 illustrates that Direct Regulation is made up of planned and reactive work. The following subsections elaborate on this.

<u>Planned regulation</u>

2.4 Planned regulatory work is made up of:

- Inspections,
- Taking samples and assessing results, and
- Collating and assessing data returns.

Reactive regulation

2.5 Reactive regulation (also referred to as compliance management) covers the following work areas:

- Responding to environmental incidents and complaints, and
- Working with operators to resolve and prevent compliance failures.

Adjustments

2.6 Initially the level of regulatory effort is determined by the nature of the activity being regulated. However, where appropriate, to improve the matching of effort and costs, we apply adjustments at a regime, sector or activity level to better reflect:

- actual time spent from our Activity Time Recoding (ATR) system,
- variances in regulatory effort which might be related to:
    - technical and/or sector issues
    - close association with other activities
    - activity specific differences
    - alternative methods of regulatory control and support.

Regulatory Support

2.7 Regulatory Support relates to sector-based work and the provision of policy and guidance. This includes, for example, work where we initiate reviews and variations, and our work associated with the Scottish Waters Quality and Standards (Q&S) program. Unlike Direct Regulation, which is more site/activity based, Regulatory Support work is largely allocated at a legislative regime and sector level.

3. DEVELOPMENT OF THE METHODOLOGY

3.1 We have developed the Activity Charge using the following building blocks:

- The nature of the prescribed activity being undertaken;
- The sector in which that activity belongs;
- The legislative and technical regime in which that activity belongs;
- The generic DREAM hazard band of an activity;
- Grade/cost of staff normally employed to carry out regulatory work and time such staff spent on Direct Regulation and Regulatory Support; and
- Sector compliance and environment event statistics.

Activities (for charging purposes)

3.2 The prescribed activities we regulate are derived from the following regulations:

- Activities, Installations and mobile plant prescribed in Schedule 1 of the Pollution Prevention and Control (Scotland) Regulations 2012;
- SEPA's Pollution Prevention and Control (Parts A & B) Fees and Charges Scheme 2012 (as amended);
- Controlled activities as defined within the Water Environment (Controlled Activity) (Scotland) Regulations 2011 & 2013;
- SEPA publication: A Practical Guide The Water Environment (Controlled Activities) (Scotland) Regulations 2011 (as amended);
- SEPA's Waste Management Fees and Charges (Scotland) Scheme 2014 (as amended by SEPA National Waste Unit officers); and
- SEPA's Radioactive Substances Act 1993 Fees and Charges (Scotland) Scheme 2014.

3.3 We categorised all these prescribed activities based on their nature and environmental risk into activity types. We normally plan and manage our baseline regulatory effort on the basis of these activity types. So for example the prescribed activity might be the discharge from operation of a marine fish farm, but this is then split into different activity types (e.g. below 50 tonnes per year and above 50 tonnes per year) reflecting the differing levels of regulation we apply.

3.4 We have listed activity types by sector and sub sector groupings in Table 1 Appendix B1.

Sector

3.5 We created eighteen sector groupings to help with our regulatory approach and allocating effort and costs at a sector level. Given the wide range of activities covered, these have been further broken down into sub-sectors. A full list of the sector and sub sectors is also provided in Table 1 of Appendix B2.

3.6 Each activity type is assigned to a sector. We then use our Compliance Assessment Scheme (CAS) and Environmental Events (ELMS) data to allocate sector workload estimates. The methods we used for the analysis are detailed in Section 4 below.

Legislative and Technical Regimes

3.7 We have defined seven technical regimes which are used as part of the modelling of the proposed charges:

- CAR Point Source Discharges,
- CAR Water Resources: Abstractions and Impoundments,
- CAR Disposal to Land activities,
- Pollution Prevention and Control Part A (PPC A),
- Pollution Prevention and Control Part B (PPC B),
- RSA (Band B & C activities), and
- Waste Management Licencing.

3.8 In certain cases, such as PPC A (which involves multi-media control of complex activities) the regime is legally and technically more complicated

than others. This requires more complex work by high-grade staff and so a weighting is often needed to better reflect the costs of the work being carried out.

3.9 Where costs associated with work can only be established at a technical regime (and not sector or activity level) then costs are simply allocated in proportion to the direct regulatory score for each activity (e.g. apportionment of some regulatory support costs).

Dynamic Regulatory Effort and Assessment Model

3.10 Our Dynamic Regulatory Effort and Assessment Model (DREAM) is the hazard and risk assessment tool we use to assess the inherent hazards and risks of an activity. It has seven hazard bands, with Band 1 representing the lowest hazard and Band 7 the highest. The DREAM tool covers all regulatory regimes and replaces the Pollution Hazard Appraisal Systems we used prior to 2010.

3.11 All existing licenses that attract a subsistence charge have been assessed through DREAM. This enables us to establish a generic hazard band for each activity type.

3.12 In many cases an individual activities has been assessed across two or more hazard bands. Here the band with the highest frequency or a mid-point between bands is selected as the generic hazard band. The examples below help demonstrate our approach:

Table 1

Allocation of Activities to Hazard Bands

Activity Type	Individual DREAM Hazard Band	Number of occurrences	Generic DREAM Hazard Band
Example 1. Abstraction Agriculture (irrigation - mobile and/or fixed intake) <= 2000m3/d	1	3	
	2	12	
	3	**563**	**3**
	4	97	
Example 2. Discharge: Other Effluent (Quarries) > 100m3/d	1	1	
	2	**21**	**2**
	3	9	
	4	2	

3.13 So in Example 1 there are a range of hazard bands for this activity. However most fall into DREAM Hazard Band 3 (563 out of 675), so we have so we have identified the generic Dream band as Band 3. Likewise for Example 2 Hazard Band 2 is the most numerous for this activity and is therefore used as the generic band.

3.14 Each Hazard Band is then associated with a planned level of inspection and we use this to allocate the grade of staff deployed.

Grade of Staff

3.15 We have five grades of staff that we use to routinely undertake regulatory work. These are:

- Assistant Environment Protection Officer (AEPO),
- Environment Protection Officer (EPO),
- Senior Environment Protection Officer (SEPO),
- Specialist II (Spec II), and
- Specialist I (Spec I).

3.16 Generally, we employ our lower grades (e.g. AEPO) to regulate our simpler processes and use our higher graded and more experienced staff (e.g. Spec I) for our more complex sites. Table 2 below shows the grade mix we normally use to regulate activities in each DREAM Hazard Band.

Table 2

How we allocate staff grades to Hazard Bands

Hazard Band	Grade of Staff
1	AEPO
2	AEPO/EPO
3	EPO
4	EPO/SEPO
5	SEPO/SPEC II
6	SPEC II/SPEC I
7	SPEC I

3.17 Linking the grade of staff (with their associated costs) to activities allows us to cost our regulatory work.

Regulatory Units

3.18 To help with modeling our work, the regulatory effort/costs for each activity are expressed as regulatory units. Our model defines one regulatory unit as half an hour of the lowest grade of staff employed in regulation (an AEPO).

3.19 All data used in our charging model, e.g. values of cost or time, can then be converted into a number of regulatory units. This enables all activities to be compared relative to each other and takes the cost and time into account.

3.20 This approach allows us to make a relative comparison across all regulatory activities across all regimes, and enables regulatory workloads to be estimated in a similar way across all regimes. It links the activity to hazard, then to our workload and then finally to our charges.

4. ACTIVITY CHARGE: MODEL DEVELOPMENT

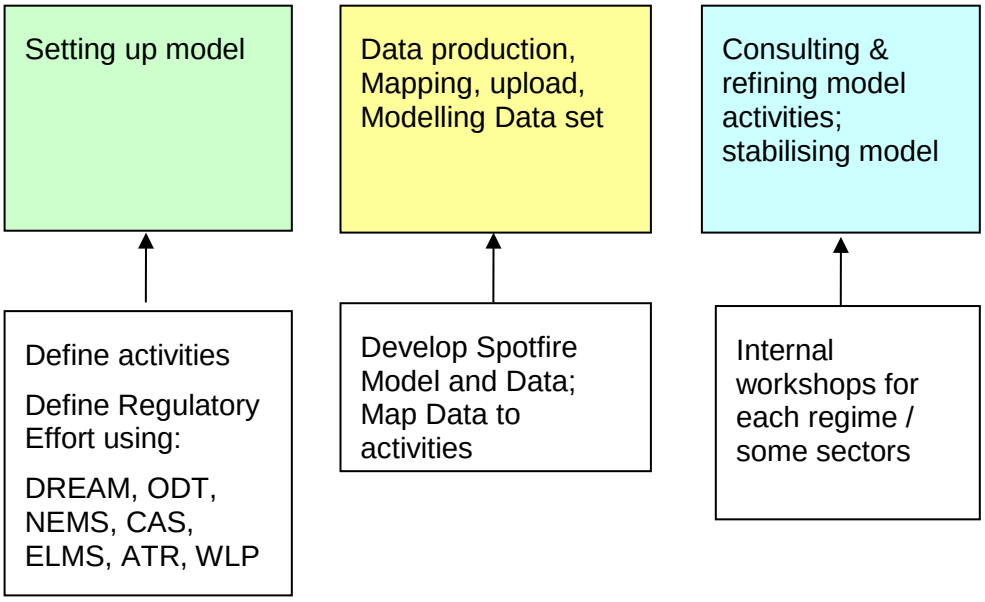
4.1 Sections 1 to 3 set out some of our key thinking behind the calculation of the Activity Charge.

4.2 This section outlines the key stages in allocating regulatory costs to activity types in a risk proportionate manner. The three main stages of development in developing our financial model were

1. Setting up our Activity Charge model,
2. Data production, mapping, upload and running model, and
3. Internal consultation and refining Activity Charge model.

4.3 These are summarised in the figure below:

Figure 3 – Key stages in allocating regulatory costs to activities



Setting up Activity Charge Model - Define Activities/Sectors

4.4 Our first step was to allocate activity types, using a range of data sources including[1]: -

- Licenced activity data taken from CLAS;
- Scale definitions (e.g. volume, number of overflows, tonnage);
- PPC Part A existing charging activities list/ PPC 2012 Regulations;

[1] See Section 3.4 for more information and Annex BI for list of activities.

- New data gathering for waste management activities; etc.

4.5 Each activity type is then assigned to sectors and subsectors. Some examples are given in Table 3:

Table 3

Examples of how activities were allocated to a Sector

Activity	Sector
Abstraction Mining and Quarrying <=2000m3/d	Minerals
Discharge: Fish Farm Marine Cage > 50 tonnes	Fish Farms

4.6 Using the approach outlined in Section 3, we then derived the regulatory effort for:

- Inspections: planned inspection of sites;
- Sampling: the taking of planned samples at sites;
- Data Returns: receipt and review of submitted data returns;
- Compliance: resolving minor and major non-conformances;
- Environmental Events: investigating minor and major events;
- Enforcement (excluding work associated with submitting cases to the procurator fiscal); and
- Regulatory Support: planned permit reviews and regime support etc.

Data Extract; Mapping; Upload and Calibration

4.7 Once the basic structure of the model had been defined, we extracted the data from our various systems and mapped these to the new activity and sector lists as follows:

- A download of licence/permit data was used to compare old and new charges (December 2014);
- Data from five of the legislative regimes (CAR, PPC A, PPC B, WML and RSA) was used to map the new activities and activity types;
- The activity model was calibrated using data from finance[2], through analysis of ATR, and by comparing old versus new charges;
- As analysis of the data was performed and once it was combined with the emissions data, the model was refined and reconfigured and adjustments and corrections made.

Internal Peer Review and Refining

4.8 Towards the end of the calibration stage above, we held eight internal workshops to peer review the overall structure and initial output of the activity model to further check and refine the model.

[2] Using prodacapo outputs

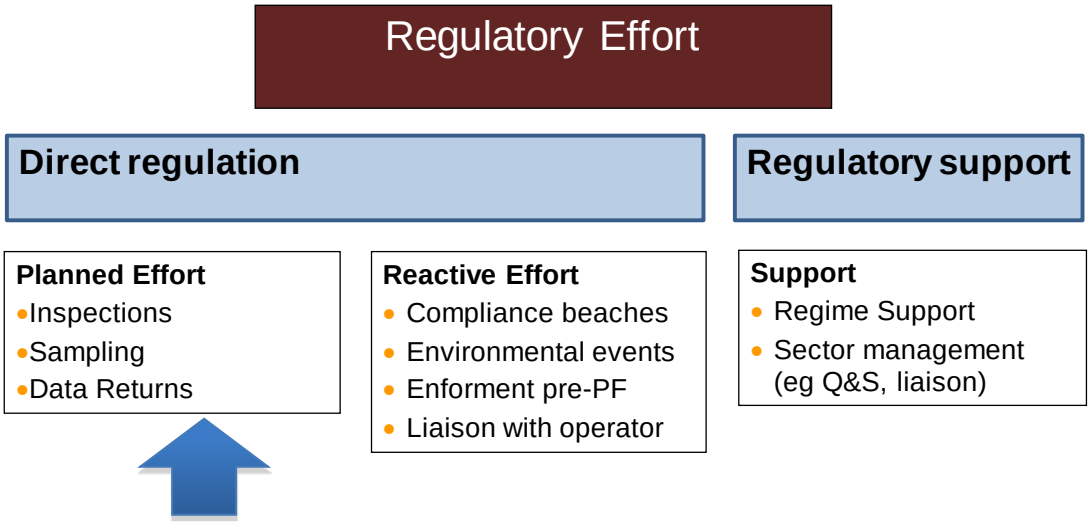
4.9 The model will be further developed in light of feedback on the consultation and in the light of any relevant new data.

5. ACTIVITY CHARGE: DETAILED ALLOCATION OF COSTS/EFFORT

5.1 Section 2 and Figure 2 (repeated below) gave an overview of our how we apply our regulatory effort. This section explains in more detail the way direct regulatory effort costs and regulatory support costs are allocated to each activity, starting with Direct Regulation - Planned effort.

Figure 2 (repeated)

Overview of Regulatory Effort



Planned regulatory effort

5.2 Planned effort involved assessing the compliance of regulated sites. It consists of three main activities:

- Inspection: carrying out and recording of planned inspection at sites;
- Sampling: the collection of planned samples from discharges; and
- Data returns: the receipt, assessment and recording of submitted data returns.

Inspection

5.3 Our calculation of the inspection effort involved the following steps:

- The regulatory effort associated with planned inspection was determined using data derived from DREAM hazard bands.
- A generic hazard band was assigned to each activity type. This provided a generic level of planned inspection effort. We determined the generic hazard band by examining all DREAM data for each activity and allocating it to the most appropriate band (see Section 3.10 - 3.14).
- We assigned a grade of staff and hence a cost to each hazard band.

- We used the standard workload planning times for inspections.
- The combination of the generic inspection frequency and grade of staff enabled us to calculate the average cost per year (expressed in regulatory units) as demonstrated in Table 4 below:

Table 4
Calculation of inspection costs (in regulatory units)

Hazard band	Inspection Frequency per year	Time Days per inspection	Regulatory Units per year
0	0	0	0
1	0.2	0.25	1
2	0.3	0.4	2
3	0.5	0.4	4
4	1	0.8	16
5	2	0.8	35
6	3	1.8	132
7	4	1.8	196

Sampling

5.4 Our calculation of the sampling collection effort involved the following:

- Only the costs of collecting discharge samples are reflected here. The cost of sample analysis is captured through the emission charge (see Annex C Details of Emission Charge).
- How often we take a sample is determined on the basis of the activity. See our internal document "Interim Guidance on Compliance Monitoring (Inspection and Sampling) DRM-G-006" for details on how we set these frequencies.
- We obtained information relating to 'average' yearly discharge sampling numbers and levels of resources from our Environmental Monitoring Team Unit Manager.
- We based the grade of sampling collection at AEPO level.

Data Returns

5.5 Planned regulation includes our assessment of the data returns we receive. Our effort varies with the nature of the activity type. We have developed a scale of 13 data return types to help derive regulatory effort in connection with data returns.

5.6 Each data return type has an estimated resource demand against it: Annual Quarterly (+ Annual) or Monthly (+ annual) as illustrated below:

SCOTTISH ENVIRONMENT PROTECTION AGENCY

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Table 5

Data Return Types, Frequency and Standard time to assess

Data Return Type
No data returns
Annual (Simple)
Annual (Standard)
Annual (Complex)
Annual (V Complex)
Quarterly (Simple)
Quarterly (Standard)
Quarterly (Complex)
Quarterly (V Complex)
Monthly (Simple)
Monthly (Standard)
Monthly (Complex)
Monthly (V Complex)

Complexity of submission	Standard Time / hrs.
n/a	0
Simple	1
Standard	3
Complex	5
V Complex	7

Frequency of Data return	Frequency No. per yr.
No data returns	0
Annual	1
Quarterly*	5
Monthly*	13

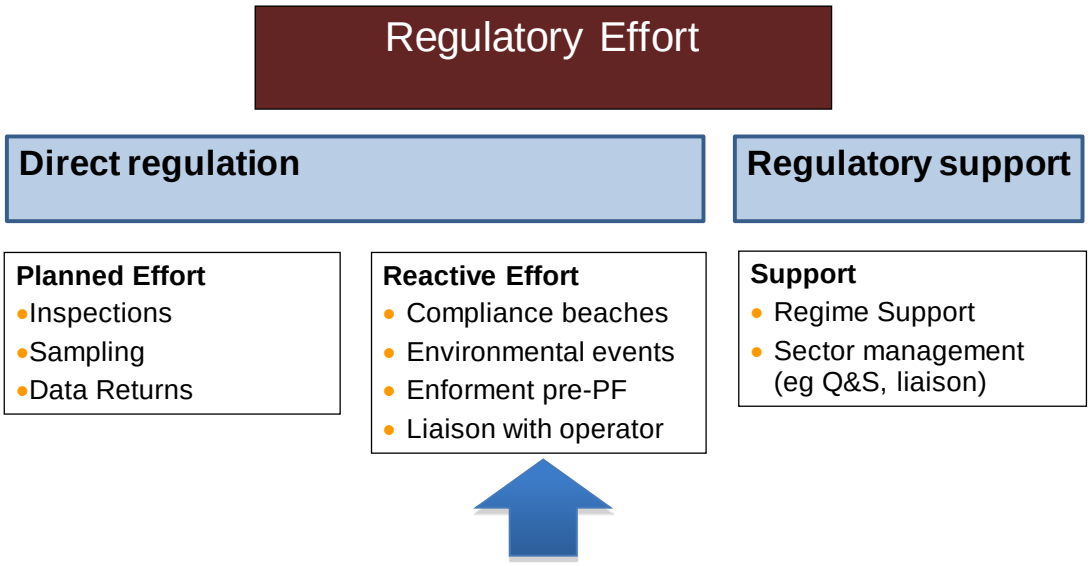
*includes annual submission

5.7 So for an Annual Simple data return, we receive one return each year and it takes one hour. For Monthly (Standard) we receive 13 data returns (one for each month and one for the yearly total). Each takes 3 hours giving a total of 39 hours.

Reactive Regulation: Compliance Management

5.8 This section covers the reactive regulatory work.

Figure 2 (repeated)
Overview of Regulatory Effort



5.9 This covers the following four areas:

- Compliance breaches,
- Environmental Events,
- Enforcement activity prior to any decision to prosecute, and
- Liaison.

Compliance Breaches

5.10 Where our inspection, sampling or analysis of data returns results in the detection of potential or actual breaches of permit conditions, we will spend time following up these issues to ensure they are resolved. This may include unplanned inspection and/or sampling, formal letters requiring action and meetings with the operator.

5.11 We use the ATR category 'Other Compliance' to record such reactive time and this was used to calculate the time we spend on compliance breaches.

5.12 Compliance Breaches were split in two main types:

- Minor Non-Conformances - are minor in nature and which don't result in a licence having unsatisfactory compliance at the end of the year. We identify these licences as "Good" or "Broadly Complaint" under our Compliance Assessment Scheme (CAS).
- Failing Sites – for which breaches are significant/major in nature and result in a licence having unsatisfactory compliance at the end of the year. We identify these licences as being "At Risk", "Poor" and "Very Poor" under CAS.

Overview of Analysis Methodology: Compliance Breaches

5.13 We used this information on Compliance to allocate the effort we spend on Reactive Regulation as follows:

- We record the level of compliance for each permit on our Compliance Assessment Scheme (CAS) database.
- Each permit in CAS was mapped to a sector.
- From our Activity Time Recording, it was then possible to apportion time spent on compliance across sectors.
- We divided the total time per sector by the number of chargeable activities per sector to obtain the average cost of compliance per activity.
- We took account of the complexity of the activity within the sector by reference to the DREAM hazard band in costing the allocated time. Complicated activities will require more senior staff.
- From this information we derived the cost of compliance breaches allocated to each activity.

Detailed Analysis Methodology: Compliance Breaches

5.14 In practice the approach we used is slightly more sophisticated than in the above section. We used time recording over a number of years and there are a number of other elements we factored in as follows:

- We analysed 3 years of completed compliance CAS, ATR and WLP data from the years 2010, 2011 and 2012 where possible. The latest data for 2013 was also included where this was available and where there was no previous data available (for example for water resources Irrigation and RSA) on which to base analysis.

- By using CAS data, the ATR time that has been recorded in 'Other Compliance' could be divided up into minor and failing site work using the relative time difference it takes to deal with sites in different compliance bands. The following time factor weightings were used in determining compliance time allocations: Excellent (0) / Good (1) / Broadly Compliant (1)/ At Risk (1) / Poor (3) / Very Poor(5), E.g. A site at Very Poor will take 5 times longer than Excellent, Good, Broadly Compliant and At Risk.

- This showed that 30% of the ATR time recorded in 'Other Compliance' can be allocated to dealing with minor non-conformances and 70% to failing sites. (**1**)

- The average number of licences within each sector with minor non-conformances (those assessed as Good or Broadly Compliant) and those that are failing sites (those assessed as At Risk, Poor & Very Poor) was determined from 3 years of CAS data. Note that there are some sectors or parts of sectors with only 1 year's data e.g. hydro within energy sector and irrigation within agriculture sector. This data was converted to a time weighted number for each sector to reflect the increasing effort deployed for failing sites E.g. A site at very poor is considered to take 5 times longer to deal with than a site at Good or Broadly Compliant. The percentage of total 'Other compliance' ATR time to deal with sites with minor

breaches and failing sites was then produced for each sector. See table below.

Sector	Percentage of all licences assessed in CAS (Minor)	Percentage of all licences assessed in CAS (Failing sites)
Agriculture	7.0%	17.8%
Chemicals	2.6%	0.3%
Energy	4.2%	4.6%
Fish Farms	13.4%	10.9%
Food and Drink	6.1%	5.3%
Incineration	3.0%	1.5%
Landfill	4.7%	5.9%
Metals & Metal Recycling	9.4%	7.2%
Minerals	5.6%	2.9%
Non Nuclear (RSA)	5.4%	1.0%
Nuclear (RSA)	0.0%	0.0%
Other	7.1%	5.6%
Other Disposal	1.5%	0.8%
Private (Water and Wastewater)	3.2%	4.8%
Public (Water and Wastewater)	11.0%	18.7%
Recycling & treatment of waste	4.2%	3.6%
Solvents	2.7%	3.4%
Transfer Stations	8.9%	5.8%

- We then apportioned the time recorded in 'Other compliance' in ATR for non-compliances for each sector using the percentage distribution. This percentage was then multiplied by the total time recorded to give a total number of hours for dealing with compliance failures for each sector.

- The total number of chargeable activities in each sector determined from the activity model as implemented in the Spotfire tool[3], was then divided into the total hours for each sector to give a unit time per activity for that sector.

- The average time per activity is converted into regulatory units (cost) by applying the grade of staff normally employed to deal with such an activity, this is based on the generic DREAM hazard band/grade of staff rules.

[3] SEPA's data modelling and analysis tool.

Figure 4 - Summary of Method:

1 Use ATR to derive time recorded for dealing with minor non-compliances	2. Use CAS data to determine average number of licences with minor non compliances and failing sites / year for each sector .Effort weight this data and express 3-year average sector failure rate as % of all licences compliance assessed/year
3. Multiply (2) by (1) above get time to time to recover per sector.	4. Divide the time per sector (3) by total number of chargeable activities in that sector. This gives a unit time to allocate to each activity within sector.

Environmental Events

5.15 The Activity Charge also captures the effort and cost we spend on the Environmental Events element of Reactive Regulation.

5.16 Details of all environmental events are recorded within our environmental events database called ELMS. Each event is categorised as 1 (Significant), 2 (Major), 3 (Minor) or 4 (Other). We have combined these categories into two groups:

- Significant and Major Environmental Events (categories 1 and 2), and
- Minor Environmental Events (categories 3 and 4).

5.17 All regulatory time in connection with environmental events is recorded under environmental events ATR categories for each regime.

Analysis Method: Environmental Events

5.18 Using these we calculated the cost of environmental events as follows:

- We use a three year average of environmental event data (2010/11, 2011/12, 2012/13) to determine an estimated total time to recover in the model.
- Each environmental event in the data was allocated to a sector.[4]
- We determined the average number of Category 1 & 2 and Category 3 & 4 environmental events for each sector[5] using three years (2010 to 2012) of environmental event data We convert this into a number of days per sector using workload planning environmental event times.
- The total number of activities in each sector is divided into the total hours resource requirement for the sector. This gives the resource (a unit time) requirement per activity for all activities within that sector.

[4] As the sector groupings used in ELMS, CAS and charging differ slightly, we used a translation of sectors from ELMS to charging.

Failing Sites: Enforcement Pre Procurator Fiscal

5.19 Another element of our effort and costs in Reactive Regulation relates to failing sites and compliance work we do prior to any case being handed over to the Procurator Fiscal. We generally record such time through the ATR category "Enforcement Pre PF".

5.20 Our Finance Department has derived the cost of such work for each technical regime. We converted this cost to regulatory units to allocate within that regime.

5.21 We then spread the costs across each technical regime in proportion to the direct regulatory costs for each activity. Table 6 below shows the total level of such costs broken down by regime.

Table 6
Enforcement Costs Per Technical Regime

En Act before PF Ref		
Technical Regime	Total	Reg units
CARDL	£964	55
CARPS	£318,141	18,179
CARWR	£63,510	3,629
PPC Part A	£381,660	21,809
PPC Part B	£63,575	3,633
WML	£1,954,050	111,660
Total	**£2,781,900**	**158,965**

5.22 We then allocated these costs back to individual activities as outlined in Table 7 below.

Table 7
Enforcement Costs Per Activity

CAR REGIME	Activity (Regulatory Charging)	Sector	No. of activities (subsistence charged only)	% of total Direct Regulatory score for all CAR PS activities	Allocation Enforcement Pre PF (ALL)	Enforcement Pre PF Allocation for individual activity
CARPS	Discharge: Other Effluent (Opencast Coal and Mine Water) < = 100m3/d	Minerals	11	0.21%	0.0021*18179 = 38	38/11=3.45

5.23 From the examples in Table 7, the total cost of such work for CAR PS activities is 18,179 regulatory units. In Line 1, the 11 licensed mineral activities represent 0.21% of the total regulatory effort for this technical regime. So this activity should attract 0.21% of the regime costs. This is further divided over the 11 activities to give a cost of 3.45 regulatory units per activity.

Other Compliance: Liaison

5.24 The final element of effort and costs associated with Reactive Compliance is time we spend in relation to general liaison with operators, for example on compliance monitoring in relation to a one of our permits. Here we derived values following discussion with officers and these were linked to the Hazard Band. They vary from ½ hour per year up to 5 hours per year for the highest hazard band.

Table 8

Compliance Management – allocation of Liaison Effort

Hazard Band	Other Compliance Management	Hours/year	Regulatory Units
0	0	0	0
1	1	0.5	1
2	2	1	3
3	3	1.5	4
4	4	2	6
5	5	3	9
6	6	4	14
7	7	5	19

Technical Regime/ Sector/ Activity Adjustments

5.25 As part of calibrating and peer reviewing our approach, we knew some technical regimes, sectors or activities may have additional (or reduced) regulatory requirements. To fairly reflect this (rather than spreading such costs across all charges), the last part of our direct regulation approach was to apply any adjustments to a technical regime (e.g. PPC A, B, CAR Point Source etc.), sector and/or individual activity. Some examples of direct regulatory adjustments are given below:

- Sheep disposal to land: The day-to-day regulatory work for these licences is carried out by Scottish Government's Rural Payments inspectorate department, SGRPID. Therefore a reduction of 93.5% was used to remove work which is carried out by them on our behalf.
- Activity specific corrections have been applied to Part B dry cleaners and PVR permits as we now carry out this work centrally. This delivers some efficiency savings.
- A sector correction has also been applied to Solvents sector as we consider the regulatory and support work to be more straightforward than the norm.

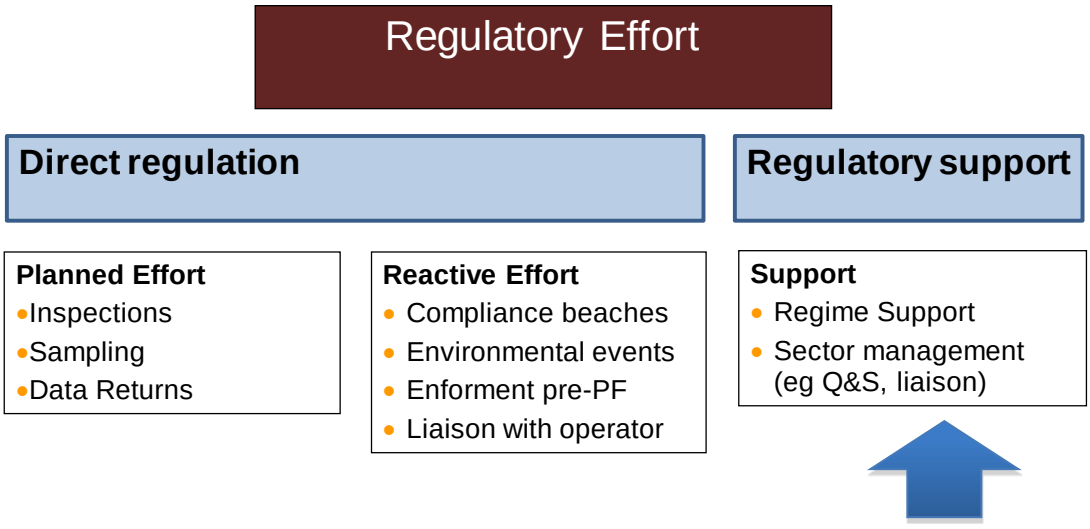
5.26 Annexes B3, B4 & B5 list the various adjustments and corrections that we have applied to the direct regulation part of the model.

Regulatory Support

5.27 This section explains how the effort directed to regulatory support was calculated.

Figure 2 (repeated)

Overview of Regulatory Effort



5.28 Regulatory Support covers two main areas:

- Regulatory Support at a Technical Regime level, and
- Technical Regime/Sector/Activity Adjustments.

5.29 The various adjustments and corrections that we have applied to the regulatory support part of our approach are listed in Appendices B3, B4 and B5.

Regulatory Support Costs at a Technical Regime Level

5.30 The time spent by our staff on Regulatory Support for each technical regime is captured by specified ATR activities. Such work includes reviews and variations, and time spent on National Operations, Policy. The costs of this work are then derived.[5]

5.31 Note for CAR point source and CAR water resources this excludes the costs of Q&S (Quality and Standards work as this work is directly associated with one specific sector.

5.32 For our proposed charging scheme we have converted the regime regulatory support costs into Regulatory Units and allocated to each activity on the basis of the relative proportion of direct regulatory costs that each activity

[5] These costs are derived from the costing of activity time recording categories by our Finance Department.

represents within that regime. Table 9 shows a breakdown of how this was done:

Table 9

Allocation of Regulatory Support Costs

Technical Regime	Regime Sub	Cost	Reg Units
CAR	DL	£57,298	**3,274**
CAR	PS	£1,250,932	**71,482**
CAR	WR	£444,085	**25,376**
PPC A	Part A	£528,792	**30,217**
PPC B	Part B	£83,497	**4,771**
RSA	RSA	£213,142	**12,180**
WML	WML	£369,221	**21,098**

5.33 This was then allocated to individual activities in a similar way to other compliance costs as shown below in Table 10:

Table 10
Allocation of Compliance Costs

Regime	Activity	Sector	No of Activities	% of total Direct Reg score	Reg Support Allocation (ALL)	Reg Support Allocation for individual activity
CAR PS	Discharge: STW 2000 - 15,000p.e.	Public (Water and Wastewater)	173	7.3%	71,482 X 0.073 =5197	5197/173 =30

5.34 In the example above there were 173 chargeable occurrences of this activity, which represents 7.3% of the total direct regulatory effort for that technical regime. Thus, given the total number regulatory units allocated for regulatory support for the CAR regime is 71,482, this activity group attracts 7.3% or 5197 units. We then spread this over the 173 activities which gave 30 units per activity.

Regulatory Support: Sector/Activity Adjustments

5.35 Where there is specific regulatory support work carried out at a sector and/or activity level, it is appropriate to apply this directly to that sector or activity. The main examples of this are regulatory support work associated with the Quality and Standards capital investment program (Q&S) which solely apply to permits held by Scottish Water within the Sector: Public (Sewage Treatment and Water Supply), covering both discharges and water abstractions. Here we applied the costs using the same approach as detailed above but only considering the costs and direct regulatory scores within a

regime and sub-regime within a single sector. This is illustrated in Table 11 below:

Table 11

Adjustment for Q&S Programme

Regime	Sub Regime	Q & S Costs	Reg Units
CAR	Point Source	£364,204	20,812
CAR	Water Resources	£151,526	8,659

5.36 To summarise; to better allocate effort and costs, we have identified some Regulatory Support work that is unique to some regulatory activities and/or sectors and then directly allocated these costs to those activities. This represents targeted cost recovery.

Multiple, Associated Activity Rules

5.37 Where a permit contains two or more activity types then the regulatory effort we apply on such a site is not purely the addition of effort for each of the individual activities. Rather, we will achieve some savings in time such as travel, assessment and liaison with the Operator.

5.38 To reflect such circumstances, we are proposing the following types of (mutually exclusive) discount rules:

Multiple Activity Rules

- Discounts where there are two or more of the same activity, and
- Discounts where there are two or more different activities.

Table 12
Summary of Discount Rules

Multiple Activity Rules	Discount Rule	% Discount
Rule 1	two or more of the same activity	75% on second and subsequent
Rule 2	two or more different activities	10% on second and subsequent

5.39 Discounts under Rule 2 are lower than Rule 1, as dealing with multiples of the same (or similar) activities leads to greater savings in technical assessment than where the activities are different.

5.40 There are further rules relating to how these discounts are applied. When calculating the discount for a charge covering a number of activities the following principles apply:

a) rules 1& 2 should be applied in the order listed in the table above,

b) no discount applies to the largest regulatory charge,

c) the discount does apply to the remaining regulatory charges, and

d) only one discount should apply to any activity when applying rules 1 & 2.

Examples of applying rules 1 and 2:

Licence A contains 3 * 4.5(a)1 activities with an activity score of 163

The 1st 4.5(a)1 would have a score of 163.

The 2nd and 3rd 4.5(a)1 would each have a score of 163 * 0.25 = 40.75.

So the total score is 163 + (2*40.75) = 244.5.

Licence B contains 4 * 4.5(a)1 activities with an activity score of 163 and one 4.1(a)8 activity with a score of 302.

The 4.1(a)8 would receive no discount as it has the highest individual score (as per (b) above).

The 75% discount would also be applied to the 2nd, 3rd and 4th 4.5(a)1 (Rule 1).

In this case the 10% discount would not be applied to the 1st 4.5(a)1 activity by virtue of (d) above.

The score is then

302 + 163 + (3*163*0.25) = 587.25

Other Activity Rules

Other multiple activity rules

5.41 In addition there are a limited number of cases for which a simple activity is carried out but is always associated with another, usually more complex, activity. Under these circumstances, we have applied the associated activity discount when we calculated the charge for the activity type. The activities are different but they are so closely related that we have applied a discount of 33% rather than the 10% referred to above. We have currently only applied this discount to land-based fish farms which have an abstraction/ impoundment and discharge on the same site and cooling water discharges (largely food and drink sites including distilleries). Under these circumstances, we have reduced the abstraction and impoundment charges by 33%. We would be prepared to consider applying this rule to other situations where operators consider that this rule should apply.

Micro Activities and low impact PPC installations

5.42 There are situations where an activity is carried out at a micro / very small scale and have no significant environmental impact. In such exceptional cases, normal regulatory costing rules don't fully apply and we can give a discount.

5.43 We have currently applied micro-activity charges to very small fish hatcheries; small discharges less than 5 cubic metres per day or intermittent discharges from boat slipways and fire training areas; small irrigation (e.g. agricultural and golf courses) and certain low risk abstractions less than 100 cubic metres per day. We would be prepared to consider applying this rule to other situations where operators consider that this rule should apply.

5.44 We also propose to retain lower charges for low impact PPC installations. Low impact installations (LII) are PPC A installations defined in the SEPA PPC Technical Guidance Note TG7 on our website.

5.45 The proposed charges for micro-activities and PPC low-impact installations are listed in Table 13.

Table 13
Proposed micro activity and PPC Low Impact activity charges

Activity	Proposed Micro-scale Activity Charge
Discharge: Micro Activity	£211
Abstraction: Micro Activity	£133
Waste: Micro Activity	£368
PPC Part B: Micro Activity	£203
PPC Part A: Low Impact	£738

SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Appendix B1

Table 1 Full List of Activities by Sector/ Sub Sector/ Regime

Sector	Sub sector	Regime	Activity
Agriculture	Agriculture (exc irrigation)	CAR	Abstraction: Agriculture (other than irrigation) <=2000m3/d
			Abstraction: Agriculture (other than irrigation) >2000m3/d
	Agriculture (inc Irrigation)	CAR	Impoundment: Agriculture <= 25ML
			Impoundment: Agriculture > 25ML
	Agriculture: Agricultural Irrigation	CAR	Abstraction: Agriculture (irrigation - mobile and/or fixed intake) <= 2000m3/d
			Abstraction: Agriculture (irrigation - mobile and/or fixed intake) > 2000m3/d
	Agriculture: Disposal to Land Agro Chemicals	CAR	Disposal to Land: Sheep Dip or Waste Pesticides >20m3/d
			Disposal to Land: Sheep Dip or Waste Pesticides <=20m3/d
	Agriculture: Intensive Agriculture Sect 6.9 Part A	PPC	PPC A: 6.9.(1) - Intensive Agriculture (SFIR's) Small (less than: 400,000 poultry, 20,000 pigs or 7500 sows).
			PPC A: 6.9.(2) - Intensive Agriculture Small (less than: 400,000 poultry, 20,000 pigs or 7500 sows).
			PPC A: 6.9.(3) - Intensive Agriculture (SFIRs) Large (400,000 or more poultry, 20,000 or more pigs or 7500 or more sows).
			PPC A: 6.9.(4) - Intensive Agriculture Large (400,000 or more poultry, 20,000 or more pigs or 7500 or more sows).
Chemicals			
	Chemicals: Chapter 4 Part B	PPC	PPC B Chapter 4: Chemical Activities
	Chemicals: Sect 4.1 Organic Part A	PPC	PPC A: 4.1.(1) - Manufacture of organic chemicals: less than 100 tonnes of raw materials per year.
			PPC A: 4.1.(2) - Manufacture

Sector	Sub sector	Regime	Activity
			of organic chemicals: Each readily reconfigurable process, on an installation, producing less than 250 tonnes of product per year.
			PPC A: 4.1.(3) - Manufacture of organic chemicals: Each readily reconfigurable process, on an installation, producing 250 tonnes or more but less than 2,000 tonnes of product per year.
			PPC A: 4.1.(4) - Manufacture of organic chemicals: Each readily reconfigurable process, on an installation, producing more than 2,000 tonnes of product per year.
			PPC A: 4.1.(5) - Manufacture of organic chemicals: Each not readily reconfigurable process, on an installation, producing less than 250 tonnes of product per year.
			PPC A: 4.1.(6) - Manufacture of organic chemicals: Each not readily reconfigurable process, on an installation, producing 250 tonnes or more but less than 2,000 tonnes of product per year.
			PPC A: 4.1.(7) - Manufacture of organic chemicals: Each not readily reconfigurable process, on an installation, producing 2,000 tonnes or more but less than 20,000 tonnes of product per year.
			PPC A: 4.1.(8) - Manufacture of organic chemicals: Each not readily reconfigurable process, on an installation, producing more than 20,000 tonnes of product per year.
	Chemicals: Sect 4.2 Inorganic Part A	PPC	PPC A: 4.2.(a)1 - Manufacture of inorganic chemicals: at each process likely to use less than 100 tonnes of raw materials per year.
			PPC A: 4.2.(a)2 - Manufacture of inorganic chemicals at each process likely to produce less than 250 tonnes of product per year.

SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Sector	Sub sector	Regime	Activity
			PPC A: 4.2.(a)3 - Manufacture of inorganic chemicals at each process likely to produce 250 tonnes or more but less than 20,000 of product per year.
			PPC A: 4.2.(a)4 - Manufacture of inorganic chemicals at each process likely to produce 20,000 tonnes or more of product per year.
			PPC A: 4.2.(b) - Manufacture of inorganic chemicals: Any production activity likely to release hydrogen halides into the air or any halogens or any compounds mentioned in paragraph 4.2(a)(vi) of the 2012 Regulations into air or water.
			PPC A: 4.2.(d) - Manufacture of inorganic chemicals: Production, use or recovery of any elements or compounds specified in Section 4.2(d) of the 2012 Regulations.
			PPC A: 4.2.(e) - Manufacture of inorganic chemicals: Recovering or using in any process of manufacture cadmium, mercury or any of their compounds.
			PPC A: 4.2.(f) - Manufacture of inorganic chemicals: Any other activity which may release any acid forming oxide of nitrogen release into air.
			PPC A: 4.2.(c) - Manufacture of inorganic chemicals: Any production activity which uses, or is likely to result in the release of, hydrogen cyanide or hydrogen sulphide.
	Chemicals: Sect 4.3 Fertilizer Production Part A	PPC	PPC A: 4.3.(a) - Chemical Fertilizer Production: Producing phosphorus, nitrogen or potassium based fertilisers.
	Chemicals: Sect 4.4 Biocide Production Part A	PPC	PPC A: 4.4.(a) - Biocide Production: Producing plant health products and biocides.

Sector	Sub sector	Regime	Activity
	Chemicals: Sect 4.5 Pharmaceutical Production Part A	PPC	PPC A: 4.5.(a)1 - Manufacture of pharmaceutical products with a capacity to use less than 100 tonnes of raw materials per year.
			PPC A: 4.5.(a)2 - Manufacture of pharmaceutical products: each readily reconfigurable process, on an installation, producing less than 250 tonnes of product per year.
			PPC A: 4.5.(a)3 - Manufacture of pharmaceutical products: each readily reconfigurable process, on an installation, producing 250 tonnes or more but less than 2,000 tonnes of product per year.
			PPC A: 4.5.(a)4 - Manufacture of pharmaceutical products: each readily reconfigurable process, on an installation, producing 2,000 tonnes or more of product per year.
			PPC A: 4.5.(a)5 - Manufacture of pharmaceutical products in each not readily reconfigurable process, on an installation, producing less than 250 tonnes of product per year.
			PPC A: 4.5.(a)6 - Manufacture of pharmaceutical products in each not readily reconfigurable process, on an installation, producing more than 250 tonnes but less than 2,000 tonnes of product per year.
			PPC A: 4.5.(a)8 - Manufacture of pharmaceutical products in each not readily reconfigurable process, on an installation, producing 20,000 tonnes or more of product per year.
			PPC A: 4.5.(a)7 - Manufacture of pharmaceutical products in each not readily reconfigurable process, on an installation, producing 2000 tonnes or more but less than 20,000 tonnes of product per year.
	Chemicals: Sect 4.6 Explosives Production Part A	PPC	PPC A: 4.6.(a) - Producing explosives

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PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Sector	Sub sector	Regime	Activity
	Chemicals: Sect 4.7 Activities involving Ammonia Part A	PPC	PPC A: 4.7. - Manufacturing activities involving ammonia: Any activity for the manufacture of a chemical which may result in the release of ammonia into the air, other than an activity in which ammonia is only used as a refrigerant.
Energy			
	Energy: Hydropower	CAR	Abstraction: Hydropower <=0.1MW (micro/ pico schemes)
			Abstraction: Hydropower >0.1 to 2MW (small schemes)
			Abstraction: Hydropower >2 to 5MW schemes
			Abstraction: Hydropower >5MW schemes
			Impoundment: Hydropower <=25ML
			Impoundment: Hydropower >25ML
	Energy: Other Chapter 1 Part B	PPC	PPC B Chapter 1: Other Energy Activities (exc section 1.2.(b),(c),(d) & (e))
	Energy: Sect 1.2 PVR Part B	PPC	PPC B Chapter 1: Petrol Vapour Recovery - Unloading of Petrol at a service station - Sect 1.2.b(ii),(c),(d) &(e).
			PPC B Chapter 1: Petrol Vapour Recovery - Unloading of petrol at a terminal Sect 1.2.b(i)
	Energy: Sect 1.1 Combustion Part A	PPC	PPC A: 1.1.(a)1 - Combustion: (hydrogen, light oils or hydrocarbons etc) total thermal input less than 300MWth
			PPC A: 1.1.(a)2 - Combustion: (coal & heavy hydrocarbons or heavy oils etc.) total thermal input less than 300MWth
			PPC A: 1.1.(a)3 - Combustion: (hydrogen, light oils or hydrocarbons etc) total thermal input 300MWth or more.
			PPC A: 1.1.(a)4 - Combustion: (coal & heavy hydrocarbons or heavy oils etc.) total thermal

Sector	Sub sector	Regime	Activity
			input 300MWth or more.
	Energy: Sect 1.2 Gasification/Liquefaction/ Refining Part A	PPC	PPC A: 1.2.(a)1 - Refining gas, or its products (exc activities in 1.2.(a)2)
			PPC A: 1.2.(b) - Production of coke
			PPC A: 1.2.(c)1 - Pyrolysis, carbonisation, distillation, gasification, liquefaction, partial oxidation or other heat treatment of: coal, lignite, oil or mixtures.
			PPC A: 1.2.(d) - Gasification or liquefaction of fuels
			PPC A: 1.2.(e)1 - The loading, unloading, other handling or storage of crude oil, stabilised petroleum.
			PPC A: 1.2.(e)2 - Refining of oil for the purpose of manufacturing bitumen products only.
			PPC A: 1.2.(e)3 - Refining of mineral oils
			PPC A: 1.2.(f) - Purifying or refining any of the products of an activity described in 1.2.(a) or its conversion into a different product
			PPC A: 1.2.(c)2 - Pyrolysis, carbonisation, distillation, gasification, liquefaction, partial oxidation or other heat treatment of other carbonaceous material
	Energy Efficiency Activities Sch 1A	PPC	PPC A: Sch 1A 1(a) - Thermal Electricity Generation Installation Input >20MW
			PPC A: Sch 1A 1(b) - Industrial Installation Generating Waste Heat Input >20MW
			PPC A: Sch 1A 1(c) - Energy Production Installation in existing district heating/cooling network Input >20MW
Fish Farms			
	Fish Farm: Freshwater	CAR	Discharge: Fish Farm Freshwater Cage
			Discharge: Fish Farm Freshwater Tank
			Discharge: Fish Farm Hatchery / Small Freshwater Tank

SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Sector	Sub sector	Regime	Activity
	Fish Farm: Marine	CAR	Discharge: Fish Farm Marine Cage < 50 tonnes
			Discharge: Fish Farm Marine Cage < 50 tonnes with SEPA monitoring
			Discharge: Fish Farm Marine Cage > 50 tonnes
			Discharge: Fish Farm Marine Cage > 50 tonnes with SEPA monitoring
			Discharge: Fish Farm Marine Hatchery
			Discharge: Fish Farm Marine Tank
			Discharge: Fish Farm Marine Tank Small
	Fish Farm: WR	CAR	Abstraction: Fish Production <= 2000m3/d
			Abstraction: Fish Production > 2000m3/d
			Impoundment: Fish Production <=25ML
			Impoundment: Fish Production >25ML
Food and Drink			
	Food & Drink: Abs (Breweries)	CAR	Abstraction: Food and Drink (Breweries): Cooling water (Evaporative or Non Evaporative) <=2000m3/d
			Abstraction: Food and Drink (Breweries): Cooling water (Evaporative or Non Evaporative) >2000m3/d
			Abstraction: Food and Drink (Breweries): Process Water <=2000m3/d
			Abstraction: Food and Drink (Breweries): Process Water >2000m3/d
	Food & Drink: Abs (Distilleries)	CAR	Abstraction: Food and Drink (Distilleries): Cooling water (Evaporative or Non Evaporative) <=2000m3/d
			Abstraction: Food and Drink (Distilleries): Cooling water (Evaporative or Non Evaporative) >2000m3/d
			Abstraction: Food and Drink (Distilleries): Process Water <=2000m3/d

Sector	Sub sector	Regime	Activity
			Abstraction: Food and Drink (Distilleries): Process Water >2000m3/d
	Food & Drink: Abs (exc Distilleries & Breweries)	CAR	Abstraction: Food and Drink (Other): Cooling water (Evaporative or Non Evaporative) <=2000m3/d
			Abstraction: Food and Drink (Other): Cooling water (Evaporative or Non Evaporative) >2000m3/d
			Abstraction: Food and Drink (Other): Process Water <=2000m3/d
			Abstraction: Food and Drink (Other): Process Water >2000m3/d
	Food & Drink: Discharge (Breweries)	CAR	Discharge: Other Effluent Breweries (Micro/ Small) <= 100m3/d
			Discharge: Other Effluent Brewing Effluent >100m3/d
	Food & Drink: Discharge (Distilleries)	CAR	Discharge: Other Effluent Cooling Water (Distilleries) <= 1000m3/d
			Discharge: Other Effluent Cooling Water (Distilleries) > 1000m3/d
			Discharge: Other Effluent Distilling Effluent <= 100m3/d
			Discharge: Other Effluent Distilling Effluent >100m3/d
	Food & Drink: Discharge (Exc Distilleries)	CAR	Discharge: Other Effluent (Other Food and Drink Effluent) < =100m3/d
			Discharge: Other Effluent (Other Food and Drink Effluent) >100m3/d
			Discharge: Other Effluent Cooling Water (Other Food and Drink) <= 1000m3/d
			Discharge: Other Effluent Cooling Water (Other Food and Drink) > 1000m3/d
	Food & Drink: Imp (inc Distilleries) WR	CAR	Impoundment: Food and Drink <=25ML
			Impoundment: Food and Drink >25ML
	Food & Drink: Sect 6.8d(i) Animal raw materials & other than milk Part A	PPC	PPC A: 6.8.(d)1 - Treating and processing materials for food products from animal raw materials (only) (other than milk).

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PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Sector	Sub sector	Regime	Activity
	Food & Drink: Sect 6.8d(ii) Veg raw materials (inc Distilleries) Part A	PPC	PPC A: 6.8.(d)2 - Treating and processing materials for food products from vegetable raw materials (only).
	Food & Drink: Sect 6.8d(iii) Animal & veg raw materials & other than milk Part A	PPC	PPC A: 6.8.(d)3 - Treating and processing materials for food products from animal and vegetable raw materials (other than milk only).
	Food & Drink: Sect 6.8e Creameries Part A	PPC	PPC A: 6.8.(e) - Treating and processing milk.
Incineration			
	Incineration: Animal remains WML	WML	WMA - Animal remains Incineration
	Incineration: Other Chapt 5: Incineration & Co Incineration / or Other disposal Part B	PPC	PPC B Chapter 5: Other Waste Management Activities (exc. 5.1.a & 5.1.c)
	Incineration: Pet Crematoria WML	WML	WMA - Pet Crematoria
	Incineration: Sect 5.1(a)Incineration & Co Incineration Chapt 5 Part B	PPC	PPC B Chapter 5: Incineration sect 5.1. para (a) (non haz waste generated and incinerated on same site)
	Incineration: Sect 5.1c Incineration Crematoria Sect 5.1c Part B	PPC	PPC B Chapter 5: Crematoria 5.1.(c)
	Incineration: Sect 5.1 Incineration & Co Incineration Part A	PPC	PPC A: 5.1.(a)1 - Incineration of hazardous waste in an incineration or co-incineration plant, except for plant falling within 5.1(a)2 or 5.1(a)3.
			PPC A: 5.1.(a)2 - Incineration of infectious clinical waste at the place of production and with a capacity of less than 1 tonne per hour.
			PPC A: 5.1.(b)1 - Incineration of non-hazardous waste (except biomass or animal carcasses), in a plant with a capacity of greater than 3 tonnes per day
			PPC A: 5.1.(b)2 - Incineration of non-hazardous waste (except biomass or animal carcasses), in a plant with a capacity of 3 tonnes per day, or less, but greater than 50 kg per hour.
			PPC A: 5.1.(c) - Incineration of

Sector	Sub sector	Regime	Activity
			biomass waste in plant with a capacity of more than 3 tonnes per hour
			PPC A: 5.1.(d) - Incineration of animal carcasses in plant, with a capacity of more than 10 tonnes per day
			PPC A: 5.1.(e) - The incineration, other than incidentally in the course of burning solid or liquid waste, of any gaseous compound containing halogens arising from electrical equipment.
			PPC A: 5.1.(a)3 - Incineration of hazardous clinical waste at a hospital, incinerating only waste arising directly from that hospital.
Landfill			
	Landfill: Closed Landfill WML	WML	WMA - Closed Landfill
			WMA - Closed Landfill Moderate High risk of harm to environment or not fully restored
	Landfill: Discharge	CAR	Discharge: Other Effluent Landfill Leachate <= 100m3/d
			Discharge: Other Effluent Landfill Leachate > 100m3/d
	Landfill: Landfill and Disposal to Land Sect 5.2 Part A	PPC	PPC A: 5.2. - Landfills serving isolated settlements and islands
			PPC A: 5.2.(a)1 - Landfill of hazardous waste: receiving more than 10 tonnes of waste in any day or with a total capacity exceeding 25,000 tonnes of waste and permitted to receive more than 5,000 tonnes of waste in any 12 month period.
			PPC A: 5.2.(a)2 - Landfill of hazardous waste: receiving more than 10 tonnes of waste in any day or with a total capacity exceeding 25,000 tonnes of waste and permitted to receive 5,000 tonnes or less of waste in any 12 month period.
			PPC A: 5.2.(a)3 - Landfill of non-hazardous waste: 10 tonnes or more of waste per

Sector	Sub sector	Regime	Activity
			day or total capacity exceeding 25,000 tonnes receives more than 25,000 tonnes of waste in any 12 month period, exc. landfills for inert waste.
			PPC A: 5.2.(a)4 - Landfill of non-hazardous waste: 10 tonnes or more of waste per day or total capacity exceeding 25,000 tonnes and receives 25,000 tonnes or less of waste in any 12 month period, exc. landfills of inert waste.
			PPC A: 5.2.(b)1 - Landfill of hazardous waste: receiving 10 tonnes or less of waste in any day or with a total capacity equal to or less than 25,000 tonnes of waste.
			PPC A: 5.2.(b)2 - Landfill of non-hazardous waste: receiving 10 tonnes or less of waste in any day or with a total capacity equal to or less than 25,000 tonnes of waste, excluding landfills for inert waste
			PPC A: 5.2.(b)3 - Landfill of inert waste: permitted to receive more than 25,000 tonnes of waste in any 12 month period
			PPC A: 5.2.(b)4 - Landfill of inert waste: permitted to receive 25,000 tonnes or less of waste in any 12 month period
			PPC A: 5.2.(closed)1 - Closed Landfill of hazardous waste: with a total capacity exceeding 25,000 tonnes of waste.
			PPC A: 5.2.(closed)2 - Closed Landfill of hazardous waste: with a total capacity equal to or less than 25,000 tonnes of waste.
			PPC A: 5.2.(closed)3 - Closed Landfill of non-hazardous waste: with a total capacity exceeding 25,000 tonnes of

Sector	Sub sector	Regime	Activity
			waste.
			PPC A: 5.2.(closed)4 - Closed Landfill Non-hazardous waste: with a total capacity equal to or less than 25,000 tonnes of waste.
			PPC A: 5.2.(closed)5 - Closed Landfill inert waste only
			PPC A: 5.2.(closed)6 - Closed Landfill: serving isolated settlements and islands
			PPC A: 5.2.(a)5 - Landfill of non-hazardous waste: Pet Cemeteries permitted to receive 100 tonnes or less of waste in any 12 month period
Metals & Metal Recycling			
	Metals: End of Life Vehicles WML	WML	WMA - End of Life Vehicle Site (ELV) <5000 tonnes/yr (with or without metal recycling, tyres, oil batteries storage etc)
			WMA - End of Life Vehicle Site (ELV) >=5000 tonnes/yr (with or without metal recycling, tyres, oil batteries storage etc)
	Metals: Metal Recycling WML	WML	WMA - Metal Recycling <5000 tonnes/yr
			WMA - Metal Recycling >=5000 tonnes/yr
	Metals: Other Chapter 2 Part B	PPC	PPC B Chapter 2: Metal Activities
	Metals: Sect 2.1 Ferrous Part A	PPC	PPC A: 2.1.(a) - Roasting and sintering metal ore
			PPC A: 2.1.(b)1 - Producing, melting or refining of iron or steel or any ferrous alloy in an electric arc furnace (7 tonnes capacity or more)
			PPC A: 2.1.(b)2 - Producing, melting or refining of iron or steel or any ferrous alloy: in any furnace except an electric arc furnace or covered by Part B of Sch 1 Section 2.1
			PPC A: 2.1.(c) - Processing ferrous metals, and their alloys using hot rolling mills:
			PPC A: 2.1.(d) - Loading, unloading or handling or storing of iron ore.
			PPC A: 2.1.(e) - Producing pig iron or steel

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PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Sector	Sub sector	Regime	Activity
			PPC A: 2.1.(f) - Operating hammers in a forge (ferrous metals)
			PPC A: 2.1.(g) - Applying protective fused metal coatings
			PPC A: 2.1.(h) - Casting ferrous metal at a foundry
	Metals: Sect 2.2 Non Ferrous Part A	PPC	PPC A: 2.2.(a)1 - Producing non ferrous metals: from ore, concentrates or secondary raw materials 100 tonnes or less per annum
			PPC A: 2.2.(a)2 - Producing non ferrous metals: from secondary raw materials 100 tonnes or more per annum
			PPC A: 2.2.(a)3 - Producing non ferrous metals: from ore or concentrates 100 tonnes or more per annum
			PPC A: 2.2.(a)4 - Producing uranium and plutonium from ore, concentrates or secondary raw materials.
			PPC A: 2.2.(b)1 - Melting non ferrous metals: greater than 20 tonnes per day but does not exceed 100 tonnes per annum
			PPC A: 2.2.(b)2 - Melting non ferrous metals: equals or exceeds 100 tonnes per annum
			PPC A: 2.2.(c) - Producing, melting or recovering: cadmium or mercury or their alloys
			PPC A: 2.2.(d)1- Melting & making non ferrous metal alloys: If not already described in 2.2 above,
	Metals: Sect 2.3 Surface Treating Metals & Plastics Part A	PPC	PPC A: 2.3. - Surface treatment of metals or plastic materials
Minerals			
	Minerals: Abs (Mining and Quarrying)	CAR	Abstraction: Mining and Quarrying <=2000m3/d
			Abstraction: Mining and Quarrying >2000m3/d
	Minerals: Discharge (Mining and Quarrying)	CAR	Discharge: Other Effluent (Opencast Coal and Mine

Sector	Sub sector	Regime	Activity
			Water) < = 100m3/d
			Discharge: Other Effluent (Opencast Coal and mine water) > 100m3/d
			Discharge: Other Effluent (Quarries) <= 100m3/d
			Discharge: Other Effluent (Quarries) > 100m3/d
	Minerals: Mobile Plant Part B	PPC	PPC B Chapter 3: Minerals Mobile Plant Section 3.1. Cement and Lime Batching Storing etc
			PPC B Chapter 3: Minerals Mobile Plant Section 3.5. Coating, Crushing, Screening & Loading (exc cement)
	Minerals: Other Mineral Activities Sect 3.5 Part B	PPC	PPC B Chapter 3: Minerals Section 3.5. Coating, Crushing, Screening & Loading (exc cement)
	Minerals: Other Minerals Part B	PPC	PPC B Chapter 3: Minerals Sections 3.2., 3.3., 3.4. or 3.6. (glass,asbestos, ceramics, other etc)
	Minerals: Production of Cement & Lime & magnesium oxide Sect 3.1 Part B	PPC	PPC B Chapter 3: Minerals Section 3.1. Cement and Lime Batching Storing etc
	Minerals: Production of Cement & Lime & magnesium oxide Sect 3.1 Part A	PPC	PPC A: 3.1.(a)1 - Production of cement: not using waste as a fuel
			PPC A: 3.1.(a)2 - Production of cement: using waste as fuel or as part of fuel mix
			PPC A: 3.1.(b) - Production of lime or magnesium oxide
	Minerals: Activities involving Asbestos Sect 3.2 Part A	PPC	PPC A: 3.2.(b) - Removal of asbestos: from railway vehicles
			PPC A: 3.2.(a) - Producing asbestos or products containing asbestos
	Minerals: Glass & Glass Fibre Sect 3.3 Part A	PPC	PPC A: 3.3.(a)1 - Manufacturing glass fibre
			PPC A: 3.3.(a)2 - Manufacturing glass
	Minerals: Production of Other Mineral Fibres Sect 3.4 Part A	PPC	PPC A: 3.4.(a) - Melting mineral substances: including the production of mineral fibres
	Minerals: Other Mineral Activities Sect 3.5 Part A	PPC	PPC A: 3.5.(a) - Manufacture of cellulose fibre reinforced

SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Sector	Sub sector	Regime	Activity
			calcium silicate board
	Minerals: Ceramic Production Sect 3.6 Part A	PPC	PPC A: 3.6.(a) - Manufacturing ceramic products
Non Nuclear (RSA)			
	Non Nuclear (RSA): RSA A Reduced S13 S14 Charges	RSA	RSA A Reduced S13 S14 Charges
	Non Nuclear (RSA): RSA A S13 S14 Charges	RSA	RSA A S13 S14 Charges
	Non Nuclear (RSA): RSA A Zero - No Charge	RSA	RSA A Zero - No Charge
	Non Nuclear (RSA): RSA R S10 Open Associated Authorisation Zero Charge	RSA	RSA R S10 Open Associated Authorisation Zero Charge
	Non Nuclear (RSA): RSA R S10 Open Charges	RSA	RSA R S10 Open Charges
	Non Nuclear (RSA): RSA R S10 Sealed HASS Charges	RSA	RSA R S10 Sealed HASS Charges
	Non Nuclear (RSA): RSA R S10 Sealed Not HASS Not SSLPH Charges	RSA	RSA R S10 Sealed Not HASS Not SSLPH Charges
	Non Nuclear (RSA): RSA R S10 Sealed SSLPH Charges	RSA	RSA R S10 Sealed SSLPH Charges
	Non Nuclear (RSA): RSA R S7 Open Associated Authorisation Zero Charge	RSA	RSA R S7 Open Associated Authorisation Zero Charge
	Non Nuclear (RSA): RSA R S7 Open Charges	RSA	RSA R S7 Open Charges
	Non Nuclear (RSA): RSA R S7 Sealed HASS Charges	RSA	RSA R S7 Sealed HASS Charges
	Non Nuclear (RSA): RSA R S7 Sealed Not HASS Not SSLPH Charges	RSA	RSA R S7 Sealed Not HASS Not SSLPH Charges
	Non Nuclear (RSA): RSA R S7 Sealed SSLPH Charges	RSA	RSA R S7 Sealed SSLPH Charges
	Non Nuclear (RSA): RSA R Zero - No Charge	RSA	RSA R Zero - No Charge
Other			
	Other: Chapter 6 Part B	PPC	PPC B Chapter 6: Other Activities Printing, textiles, dyes & inks, timber, rubber etc (Sections 6.2., 6.3., 6.4., 6.5.,6.6.)
	Other: Flood Defence Imp	CAR	Impoundment: Flood Defence <=25ML

Sector	Sub sector	Regime	Activity
			Impoundment: Flood Defence >25ML
	Other: Golf Courses Abs	CAR	Abstraction: Golf Course <= 2000m3/d
			Abstraction: Golf Course > 2000m3/d
	Other: Golf Courses Imp	CAR	Impoundment: Golf Course <=25ML
			Impoundment: Golf Course >25ML
	Other: Navigation inc Canals Abs	CAR	Abstraction: Navigation (inc Canals) <= 2000m3/d
			Abstraction: Navigation (inc Canals) > 2000m3/d
	Other: Navigation inc Canals Imp	CAR	Impoundment: Navigation (inc Canals) <=25ML
			Impoundment: Navigation (inc Canals) >25ML
	Other: Other	CAR	Discharge: Other Effluent <= 100m3/d
			Discharge: Other Effluent >100m3/d
			Discharge: Other Effluent Cooling Water (Other) <= 1000m3/day
			Discharge: Other Effluent Cooling Water (Other) > 1000m3/day
			Discharge: Other Effluent Dewatering of Dry Docks <= 100m3/d
			Discharge: Other Effluent Dewatering of Dry Docks > 100m3/d
			Discharge: Environmental Service
			Abstraction: Amenity/ Recreational Use (abstractions solely for offline ponds/ reservoirs/lades with uses such as fishing, sailing, historic mills etc)
			Abstraction: Flood Water Diversion (into offline flood storage and/or flood relief channel)
			Abstraction: Thermal heat pumps
			Abstraction: Borehole Construction and Test Pumping
			Abstraction: Environmental Service
			Abstraction: Other Industrial or

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PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Sector	Sub sector	Regime	Activity
			Commercial: Cooling Water (Evaporative or Non-Evaporative) <=2000m3/d
			Abstraction: Other Industrial or Commercial: Cooling Water (Evaporative or Non-Evaporative) >2000m3/d
			Abstraction: Other Industrial or Commercial: Process Water <=2000m3/d
			Abstraction: Other Industrial or Commercial: Process Water >2000m3/d
			Abstraction: Monitoring point
			Abstraction: Pumping Test >150m3/yr
			Abstraction: Return <= 2000m3/d
			Abstraction: Return > 2000m3/d
			Impoundment: Online Flood Storage (Intermittent)
			Impoundment: Amenity/ Recreational Use of Ponds & Reservoirs
			Impoundment: Commercial Use of Reservoirs (no flow management to support use such as cage fish farms)
			Impoundment: Other industrial or commercial <=25ML
			Impoundment: Other industrial or commercial >25ML
			Impoundment: Environmental Service
		PPC	PPC A: 01a - Directly Associated Activity (operated by third party) Reg 2 (1)
			PPC A: 01b - Directly Associated Activity Low Risk (operated by third party regulated) Reg 2(1)
			PPC A: 01c - The operation by a third party of Part B Activity as part of Part A installation Reg 12(1)
			PPC A: 01d - The operation by third party of part of a Part A activity Reg 14(1)
	Other: Treatment of Animal & Vegetable Matter Sect	PPC	PPC B Chapter 6: Ensiling/ storage of dead fish or fish

Sector	Sub sector	Regime	Activity
	6.8 Part B		offal < 50m3/d liquor Sect 6.8.c(i) & (ii)
			PPC B Chapter 6: Other Activities Sect 6.8. The treatment of animal and vegetable matter and food industries (other than 6.8. (i) & (ii) ensiling dead fish with <50m3/d liquor or the finishing of leather goods)
	(blank)	PPC	PPC B Micro Activity
	Other: Paper & Pulp & Panel Manufacturing Sect 6.1 Part A	PPC	PPC A: 6.1.(b) - Paper or card board production if production capacity is more than 20 tonnes per day
			PPC A: 6.1.(c) - Production of wood based panels (fibreboard, orientated strand board or particleboard)
			PPC A: 6.1.(a) - Pulp production from timber or other fibrous materials by any process.
	Other: Carbon Activities Sect 6.2 Part A	PPC	PPC A: 6.2.(a) - Producing carbon, hard-burnt coal or electro graphite by incineration or graphitisation.
	Other: Tar & Bitumen Sect 6.3 Part A	PPC	PPC A: 6.3. - Distilling tar or bitumen.
	Other: Coating & Printing & Textile Treatments Sect 6.4 Part A	PPC	PPC A: 6.4.(a) - Pre-treating textile fibres or textiles, where the treatment capacity exceeds 10 tonnes per day.
			PPC A: 6.4.(b) - Surface treating substances, objects or products using organic solvents.
	Other: Dyes & Ink and Coating Material Manufacturing Sect 6.5 Part A	PPC	PPC A: 6.5. - Manufacture of dyestuffs if the activity involves the use of hexachlorobenzene.
	Other: Timber Activities Sect 6.6 Part A	PPC	PPC A: 6.6. - Preserving wood or wood products with chemicals.
	Other: Rubber Activities Sect 6.7 Part A	PPC	PPC A: 6.7.(a) - Manufacturing new tyres, other than remoulds or retreads.
	Other: Treatment of Animal & Vegetable Matter Sect 6.8(a & c) Part A	PPC	PPC A: 6.8.(a) - Tanning hides and skins.
			PPC A: 6.8.(c) - Slaughtering animals greater than 50 tonnes carcasses per day.

SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Sector	Sub sector	Regime	Activity
	Other: Carbon Capture & Storage Sect 6.10 Part A	PPC	PPC A: 6.10.(a) - Capture of carbon dioxide.
	Other: Micro	CAR	Discharge: Micro Activity
			Abstraction: Micro Activity
		WML	WMA: Micro Activity
	Other: Low Impact	PPC	PPC A: Low Impact
Other Disposal			
	Other Disposal: Pet Cemeteries WML	WML	WMA - Pet Cemeteries
	Other Disposal: Disposal or Recovery of Hazardous Waste Sect 5.3 Part A	PPC	PPC A: 5.3.(a) - Recovery by distillation of oil or organic solvents, other than as part of an activity described in any other section of Schedule 1 Chapter 5 in the 2012 Regulations.
			PPC A: 5.3.(b) - The disposal or recovery of hazardous waste in plant with a capacity exceeding 10 tonnes per day involving one or more of the activities listed in Schedule 1 Section 5.3 (b) of the 2012 Regulations.
	Other Disposal: Disposal & Recovery or mix disposal and recovery of Non Hazardous Waste Part A	PPC	PPC A: 5.4.(a)1 - Disposal of non-hazardous waste by: biological treatment, at an installation with a capacity exceeding 50 tonnes per day.
	Other Disposal: Disposal & Recovery or mix disposal and recovery of Non Hazardous Waste Sect 5.4 Part A	PPC	PPC A: 5.4.(a)2 - Disposal of non-hazardous waste by physico-chemical treatment at an installation with a capacity exceeding 50 tonnes per day.
			PPC A: 5.4.(a)3 - Disposal of non-hazardous waste by pre-treatment of waste for incineration or co-incineration at an installation with a capacity exceeding 50 tonnes per day.
			PPC A: 5.4.(a)4 - Disposal of non-hazardous waste by: treatment of slags and ashes, at an installation with a capacity exceeding 50 tonnes per day.
			PPC A: 5.4.(a)5 - Disposal of non-hazardous waste by: treatment in shredders of

Sector	Sub sector	Regime	Activity
			metal waste, at an installation with a capacity exceeding 50 tonnes per day.
Private (Water and Wastewater)			
	Private: Abs (Water Treatment and Supply)	CAR	Abstraction: Drinking Water Supply (Private) <=2000m3/d
			Abstraction: Drinking Water Supply (Private) >2000m3/d
	Private: Discharge (Sewage Collection System)	CAR	Discharge: Sewage (Private) Combined Sewer Overflow (CSO)
			Discharge: Sewage (Private) Emergency Overflow (EO)
	Private: Discharge (Sewage Treatment Works)	CAR	Discharge: STW (private) >=100,000 p.e.
			Discharge: STW (private) 0 -<25 p.e.
			Discharge: STW (private) 100 -<500 p.e.
			Discharge: STW (private) 15,000 -<50,000 p.e.
			Discharge: STW (private) 2000 -<15,000 p.e.
			Discharge: STW (private) 25 -<100 p.e.
			Discharge: STW (private) 50,000 -<100,000 p.e.
			Discharge: STW (private) 500 -<2000 p.e.
	Private: Imp (Water Treatment and Supply)	CAR	Impoundment: Drinking Water Supply (Private) <=25ML
			Impoundment: Drinking Water Supply (Private) >25ML
	Private: Surface Water Private	CAR	Discharge: Surface Water (Other) Commercial, Ind & Other - Containing hazardous substances
			Discharge: Surface Water (Other) Commercial, Ind & Other - Not containing hazardous substances
			Discharge: Surface Water (Other) Housing - Containing hazardous substances
			Discharge: Surface Water (Other) Housing - Not containing hazardous substances
			Discharge: Surface Water (Other) Motorways & Major Roads - Containing hazardous

SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Sector	Sub sector	Regime	Activity
			substances
			Discharge: Surface Water (Other) Motorways & Major Roads - Not containing hazardous substances
Public (Water and Wastewater)			
	Public: Abs (Water Treatment and Supply)	CAR	Abstraction: Drinking Water Supply (Public) <=2000m3/d
			Abstraction: Drinking Water Supply (Public) 2000m3/d to <=50,000m3/d
			Abstraction: Drinking Water Supply (Public) >50,000m3/d
	Public: Discharge (Sewage Collection System)	CAR	Discharge: Sewage (Public) Combined Sewer Overflow (CSO)
			Discharge: Sewage (Public) Emergency Overflow (EO)
			Discharge: Sewer Network Licence (public) serving >=100,000 p.e
			Discharge: Sewer Network Licence (public) serving 0 - <100 p.e
			Discharge: Sewer Network Licence (public) serving 100 - <500 p.e
			Discharge: Sewer Network Licence (public) serving 15,000 - <50,000p.e
			Discharge: Sewer Network Licence (public) serving 2000 - <15,000p.e
			Discharge: Sewer Network Licence (public) serving 50,000 -<100,000 p.e
			Discharge: Sewer Network Licence (public) serving 500 - <2000p.e
	Public: Discharge (Sewage Treatment Works)	CAR	Discharge: STW (public) >=100,000 p.e.
			Discharge: STW (public) 0 - <25 p.e.
			Discharge: STW (public) 100 - <500 p.e.
			Discharge: STW (public) 15,000 -<50,000 p.e.
			Discharge: STW (public) 2000 -<15,000 p.e.

Sector	Sub sector	Regime	Activity
			Discharge: STW (public) 25 - <100 p.e.
			Discharge: STW (public) 50,000 -<100,000 p.e.
			Discharge: STW (public) 500 - <2000 p.e.
	Public: Discharge (Water Treatment and Supply)	CAR	Discharge: Other Effluent Potable Water Treatment and Supply <= 100m3/d
			Discharge: Other Effluent Potable Water Treatment and Supply > 100m3/d
	Public: Imp (Water Treatment and Supply)	CAR	Impoundment: Drinking Water Supply (Public) <=25ML
			Impoundment: Drinking Water Supply (Public) >25ML
	Public: Surface Water	CAR	Discharge: Surface Water (SW - Public) Commercial, Ind & Other - Containing hazardous substances
			Discharge: Surface Water (SW - Public) Commercial, Ind & Other - Not containing hazardous substances
			Discharge: Surface Water (SW - Public) Housing - Containing Hazardous Substances
			Discharge: Surface Water (SW - Public) Housing - Not Containing Hazardous Substances
Recycling & treatment of waste			
	Anaerobic Digestion WML	WML	WMA - Anaerobic Digestion
	Recycling and Treatment: Composting WML	WML	WMA - In Vessel Composting
			WMA - Open Windrow Composting
	Recycling and Treatment: Material Recovery Facility MRF WML	WML	WMA - Material Recovery Facility
	Recycling and Treatment: Mobile Plant WML	WML	WMA - Mobile Plant
	Recycling and Treatment: Other heat treatment &for example &MHT /Autoclaving/Pasteurisation WML	WML	WMA - Other heat treatment (MHT /Autoclaving/Pasteurisation etc.)
	Recycling and Treatment: Rendering WML	WML	WMA - Rendering
	Recycling and Treatment: Sewage Sludge Treatment WML	WML	WMA - Sewage Sludge Treatment

SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Sector	Sub sector	Regime	Activity
	Recycling and Treatment: Treatment of Other Waste WML	WML	WMA - Treatment of Other Waste
	Recycling and Treatment: Treatment of Tyres (includes storage) WML	WML	WMA - Treatment of Tyres (includes storage)
	Recycling and Treatment: Treatment of Waste Oil (includes storage) WML	WML	WMA - Treatment of Waste Oil (includes storage)
	Recycling and Treatment: Treatment of WEE (includes storage) WML	WML	WMA - Treatment of Waste Electronic Equipment (WEE) (includes storage)
	Recycling and Treatment: Treatment of Wood (includes storage) WML	WML	WMA - Treatment of Wood (includes storage)
	Recycling and Treatment: Sect 5.4 Disposal & Recovery or mix disposal and recovery of Non Hazardous Waste Part A	PPC	PPC A: 5.4.(b)1 - Recovery or a mix of recovery and disposal of non-hazardous waste by: biological treatment, capacity exceeding 75 tonnes per day (or 100 tonnes per day if by anaerobic digestion).
			PPC A: 5.4.(b)2 - Recovery or a mix of recovery and disposal of non-hazardous waste by: pre-treatment of waste for incineration or co- incineration, capacity exceeding 75 tonnes per day (or 100 tonnes per day if by anaerobic digestion).
			PPC A: 5.4.(b)3 - Recovery or a mix of recovery and disposal of non-hazardous waste by: treatment of slags or ashes, capacity exceeding 75 tonnes per day (or 100 tonnes per day if by anaerobic digestion).
			PPC A: 5.4.(b)4 - Recovery or a mix of recovery and disposal of non-hazardous waste by: treatment in shredders of metal waste, capacity exceeding 75 tonnes per day (or 100 tonnes per day if by anaerobic digestion).
	Recycling and Treatment: Sect 5.5 Production of Fuel from Waste Part A	PPC	PPC A: 5.5 - Making solid fuel from waste: by any process involving the use of heat other than making charcoal.

Sector	Sub sector	Regime	Activity
	Recycling and Treatment: Sect 5.6 Temp Underground Storage of Hazardous waste Part A	PPC	PPC A: 5.6.(a) - Temporary storage of hazardous waste: in an installation with a capacity of more than 50 tonnes, excluding temporary storage, pending collection, on the site where the waste is generated.
			PPC A: 5.6.(b) - Underground storage of hazardous waste: in an installation with a total capacity exceeding 50 tonnes.
	Recycling and Treatment: Sect 5.7 Treatment of Waste Water Part A	PPC	PPC A: 5.7.(a) - Independently operated treatment of waste water.
	Recycling and Treatment: Sect 6.8(b) Treatment of Animal & Vegetable Matter Sect Part A	PPC	PPC A: 6.8.(b)1 - Disposing of or recycling animal carcasses and animal waste, except by incineration, exceeding 50 tonnes per day.
			PPC A: 6.8.(b)2 - Disposing of or recycling animal carcasses and animal waste at installations with a capacity greater than 10 tonnes per day but less than or equal to 50 tonnes per day.
Solvents			
	Solvents: Solvent Emissions (SED) Dry Cleaners Part B	PPC	PPC B Schedule 2: Dry Cleaners
	Solvents: Solvent Emissions (SED) Other Part B	PPC	PPC B Schedule 2: Other Solvent Activities (exc dry cleaners)
Transfer Stations			
	Transfer Stations: Civic Amenity Sites WML	WML	WMA - Civic Amenity Site <2500 tonnes/yr
			WMA - Civic Amenity Site > = 2500 tonnes
	Transfer Stations: WML	WML	WMA - Bulking up with or without sorting <2500
			WMA - Bulking up with or without sorting >=2500 tonnes/yr

Appendix B2

Sectors

Table 1: List of Sectors

SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

Agriculture
Chemicals
Energy
Fish Farms
Food and Drink
Incineration
Landfill
Metals & Metal Recycling
Minerals
Non Nuclear (RSA)
Nuclear (RSA)
Other
Other Disposal
Public (Water and Wastewater)
Private (Water and Wastewater)
Recycling & treatment of waste
Solvents
Transfer Stations

Table 2 List of Sectors and Sub Sector Groupings

Sector	Sub sector
Agriculture	Agriculture (exc irrigation) Agriculture (inc Irrigation) Agriculture: Agricultural Irrigation Agriculture: Disposal to Land Agro Chemicals Agriculture: Intensive Agriculture Sect 6.9 Part A
Chemicals	Chemicals: Chapter 4 Part B Chemicals: Sect 4.1 Organic Part A Chemicals: Sect 4.2 Inorganic Part A Chemicals: Sect 4.3 Fertilizer Production Part A Chemicals: Sect 4.4 Biocide Production Part A Chemicals: Sect 4.5 Pharmaceutical Production Part A Chemicals: Sect 4.6 Explosives Production Part A Chemicals: Sect 4.7 Activities involving Ammonia Part A
Energy	Energy Efficiency Activities Sch 1A Energy: Hydropower Energy: Other Chapter 1 Part B Energy: Sect 1.1 Combustion Part A Energy: Sect 1.2 Gasification/Liquefaction/ Refining Part A Energy: Sect 1.2 PVR Part B
Fish Farms	Fish Farm: Freshwater Fish Farm: Marine Fish Farm: WR
Food and Drink	Food & Drink: Abs (Breweries) Food & Drink: Abs (Distilleries) Food & Drink: Abs (exc Distilleries & Breweries) Food & Drink: Discharge (Breweries) Food & Drink: Discharge (Distilleries) Food & Drink: Discharge (Exc Distilleries) Food & Drink: Imp (inc Distilleries) WR Food & Drink: Sect 6.8d(i) Animal raw materials & other than milk Part A Food & Drink: Sect 6.8d(ii) Veg raw materials (inc Distilleries) Part A Food & Drink: Sect 6.8d(iii) Animal & veg raw materials & other than milk Part A Food & Drink: Sect 6.8e Creameries Part A
Incineration	Incineration: Animal remains WML Incineration: Other Chapt 5: Incineration & Co Incineration / or Other disposal Part B Incineration: Pet Crematoria WML Incineration: Sect 5.1 Incineration & Co Incineration Part A Incineration: Sect 5.1(a)Incineration & Co Incineration Chapt 5 Part B Incineration: Sect 5.1c Incineration Crematoria Sect 5.1c Part B
Landfill	Landfill: Closed Landfill WML Landfill: Discharge Landfill: Landfill and Disposal to Land Sect 5.2 Part A
Metals & Metal Recycling	Metals: End of Life Vehicles WML Metals: Metal Recycling WML Metals: Other Chapter 2 Part B Metals: Sect 2.1 Ferrous Part A

	Metals: Sect 2.2 Non Ferrous Part A Metals: Sect 2.3 Surface Treating Metals & Plastics Part A
Minerals	Minerals: Abs (Mining and Quarrying) Minerals: Activities involving Asbestos Sect 3.2 Part A Minerals: Ceramic Production Sect 3.6 Part A Minerals: Discharge (Mining and Quarrying) Minerals: Glass & Glass Fibre Sect 3.3 Part A Minerals: Mobile Plant Part B Minerals: Other Mineral Activities Sect 3.5 Part A Minerals: Other Mineral Activities Sect 3.5 Part B Minerals: Other Minerals Part B Minerals: Production of Cement & Lime & magnesium oxide Sect 3.1 Part A Minerals: Production of Cement & Lime & magnesium oxide Sect 3.1 Part B Minerals: Production of Other Mineral Fibres Sect 3.4 Part A
Non Nuclear (RSA)	Non Nuclear (RSA): RSA A Reduced S13 S14 Charges Non Nuclear (RSA): RSA A S13 S14 Charges Non Nuclear (RSA): RSA A Zero - No Charge Non Nuclear (RSA): RSA R S10 Open Associated Authorisation Zero Charge Non Nuclear (RSA): RSA R S10 Open Charges Non Nuclear (RSA): RSA R S10 Sealed HASS Charges Non Nuclear (RSA): RSA R S10 Sealed Not HASS Not SSLPH Charges Non Nuclear (RSA): RSA R S10 Sealed SSLPH Charges Non Nuclear (RSA): RSA R S7 Open Associated Authorisation Zero Charge Non Nuclear (RSA): RSA R S7 Open Charges Non Nuclear (RSA): RSA R S7 Sealed HASS Charges Non Nuclear (RSA): RSA R S7 Sealed Not HASS Not SSLPH Charges Non Nuclear (RSA): RSA R S7 Sealed SSLPH Charges Non Nuclear (RSA): RSA R Zero - No Charge
Nuclear (RSA)	Nuclear (RSA): RSA N Zero - No Charge
Other	Other: Carbon Activities Sect 6.2 Part A Other: Carbon Capture & Storage Sect 6.10 Part A Other: Chapter 6 Part B Other: Coating & Printing & Textile Treatments Sect 6.4 Part A Other: Dyes & Ink and Coating Material Manufacturing Sect 6.5 Part A Other: Flood Defence Imp Other: Golf Courses Abs Other: Golf Courses Imp Other: Navigation inc Canals Abs Other: Navigation inc Canals Imp Other: Other Other: Paper & Pulp & Panel Manufacturing Sect 6.1 Part A Other: Rubber Activities Sect 6.7 Part A Other: Tar & Bitumen Sect 6.3 Part A Other: Timber Activities Sect 6.6 Part A Other: Treatment of Animal & Vegetable Matter Sect 6.8 Part B Other: Treatment of Animal & Vegetable Matter Sect 6.8(a -c) Part A
Other Disposal	Other Disposal: Disposal & Recovery or mix disposal and recovery of Non Hazardous Waste Part A Other Disposal: Disposal & Recovery or mix disposal and recovery of Non Hazardous Waste Sect 5.4 Part A

	Other Disposal: Disposal or Recovery of Hazardous Waste Sect 5.3 Part A Other Disposal: Pet Cemeteries WML
Private (Water and Wastewater)	Private: Abs (Water Treatment and Supply) Private: Discharge (Sewage Collection System) Private: Discharge (Sewage Treatment Works) Private: Imp (Water Treatment and Supply) Private: Surface Water Private
Public (Water and Wastewater)	Public: Abs (Water Treatment and Supply) Public: Discharge (Sewage Collection System) Public: Discharge (Sewage Treatment Works) Public: Discharge (Water Treatment and Supply) Public: Imp (Water Treatment and Supply) Public: Surface Water
Recycling & treatment of waste	Anaerobic Digestion WML Recycling and Treatment: Composting WML Recycling and Treatment: Material Recovery Facility MRF WML Recycling and Treatment: Mobile Plant WML Recycling and Treatment: Other heat treatment &for example &MHT /Autoclaving/Pasteurisation WML Recycling and Treatment: Rendering WML Recycling and Treatment: Sect 5.4 Disposal & Recovery or mix disposal and recovery of Non Hazardous Waste Part A Recycling and Treatment: Sect 5.5 Production of Fuel from Waste Part A Recycling and Treatment: Sect 5.6 Temp Underground Storage of Hazardous waste Part A Recycling and Treatment: Sect 5.7 Treatment of Waste Water Part A Recycling and Treatment: Sect 6.8(a -c) Treatment of Animal & Vegetable Matter Sect Part A Recycling and Treatment: Sewage Sludge Treatment WML Recycling and Treatment: Treatment of Other Waste WML Recycling and Treatment: Treatment of Tyres (includes storage) WML Recycling and Treatment: Treatment of Waste Oil (includes storage) WML Recycling and Treatment: Treatment of WEE (includes storage) WML Recycling and Treatment: Treatment of Wood (includes storage) WML
Solvents	Solvents: Solvent Emissions (SED) Dry Cleaners Part B Solvents: Solvent Emissions (SED) Other Part B
Transfer Stations	Transfer Stations: Civic Amenity Sites WML Transfer Stations: WML

Appendix B3

Adjustment Factors (by Regime)

Table 1 - Adjustment Factors by Technical Regime

Regime	Reason	Regime Direct Reg Adjustment	Regulatory Support Adjustment
CAR DL	This is a weighting factor in order to bring the predicted income from the Model in line with the income previously generated The majority of this day-to-day regulatory activity is undertaken by other SEARS Partners, rather than SEPA	93.75% reduction	None
CAR PS	This is a weighting factor in order to bring the predicted income from the Model in line with the income previously generated.	20% increase	None
CAR WR	This is a weighting factor in order to bring the predicted income from the Model in line with the income previously generated While these can be complex licences due to the number of locations, the day-to-day regulatory effort is less than for other regimes because of the nature of these fixed abstractions / impoundments. Also, a lower grade of staff (e.g. AEPO) may be used than the hazard band would suggest	25% decrease	None
PPC Part A	This is a weighting factor in order to bring the predicted income from the Model in line with the income previously generated Note the PPC A overall pot size has been reduced to remove the income received from special waste consignment notes (~£400K for PPC A), this reduces the increase required above to balance costs	32% increase	None

PPC B	This is a weighting factor in order to bring the predicted income from the Model in line with the income previously generated	7%]increase	None
RSA Authorisation and Registration	This is a weighting factor in order to bring the predicted income from the Model in line with the income previously generated	45% reduction	None
WML	This is a weighting factor in order to bring the predicted income from the Model in line with the income previously generated The model is initially set up to recover the costs of all subsistence funded regulatory work, however £1.13Million of this funding is provided from the income from special waste consignment notes. In order to set the model up to recover the cost of the regulatory work minus the cost of this special waste income a negative correction has to be applied to the model, note this reduces any corrections required above to balance costs	1% reduction	None

Appendix B4

Adjustment Factors (by Sector)
Part B

Sector	Activity & Reason	Direct Reg Adjustment	Regulatory Support Adjustment
Solvents	*Dry Cleaners* These are very simple processes and a sector approach is being taken to planned regulation and compliance. The work is carried out centrally by a National Co-ordinator	15% reduction	15% reduction

AppendixB5

Direct Regulatory And Regulatory Support Adjustment Factors (by Activity)

CAR

Sector	Activity & Reason	Direct Reg Adjustment	Regulatory Support Adjustment
Energy	• *Abstraction: Hydropower >2 to 5MW schemes* Moderately hydro schemes cover a large geographic area and can multiple abstraction and impoundment. As a result these are generally a bit time consuming to regulate and the assessment of impacts and the resultant improvements plans can be complex to assess. As a result regulatory and support work for these has been increased. .	25% increase	25% increase
	• *Abstraction: Hydropower >5MW schemes* Large Hydro schemes cover a large geographic area and can involve hundreds of abstraction and impoundments .As a result these are generally a bit more complex to regulate and the assessment of impacts and the resultant improvement plans can be complex to assess. As a result the normal levels of regulatory and support work for these has been increased. .	75% increase	75% increase
Fish farms	• *Discharge: Fish Farm Marine Cage < 50 tonnes with SEPA monitoring* This correction has been inserted to recover the cost £2000 of carrying out SEPA impact monitoring. There are no increased costs/ effort for regulatory support.	160% increase	None
	• *Discharge: Fish Farm Marine Cage > 50 tonnes with SEPA monitoring* This correction has been inserted to recover the cost £6000 of carrying out	260% increase	None

	SEPA impact monitoring. There are no increased costs/ effort for regulatory support.		
	• *Abstraction Fish Production <= 2000m3/d* • *Abstraction Fish Production > 2000m3/d* • *Impoundment Fish Production <=25ML* • *Impoundment Fish Production >25ML* A reduction in regulatory and regulatory support effort of around 33% can be made to this activity due to its close association with other activities on site esp. the discharge from the fish farm. A further reduction of ~27% can also be applied to direct regulatory costs redistribute compliance costs within the sector on the basis that freshwater sites involve less complex reactive compliance work than marine cage farms.	60% decrease	34% decrease
Fish Farms	• *Discharge: Fish Farm Freshwater Cage* A reduction in direct regulatory score can also be applied to direct regulatory costs redistribute compliance costs within the sector on the basis that freshwater cage sites involve less complex reactive compliance work than marine cage farms.	20% reduction	none
	• *Discharge: Fish Farm Marine Tank* • *Discharge: Fish Farm Freshwater Tank* A reduction in direct regulatory score can also be applied to direct regulatory costs redistribute compliance costs within the sector on the basis that freshwater sites and marine tank farms involve less complex reactive compliance work than marine cage farms.	25% reduction	none

	• *Discharge: Fish Farm Marine Hatchery* • *Discharge: Fish Farm Hatchery / Small Freshwater Tank* • *Discharge: Fish Farm Marine Tank Small* A reduction in regulatory score can also be applied to direct regulatory costs redistribute compliance costs within the sector on the basis that freshwater sites and smaller marine sites involve less complex reactive compliance work than marine cage farms.	50 % reduction	none
Food and Drink	• *Discharge: Other Effluent Cooling Water (Distilleries) > 1000m3/d* • *Discharge: Other Effluent Cooling Water (Distilleries) <= 1000m3/d* • *Discharge: Other Effluent Cooling Water (Other Food and Drink) > 1000m3/d* • *Discharge: Other Effluent Cooling Water (Other Food and Drink) <= 1000m3/d* • *Abstraction: Food and Drink (Distilleries): Cooling water (Evaporative or Non Evaporative) <=2000m3/d* • *Abstraction: Food and Drink (Distilleries): Cooling water (Evaporative or Non Evaporative) >2000m3/d* • *Abstraction: Food and Drink (Breweries): Cooling water (Evaporative or Non Evaporative) <=2000m3/d* • *Abstraction: Food and Drink (Breweries): Cooling water (Evaporative or Non Evaporative) >2000m3/d* • *Abstraction: Food and Drink (Other): Cooling water (Evaporative or Non Evaporative) <=2000m3/d* • *Abstraction: Food and Drink (Other): Cooling water (Evaporative or Non Evaporative) >2000m3/d* A reduction in regulatory and support effort can be made to these activities	34% decrease	34% decrease

	due to their close association with other activities on site (process water and/or abstractions) and it is a straightforward activity to regulate		
Minerals	• *Discharge: other effluent (open cast coal mine water) <=100m3/d* More complex process, when compared to quarry processes. More fluid activities on site create more work for regulators There are no increased costs/ effort for regulatory support.	25% increase	25% increase
Minerals	• *Discharge: other effluent (open cast coal* • *and mine water) >100m3/d* More complex process, when compared to quarry processes. More fluid activities on site create more work for regulators There are no increased costs/ effort for regulatory support.	75% increase	75% increase
Minerals	• *Discharge: other effluent (quarries) >100m3/d* This is discharge will be related to a larger site, and thus will require more regulatory effort than a small site. There are no increased costs/ effort for regulatory support.	25% increase	25% increase
Other	• *Discharge: Other Effluent Cooling Water (Other) <= 1000m3/day &* • *Discharge: Other Effluent Cooling Water (Other) > 1000m3/day* A reduction in regulatory and support effort can be made to this activity due to its close association with other activities on site (abstractions) and it is a	34% decrease	34% decrease

	straightforward activity to regulate		
Other	• Discharge: Micro Activity • Abstraction: Micro Activity • Waste Management Activity: Micro Activity • PPC B Micro activity Activities identified as particularly small and low impact will be classified as micro activities either as micro: discharges, abstractions, part B activity or Waste management activity. The normal levels of regulatory and regulatory support effort do not apply to these activities as a much lower effort is generally spent on these. As a result the normal or average level of regulatory effort will be reduced.	75% reduction	75% reduction
Public (Water and Wastewater) **Water and Wastewater)**	***Quality and standards costs are applied to Public (Water and Wastewater)*** sector activities, except surface water discharges in proportion to the direct regulatory score . Additional regulatory support units are added to each of the activities within the Public (Water and Wastewater) sector as shown in the right hand column.		Additional Reg Units Added to Reg Support Total
	• *Discharge: Other Effluent Potable Water Treatment and Supply <= 100m3/d*	none	7
	• *Discharge: Other Effluent Potable Water Treatment and Supply > 100m3/d*	none	12
	• *Discharge: Sewage (Public) Combined Sewer Overflow (CSO)*	none	6
	• *Discharge: Sewage (Public) Emergency Overflow (EO)*	none	6
	• *Discharge: Sewer Network Licence (public) serving >=100,000 p* Sewer network licences have more outfalls and other infrastructure over a large area, so they generate more work than a fixed installation/discharge.	100%	100% increase plus 47 units for Q & S

	This increases the complexity of direct regulation and regulatory support work.		
	• *Discharge: Sewer Network Licence (public) serving 50,000 -<100,000 p.e* Sewer network licences have more outfalls and other infrastructure over a large area, so they generate more work than a fixed installation/discharge. This increases the complexity of direct regulation and regulatory support work.	75%	75% increase plus 37 units for Q & S
	• *Discharge: Sewer Network Licence (public) serving 15,000 - <50,000p.e* Sewer network licences have more outfalls and other infrastructure over a large area, so they generate more work than a fixed installation/discharge. This increases the complexity of direct regulation and regulatory support work.	**50% increase**	50% increase plus 28 units for Q & S
	• *Discharge: Sewer Network Licence (public) serving 2000 - <15,000p.e*	none	12
	• *Discharge: Sewer Network Licence (public) serving 500 -<2000p.e*	none	9
	• *Discharge: Sewer Network Licence (public) serving 100 -<500 p.e*	none	9
	• *Discharge: Sewer Network Licence (public) serving 0 -<100 p.e*	none	7
	• *Discharge: STW (public) >=100,000 p.e.*	none	40
	• *Discharge: STW (public) 0 -<25 p.e.*	none	6
	• *Discharge: STW (public) 100 -<500 p.e.*	none	11
	• *Discharge: STW (public) 15,000 - <50,000 p.e.*	none	27
	• *Discharge: STW (public) 2000 - <15,000 p.e.*	none	17
	• *Discharge: STW (public) 25 -<100 p.e.*	none	6
	• *Discharge: STW (public) 50,000 -*	none	38

	<100,000 p.e.		
	• *Discharge: STW (public) 500 -<2000 p.e.*	none	11
	• *Abstraction: Drinking Water Supply (Public) <=2000m3/d*	none	20
	• *Abstraction: Drinking Water Supply (Public) 2000m3/d to <=50,000m3/d* Large and medium sized Public Water supply systems often involve abstractions over a large geographic area from multiple points. <u>This increases the complexity of direct regulation and regulatory support work.</u>	50% increase	50% increase plus 41 units for Q and S costs
	• *Abstraction: Drinking Water Supply (Public) >50,000m3/d* Large and medium sixed Public Water supply systems often involve abstractions over a large geographic area from multiple points. <u>This increases the complexity of direct regulation and regulatory support work.</u>	75% increase	75% increase plus 78 unit for Q and S costs
	• *Impoundment: Drinking Water Supply (Public) <=25ML*	none	0
	• *Impoundment: Drinking Water Supply (Public) >25ML*	none	15

SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

PPC Part A

Sector	Activity & Reason	Direct Reg Adjustment	Regulatory Support Adjustment
Agriculture	• *Intensive Agriculture, Small, Subject to Standard Farming Installation Rules (SFIRs)* • *Intensive Agriculture, Small, Not Subject to Standard Farming Installation Rules (SFIRs)* • *Intensive Agriculture, Large, Subject to Standard Farming Installation Rules (SFIRs)* • *Intensive Agriculture, Large, Not Subject to Standard Farming Installation Rules (SFIRs)* Intensive agriculture units are regulated by a much simpler set of rules than many other activities. Hence a reduction in overall regulatory effort and regulatory support is made to better reflect the actual support and regulation required	25 % reduction	25 % reduction
Other	• *Low Impact Installations* *Certain PPC A activities can be assessed in accordance with guidance PPC Technical Guidance Note TG7: Guidance on determining "Low Impact Installations"* Low impact installations have a lower complexity and overall risk and hazard. As such there is significant reduction in regulatory effort and regulatory support requirements compared to the norm. Hence direct regulatory work and regulatory support are reduced *.*	50% reduction	50% reduction
Other	• *PPC A: 01a - Directly Associated Activity (operated by third party) Reg 2 (1)* • *PPC A: 01b - Directly Associated Activity Low Risk (operated by third party regulated) Reg 2(1)* • *PPC A: 01c - The operation by a third party of Part B Activity as part of Part A installation Reg 12(1)*	50% reduction	50% reduction

	• *PPC A: 01d - The operation by third party of part of a Part A activity Reg 14(1)* Certain activities/ processes which are regulated by SEPA are closely associated or part of a main PPC A process. There are several legal and situational scenarios. These are described above. SEPA carries out regulatory work on these associated activities but in all cases the normal level of regulatory effort does not apply, as there is inevitably some sharing or interaction with the main regulated PPC process. The 'normal' levels of regulated effort and regulatory support are therefore reduced by the amounts shown.		
Incineration **Landfill** **Other Disposal** **Recycling & treatment of waste**	*All activities in these sectors* within PPC A have an activity correction to recover some of the costs of implementing new audit and sampling requirement on MRF sites. This cost ~(£109,200) is being recovered across all waste PPC A and WML activities which have a potential connection to supply or receive sortings from MRF sites. This extra work on MRF sites is believed to have some knock on benefits in regulating other waste activities	3.6% increase	3.6% increase

SCOTTISH ENVIRONMENT PROTECTION AGENCY

PROPOSED ENVIRONMENTAL REGULATION (SCOTLAND) CHARGING SCHEME: ANNEX B

PPC Part B

Sector	Activity & Reason	Direct Reg Correction	Regulatory Support Adjustment
Energy	• *Petrol Vapour Recovery – unloading at a service station <500ms/yr* These are very simple processes, and are regulated centrally by a National Co-ordinator. Also they are now being issued with Standard Rules Permits	40% reduction	40% reduction
Other	• *PPC B Micro Activity* In certain cases an activity may exist in a very small scale with minimal impact. In such cases it can be considered a micro low impact activity. As such there is a reduction in the normal levels of regulatory and regulatory support effort.	75% reduction	75% reduction
Solvents	*Dry Cleaners* These are very simple processes, and are regulated centrally by a National Co-ordinator	40% reduction	40% reduction

WML

Sector	Activity & Reason	Direct Reg Correction	Regulatory Support Adjustment
Incineration	• *Pet Crematoria & Animal Remains Incineration* These are small simple incinerators hence reg effort is generally lower than the incineration sector norm hence a 70% reduction in direct regulation and regulatory support has been applied as WID doesn't apply	70% reduction	70% reduction
Landfill	• *Closed Landfill* Low risk closed landfill involve lower levels of surveillance, compliance assessment and environmental events than the sector norm. Hence the direct regulatory effort is reduced to reflect this	50% reduction	50% reduction
Other	• *WMA Micro Activity*	75%	75%

	In certain cases an activity may exist in a very small scale with minimal impact. In such cases it can be considered a micro low impact activity. As such there is a reduction in the normal levels of regulatory and regulatory support effort.	reduction	reduction
Recycling and Treatment of waste	• *Material Recovery Facility* To recover the some of the costs (£53,872) of implementing new audit and sampling requirements for MRF facilities regulatory and support costs have been increased to recover approx £2k per site	32.8% increase	32.8% increase
Transfer Stations **Recycling and Treatment of waste** **Metals and Metal Recycling**	*The activities below* have an activity correction to recover some of the costs of implementing new audit and sampling requirement on MRF sites • *Civic Amenity Site <2500 tonnes/yr* • *Civic Amenity Site > = 2500 tonnes* • *Metal Recycling <5000 tonnes/yr* • *Metal Recycling >=5000 tonnes/yr* • *Bulking up with or without sorting <2500* • *Bulking up with or without sorting >=2500 tonnes/yr* • *Treatment of WEE (includes storage)* • *Treatment of Wood (includes storage)* This cost ~(£109,200) is being recovered across all waste PPC A and WML activities which have a potential connection to supply or receive sortings from MRF sites. This extra work on MRF sites is believed to have some knock on benefits in regulating other waste activities	3.6% increase	3.6% increase