

Our Ref: 2353-01/AR/LM/RevA

By email only: Chris.Sweet@pins.gsi.gov.uk

18 September 2018

Mr Sweet
Planning Officer
Planning and Environment Team
Planning Inspectorate Wales
Crown Buildings
Cathays Park
Cardiff
CF10 3NQ

Dear Mr Sweet

**PROPOSED DEVELOPMENT OF 2NO. GAS ENGINES AT KRONOSPAN LTD,
HOLYHEAD ROAD, CHIRK, WREXHAM, LL14 5NT – ENVIRONMENTAL IMPACT
ASSESSMENT REGULATION 31 SCREENING REQUEST**

I write on behalf of my client, Kronospan Ltd (Kronospan) to request a formal Screening Direction from the Welsh Ministers under Regulation 31 of the Town and Country Planning (Environmental Impact Assessment) (Wales) Regulations 2017 (hereby referred to as the 'EIA Regulations') for the Proposed Development of 2no. gas engines at Kronospan Ltd, Holyhead Road, Chirk, Wrexham, LL14 5NT ('the Proposed Development'). This request is made in relation to a development of national significance for the purposes of section 62D of the Town and Country Planning Act 1990.

This letter sets out our opinion that the Proposed Development would not be likely to give rise to significant environmental effects and would therefore not constitute EIA Development. Accordingly, an application for planning permission would therefore not be required to be accompanied by an Environmental Statement (ES). Nonetheless we anticipate the Planning Inspectorate will require some technical assessments to be provided in order to determine the application. We propose that the planning application would be supported by the following documents:

- Planning Statement;
- Air Quality Assessment;
- Landscape and Visual Assessment;
- Heritage Statement; and
- Noise Assessment.

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Background

Kronospan is the UK's leading manufacturer of high quality wood-based panels and associated products and has been operating in the UK since 1970. The primary products manufactured by Kronospan at the Chirk site are particle board and medium density fibreboard (MDF), from which a number of secondary products are produced such as laminate flooring, worktops and melamine facing boards.

The manufacturing processes which take place at Kronospan require large quantities of heat and electricity. The high voltage electricity network in this part of Wales is sub-standard for the level of demand it is required to meet. As such Kronospan are only allowed to draw approximately 55% of their total demand from the grid. In order to safeguard against the fragility of the local electricity grid, and reduce the risk of the limitations of the local grid hindering the manufacturing efficiency of the site, Kronospan have previously installed three gas engines. The existing gas engines enable Kronospan to supply up to 70% of their current total demand. The two additional engines would enable Kronospan to increase their self-sufficiency in terms of electricity supply.

In addition to the gas engines (proposed and existing), two gas turbines operate within the Kronospan manufacturing facility. The gas turbines, which are for the purposes of standby/backup only, would be removed prior to the Proposed Development becoming operational. As such, the electricity generating capacity of the site would remain below 50MW.

Site Location and Context

Kronospan is located on land adjacent to Holyhead Road (the B5070), Chirk which runs in a north south direction to the east of the site. Kronospan is accessed via a T-junction with this road. Kronospan covers an area of circa 40ha, with circa 14ha of this developed with industrial buildings and plant. Figure 1 illustrates the location of the site.

A number of large industrial process facilities are located in the south west portion of the site. These are used to process, sort and dry the raw wood materials used in the manufacture of MDF/particle board and include several tall structures including stacks that emit abated process emissions to the atmosphere. The tallest structure on the site is the combined heat and power (CHP) biomass plant stack which is 70m in height. The biomass plant is used to generate heat for use in the manufacturing process. The south eastern portion of the site is dominated by large warehouses and logistics facilities. The existing three gas engines, which have a total generating capacity of 29.58MW, are located to the north of the MDF/particle board production buildings.

A number of other process buildings are located in the northern half of the site including: a saw mill; formalin plant and the secondary product manufacturing facility (Kronoplus) which produces laminate flooring and worktops.

The site car park, reception building, weighbridge and main site offices are located in the south eastern corner of the site to the south of the MDF and board manufacturing buildings.

The western perimeter of the Kronospan site is formed by the Shrewsbury to Chester railway. The Llangollen Canal is located to the west of the railway line, circa 30m from the boundary

of the site at its closest point. The canal is designated as the Pontcysyllte Aqueduct and Canal World Heritage Site (WHS) and as a Scheduled Monument. The eastern perimeter of the site is formed by Holyhead Road (B5070). An earth bund, planted with trees, has been developed along the eastern perimeter of the site in order to reduce the visibility of the site operations from neighbouring properties on Holyhead Road and the housing estate to the east.

A sewerage pumping station and one property owned by Kronospan, are located to the immediate north of the site. To the immediate south of the site is the Mondelez factory, the Chirk AAA sports ground and the Chirk recreational ground.

The main residential area of Chirk is located to the east of the site with residential properties lining the majority of the eastern side of Holyhead Road. Chirk town centre is located approximately 500m to the south east of the site. Parts of the town centre are designated as Chirk Conservation Area.

The wider area beyond the urban settlement of Chirk is dominated by agricultural fields and woodland. Chirk Castle (Grade 1 listed) and its grounds (Registered Park and Garden) are located circa 500m to the west of the site, beyond the canal. The Clwydian Range and Dee Valley Area of Outstanding Natural Beauty (AONB) and Pontcysyllte World Heritage site also lie to the west of the site, the closest boundary of the AONB runs concurrent with the grounds of Chirk Castle.

Description of the Development

The Proposed Development comprises the installation and operation of 2no. gas engines each with a maximum generating capacity of 9.73MWe. The existing gas engines have a total electricity generating capacity of 29.58MW. Accordingly, the five gas engines would have a total electricity generating capacity of 49.04MW.

The gas engines would be used to provide electricity, as well as heat and steam, for use in the manufacturing processes at the site. It is not planned to export electricity offsite to the local distribution network.

The engines would be located within a new 2 storey building which would also house two steam boilers and a control room. The proposed gas engines would be located adjacent to buildings containing three existing gas engines (Planning permission reference: P/2015/0728) and would be connected to this building via a walkway.

In summary, the key elements of the development comprise the following:

- Erection of a new building;
- Installation of 2no. gas engines;
- Installation of 2no. steam boilers;
- Installation of a control room;
- Roof mounted coolers;
- Exhaust gas offtake pipes and steam pipes from the gas engine building; and
- Carbon Monoxide Catalyst abatement system.

The layout and elevations of the Proposed Development are shown on Figure 2.

Operation of the Development

The gas engines would be supplied with natural gas from an existing main which supplies the existing gas engines. The natural gas would be combusted to generate electricity which would be distributed throughout the site from the electrical substation.

The hot gases arising from the operation of the engines would be transferred to the boilers located on the first floor of the building where they would be used to produce steam. This steam would then be transferred to manufacturing buildings within the site to be used in the manufacturing process. Heat would also be recovered from the gas engine process and would be used to pre-heat the water in the boilers. Heat from the exhaust gases would also be sent to the MDF dryers to assist in the MDF drying process, these emissions would then be emitted via the existing stacks servicing the MDF dryers. Accordingly, the engines would be extremely efficient, maximising the energy derived from the combusted gas for use within the on-site manufacturing operations.

Both the proposed and existing gas engines are included within a current environmental permit covering chemical operations and combustion plants, this has been issued by Natural Resources Wales (NRW) (Reference EPR/BW9999IG/V007).

Planning History Context

The construction of the first factory building commenced in 1971 and the company began operating in 1973. In the late 1980s, the company bought a factory adjacent to the original site. This has since been extended to provide the base for the company's 'Kronoplus' operation.

Over the past 5 years Kronospan has started a modernisation and improvement programme (referred to as Vision 2020) which involves the development of a series of facilities intended to deliver efficiency and environmental improvements to the site. Vision 2020 has involved six principal planning applications for developments in recent years. The six planning applications are as follows:

- Logyard silos and RCF offloading and grading facilities (in commissioning phase)
- Melamine facing press hall / building (completed – granted on appeal in May 2017, Reference: APP/H6955/A/16/3165368)
- Wood Chip Preparation Building and WESP Chip Dryer (Submitted May 2017, approved August 2017, Reference: P/2017/0416) (not yet implemented)
- Log Offloading Facility and Flaker Facility and Refurbishment of the Existing Chipper (Submitted August 2017, approved May 2018, approved May 2018, Reference: P/2017/0699) (not yet implemented);
- Raw Board Storage (Planning permission refused 6th November 2017, granted at Appeal 22nd May 2018 Reference: APP/H6955/A/18/3193142) (not yet implemented); and
- Oriented Strand Board (OSB) Facility (Planning application submitted 6th July 2018, awaiting determination).

The cumulative effects of the above proposals with the Proposed Development have been considered within this screening assessment. It should be noted that none of the above

developments were considered to comprise EIA development by Wrexham Council, including the Melamine facing press hall / building which was also negatively screened by the Planning Inspectorate as part of the appeal process.

Environmental Effects

With regard to the likely effects on the environment resulting from the Proposed Development, we note the following:

Positive – The Proposed Development would provide a number of benefits as follows:

- Enable Kronospan to increase their self-sufficiency in terms of energy supply, this would help prevent interruptions to the manufacturing processes and increase the efficiency of the manufacturing process;
- Enable the environmental efficiency of site operations to be improved by using the heat from the gas engines in the manufacturing process; and
- Contribute to the Kronospan 2020 Vision, which is being implemented to maintain the sustainability of the business at the site, safeguarding the significant direct and indirect employment opportunities supported by the business.

Negative – The potential for adverse effects to arise as a result of the Proposed Development also exists as follows:

- Potential noise and dust impacts during the construction of the new building to house the proposed engines, and the installation of the engines;
- Minimal increase in the number of HGV movements to Kronospan resulting from the delivery of the proposed engines and associated equipment to site;
- Impacts on air quality as a result of the operation of the proposed engines, albeit these have been considered as part of the existing NRW environmental permit; and
- Very limited visual impact due to its enclosed location within the central area of the site.

Screening Request

The Town and Country Planning (Environmental Impact Assessment) (Wales) Regulations 2017 (hereafter referred to as ‘the EIA Regulations’) define EIA development as that falling under either Schedule 1 development, or Schedule 2 development likely to have significant effects on the environment by virtue of factors such as its nature, size or location.

Schedule 1 Development

The Proposed Development is not included within Schedule 1 and is therefore demonstrably not a mandatory EIA project.

Schedule 2 Development

The Proposed Development may be considered to potentially fall under two categories of Schedule 2 development.

The first potentially relevant category is paragraph 3 Energy Industry (a) Industrial installations for the production of electricity, steam and hot water (unless included in Schedule 1). However, the development does not exceed the relevant area threshold of 0.5ha.

The second potential category that the Proposed Development could be captured by is paragraph 13(a) Changes or extensions to an existing Schedule 1 project. In this instance an industrial plant used for the production of paper and board (i.e. paragraph 18 of Schedule 1). By virtue of falling within this category it is necessary to consider if the development as a whole (i.e. the entirety of the Kronospan manufacturing plant) as changed or extended may give rise to significant adverse effects on the environment. Accordingly, it is necessary to screen the development against the criteria in Schedule 3.

Schedule 3

Schedule 3 contains a number of criteria for screening Schedule 2 development with regard to three subject areas:

- 1) Characteristics of development;
- 2) Location of development; and
- 3) Types and characteristics of potential impacts.

Each criterion contains multiple sub-criteria which have been set out below together with a brief commentary as to how the Proposed Development has been considered against each criteria. In undertaking this exercise the effects of the proposed gas engines themselves, as well as any indirect, secondary or cumulative effects the gas engines may have on the wider manufacturing facility, have been considered.

1) Characteristics of Development

- a) ***The size and design of the development:*** The Proposed Development would be located within an existing large manufacturing site of 40ha. The Proposed Development would have a footprint of 0.034ha and is considered appropriate in the context of the entire site. The Proposed Development would have very limited visibility from outside the Kronospan site and would not be visible from the Pontcysyllte Aqueduct and Canal World Heritage Site (WHS) and Scheduled Monument.
- b) ***Cumulation with other existing development and/or approved development:*** The air quality and noise effects of all of Kronospan's operations at this site have been considered within the existing Environmental Permit issued by NRW. There are considered to be no other potentially significant cumulative effects.
- c) ***The use of natural resources:*** The size and nature of the development means that the use of natural resources would be minimal. The Proposed Development would in fact mean that the Kronospan site would be less reliant on the local grid for electricity, and could generate their own supply using highly efficient technology.
- d) ***The production of waste:*** Due to the nature of the Proposed Development it would not produce waste. The by-product of the Proposed Development would be hot gases and these would be used in the manufacturing process.
- e) ***Pollution and nuisances:*** The noise and air quality impacts of the Proposed Development have been assessed as part of the existing Environmental Permit issued by NRW.

- f) **The risk of major accidents and/or disasters relevant to the development concerned:** Proven, established technology would be used within the Proposed Development. Furthermore, it would be subject to stringent health and safety testing as part of the construction and commissioning works. As such the development is not considered likely to give rise to a significant risk of accidents. The development is not located in an area at risk of natural disasters or in a sensitive geo-political area as such it is considered unlikely that it would be at risk of disasters.
- g) **The risks to human health:** The potential risks to human health related to the Proposed Development concern air quality and noise impacts. These impacts have been assessed and are subject to an existing NRW Environmental Permit that includes the two gas engines that are the subject of this application.

2) Location of development

- a) **The existing and approved land use:** The Proposed Development would be located within an existing large manufacturing site which has been operating since 1973. The Proposed Development would be located next to the three existing gas engines.
- b) **Natural resources:** Due to the size and nature of the Proposed Development, the amount of natural resources required would be minimal. The Proposed Development would assist Kronospan in producing their own electricity using highly efficient technology, and would reduce their reliance upon the local electricity grid.
- c) **Absorption capacity:** It should be noted that the application site:
 - i. is not a wetland, riparian area or river mouth.;
 - ii. is not within or near a coastal zone or marine environment;
 - iii. is not within a mountain or forest area;
 - iv. is not within a nature reserve or park;
 - v. is not a European site or other area classified or protected under national legislation;
 - vi. is not within any area known to exceed existing environmental standard;
 - vii. is not densely populated;
 - viii. is not within a designated landscape of historical, cultural or archaeological significance.

3) Types and characteristics of the potential impact

- a) **The magnitude and spatial extent of the impact:** The potential impacts have been assessed, are understood, and would be managed through an existing Environmental Permit issued by NRW.
- b) **The nature of the impact:** The nature of potential impacts has been set out above and for the reasons already stated are not considered to be significant.
- c) **Transboundary nature of the impact:** The Proposed Development is located entirely within the administrative area of Wrexham County Borough Council and does not cross any other boundaries. There would not be any transboundary impacts.

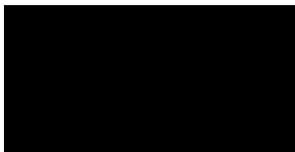
- d) **The intensity and complexity of the impact:** There would be a number of interactions with other manufacturing facilities at the site. However, these interactions are well understood and considered within the existing noise and air quality assessments presented with the existing Environmental Permit.
- e) **The probability of the impacts:** The magnitude of the impacts likely to occur are known as a result of the assessment work undertaken to support the Environmental Permit.
- f) **The expected onset, duration, frequency and reversibility of the impact:** The potential impacts would occur during the construction and operation of the Proposed Development and would last for as long as the Proposed Development operates.
- g) **Cumulative impact:** The potential impacts of the Proposed Development have been assessed in combination with the wider Kronospan site. The entire Kronospan site (including the Proposed Development) is subject to an existing Environmental Permit, which is currently in the process of being varied to include the whole site under a single regulator (NRW).
- h) **The possibility of effectively reducing the impact:** The impacts of the operations at the site, including air emissions are subject to mitigation measures. The noise effects of the Proposed Development would be mitigated to ensure compliance with the required noise thresholds for the site. Mitigation of noise effects from gas engines are well understood and proven.

Based upon our assessment, it is our opinion that significant environmental effects are unlikely to be experienced as a result of the Proposed Development.

We trust that the contents of this letter along with the attached plan are sufficient to aid you in adopting a Screening Direction.

Please do not hesitate to contact us should you have any queries on the contents of this letter.

Yours sincerely



Andrew Russell
Technical Director

cc: Keith Baker – Kronospan (email only)
Mike McKenna – Kronospan (email only)
Robert Sparey – PINS (email only)

Enclosures: Figure 1: Site Location Plan
Figure 2: Proposed Layout and Elevations
