

# Scottish business environmental compliance over 90% for fourth year in a row in latest SEPA data

19 February 2020

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- Scotch Whisky, distilling and brewing achieve 95.5% compliance.
- Scotland’s oldest brewery showcases sustainability success story and pledges carbon-neutral by 2025.
- SEPA firmly focused on tackling poor performance at ExxonMobil Chemical Limited Mossmorran.
- SEPA establishes new ‘Enforcement Unit’ to fast-track tackling serious non-compliance.

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<b>Compliance Band</b>	<b>Number of licences assessed 2018</b>	<b>2018 %</b>
Excellent	3,905	
Good	686	Compliant 90.5
Broadly Compliant	43	
At Risk	156	
Poor	282	Not compliant 9.5
Very Poor	51	
<b>Overall</b>	<b>5,123</b>	<b>100</b>

SEPA’s Regulatory Strategy ‘One Planet Prosperity’ is clear – every Scottish business will comply with the law and SEPA will work to ensure as many as possible go even further. SEPA’s Compliance Assessment Scheme (CAS) rates an operator’s environmental performance against its licence conditions. The annual results enable SEPA to take a targeted approach which focuses on high risk operations and under-performing sites more frequently than compliant or

low risk activities.

### **Scotch Whisky, distilling and brewing achieve 95.5% compliance.**

In 2018, Scotch distillers were present in twenty-two of Scotland's thirty-two local authorities – up from 15 local authorities in 2010. Scotland's brewers meanwhile were located in sixteen of Scotland's local authority areas.

Taken together, Scotch Whisky, distilling and brewing achieved 95.5% compliance in 2018, continuing the strong performance of the sectors. Compliance increased from 93.2% to 95.5% across the 176 sites assessed in the period, with a further reduction in the number of non-compliant sites.

### **Carbon Neutral Tennent Caledonian Breweries**

In addition to achieving high levels of environmental compliance, SEPA worked to support Scottish businesses recognising the economic and environmental opportunities of sustainability.

Scotland's leading brewer, Glasgow-based Tennent Caledonian, achieved a further 'Excellent' rating for environmental compliance in the reporting period, marking a five-year run of strong performance. The brewer, which operates Scotland's oldest surviving brewery at Duke Street, Glasgow, went further and in 2019 announced ambitious plans to be carbon neutral by 2025.

The brewery, founded in 1740, has 'locked in' sustainability to its business model, including launching a flagship consumer awareness campaign, being the first brewer in the UK to join the UK Plastics Pact and committing to eradicating single-use plastic by 2021 and all plastic use by 2025. The business also invested £14m in site environmental performance including an anaerobic digestion plant with carbon capture, improving wastewater quality by 80% and also generating bio-gas which contributes 5% of the site's energy needs.

### **Tackling poor performance in non-renewable energy**

While many of Scotland's industrial sectors, such as non-renewable energy and chemicals, achieved over 90% compliance as a whole, poor performance at complex industrial sites continued to impact local communities across the reporting period.

ExxonMobil Chemical Limited, the operator of the Fife Ethylene Plant, achieved a 'Poor'\* Compliance Assessment Scheme rating for the second year in a row due to flaring at the Fife site during 2018. INEOS FPS Limited's (Forties Pipeline) site in Grangemouth, rated as unsatisfactory since 2014, and was rated as 'Very Poor' in 2017 and again in 2018.

### **ExxonMobil Chemical Limited, Mossmorran**

ExxonMobil Chemical Limited was rated as 'Poor'\* in 2018, with SEPA working to address the root causes of 'unacceptable' flaring. In April 2018, SEPA served Final Warning Letters due to 'preventable and unacceptable' unplanned

flaring in 2017 to both operators at the Mossmorran Complex in Fife.

Communities experienced further unplanned flaring from ExxonMobil Chemical Limited in October 2017, March 2018 and again in May 2018.

With ExxonMobil Chemical Limited the subject of a current live regulatory investigation, nearing completion, SEPA has varied operating permits at Mossmorran. The operating permit variations served on ExxonMobil Chemical Limited and Shell U.K. Limited require both operators to achieve 'Best Available Techniques' in the shortest timeframe possible. With a £140 million investment announced by ExxonMobil Chemical Limited, noise reducing flare tips will be installed this year by ExxonMobil Chemical Limited and by Shell U.K. Limited in 2021.

ExxonMobil Chemical Limited has committed to optimising timescales to install new ground flares – which will significantly address impacts from flaring, with Shell U.K. Limited recently submitting their own project plan, currently being reviewed by SEPA for the future use of ground flares.

Together these measures will reduce the impacts on local communities when flaring is necessary. Flaring, an important safety feature of industrial facilities, will become the “exception rather than routine” and new infrastructure will address the issues that cause most disturbance to local people.

### **INEOS FPS, Grangemouth**

INEOS FPS Limited's (Forties Pipeline) site in Grangemouth was rated as unsatisfactory since 2014 and 'Very Poor' in 2017 and again in 2018.

Operated by BP Exploration until October 2017, the site was unsatisfactory due to flaring and the unavailability of ground flares at the installation, in breach of Permit Conditions as well as breaches of the effluent consent.

A Final Warning Letter was issued by SEPA in 2018 and the company has been working constructively with technical specialists to secure the adoption of Best Available Techniques. Further to ongoing liaison with the business, SEPA will shortly issue permit variations requiring the installation of new ground flare systems by January 2022.

Terry A'Hearn, Chief Executive of SEPA, said:

“Every day, SEPA works to protect and enhance Scotland's environment helping communities and businesses thrive within the resources of our planet. We call this One Planet Prosperity. As part of our response to the climate emergency we're clear, environmental compliance is non-negotiable. Every Scottish business will comply with the law, and we'll work to ensure as many as possible will go even further.

“We're pleased to recognise the exceptionally high standards of compliance from Scotland's distillers and brewers. What's more we're delighted to raise a glass to iconic Scottish brands like Tennent's Lager who are locking in the environmental and economic opportunities of business sustainability.

“Whilst recognising successes, we’re also clear on our strategy to tackle consistent non-compliance. We’ve already refocused resource on tackling poor performance at complex industrial sites and will this year start to see the first in a series of significant investments by operators that aim to improve environmental outcomes for communities. That, combined with a newly established dedicated enforcement unit, will focus on the most serious non-compliance.”

Martin Doogan, Group Engineering Manager at C&C (owners of Tennent Caledonian Breweries), said:

“We’re extremely pleased to receive an ‘Excellent’ rating for environmental compliance for the third year in a row – reflecting Tennent’s long-term commitment to sustainability.

“Six months ago we announced the most ambitious environmental initiatives in the company’s history, undertaking significant investment to build an anaerobic digestion plant and carbon capture capability at Wellpark, alongside a pledge to completely eradicate plastics from our consumer packaging as well as becoming carbon neutral and sourcing all of our energy from renewables in the next five years.

“As Scotland’s oldest business and largest brewery, we can’t be complacent, continuing to identify innovative ways to further minimise our environmental impact-sustainability is firmly embedded at the core of everything we do. It is our intention to deliver lasting positive change so we’re proud that all of the hard work undertaken so far continues to see our environmental compliance rated as ‘Excellent’ by SEPA.”

**ENDS**

**NOTES TO EDITORS:**

**(\*) CAS rating under appeal by ExxonMobil Chemical Limited.**

**SEPA’s full Compliance Assessment Scheme data can be seen on our website at <http://apps.sepa.org.uk/compliance/>**

**Total licence numbers**

Since 2014, operators in all major regulatory regimes have been included in the Compliance Assessment Scheme. A significant number of lower risk activities are not assessed annually, and inspection frequency varies from once every two to once every five years. As a result the number of licences assessed and reported each year will vary.

There can be a discrepancy between the overall figures in our release and totals when added from individual sites on our website. This is because the details of a number of sites we regulate are not published for National Security reasons but are counted in our overall figures.

- Not all Radioactive Substances Act licences are published online. As well as the compliance data for nuclear and radioactive substances sites published, we also regulate smaller authorised radioactive sources, many of which are used in the offshore oil industry and onshore in industrial processes. These are not published online.
- There are authorisations under the Water Environment (Controlled Activities) (Scotland) Regulations and permits under the Pollution Prevention & Control (Scotland) Regulations held for National Security sites that are also not published.