

## Compliance Assessment Report

Report ID:  
CAR\_NRW0034488

This form will report compliance with your permit as determined by an NRW officer

Site	Margam Green Energy Plant EPR/DP3137EG	Permit Ref	DP3137EG			
Operator/Permit holder	Margam Green Energy Ltd					
Regime	Installations					
Date of assessment	11/12/2018	Time in	14:30	Out	16:30	
Assessment type	Audit					
Parts of the permit assessed	See Agenda					
Lead officer's name	Jenkins, Nicholas					
Accompanied by						
Recipient's name/position	John Williams/ Construction Manager (ECO2)	Date issued	25/01/2019			

### Section 1 – Compliance Assessment Summary

This is based on the requirements of the permit under the Environmental Permitting Regulations or the licence under the Water Resources Act 1991 as amended by the Water Act 2003. A detailed explanation is captured in "Compliance Assessment Report Detail" (Section 2) and any actions you may need to take are given in the "Action(s)" (section 4). This summary details where we believe any non-compliance with the permit has occurred, the relevant condition and how the non-compliance has been categorised using our Compliance Classification Scheme (CCS). CCS Scores can be consolidated or suspended where appropriate, to reflect the impact of some non-compliances more accurately. For more details of our CCS scheme, contact your local office.

Permit conditions and compliance summary	CCS Category	Condition(s) breached
A1 - Specified by permit	A	

**KEY:** See Section 5 for breach categories, suspended scores will be indicated as such.

**A** = Assessed or assessed in part (no evidence of non-compliance), **X** = Action only,

**O** = Ongoing non-compliance, not scored.

Number of breaches recorded	0	Total compliance score (see section 5 for scoring scheme)	0
-----------------------------	---	--	---

If the Number of breaches recorded is greater than zero, please see Section 3 for our proposed enforcement response

## Section 2 – Compliance Assessment Report Detail

This section contains a report of our findings and will usually include information on:

- The part(s) of the permit that were assessed (eg. Maintenance, training, combustion plant, etc)
- Where the type of assessment was 'Data Review' details of the report/results triggering the assessment
- Any non-compliances identified
- Any non-compliances with directly applicable legislation
- Details of any multiple non-compliances
- Information on the compliance score accrued inc.
- Details of advice given
- Any other areas of concern
- Any actions requested
- Any examples of good practice
- A reference to photos taken

### Attendees

John Williams - Construction Manager (Eco2)

Lee Mills - Environment Officer (Natural Resources Wales)

Nick Jenkins - PPC Officer (Natural Resources Wales)

### Agenda

1. Update on Commissioning
2. Update on Large Combustion Plant Directive/Water Incineration Directive
3. Incident 17/08/18 (Flushing of hot water to lagoon Ref 1805282)
4. IC7 – Noise assessment (MACH Acoustics)
5. Waste/Hazardous Waste contractors
6. Site Tour

### Introductions

Lee Mills has joined the south west Industry Regulation team until the end of March 2019 as an environment officer. Part of Lee's development includes the attendance at industrial sites to understand how the team regulate Schedule 1 installations under the Environmental Permitting Regulations.

#### 1. Update on Commissioning

Margam Green Energy Ltd (MGEL) is currently within the commissioning phase of its permitted activity. It has seen significant delays which has hindered the plant moving into operational phase. MGEL is around 19 months behind their initial estimation of operation but key aspects have been met including the submission of information for its Renewable Obligation Certificate. The main purpose of the meeting is to discuss the timetable and for MGEL to update us on its commissioning.

In October 2015, MGEL provided an overview of its foreseeable processes and we took the opportunity to review these with current timeframes.

Process	Estimated date (29/10/15)	Estimated Date (11/12/18)
First reception (wood)	November 2016	TBC
First fire (wood)	February 2017	29 August 2018
Pressure test	August 2016	January 2017
Cold Commissioning	Autumn 2016	November 2017
Electrical Export	March 2017	11 September 2018
Handover	23 May 2017	28 February 2019
Commencement	23 January 2015	23 January 2015
Grid Connection	23 September 2016	8 December 2016

MGEL has its own website of which there is a news page that has been used to update visitors to the website on progress of the plant. The penultimate entry into the news was 24 July 2018 which was advice regarding steam blowing. MGEL has always advised that it keeps local councillors updated through Facebook but NRW are not within the same communication group.

We discussed the work on the bypass valve. 29/09/18 we attended Margam in response to complaints of noise thought to be emanating from MGEL. We confirmed that the sound was being generated by the installation via the bypass valve as we attended the complaint location and worked closer toward MGEL. We finally spoke to Eco2 who advised that the operation was on bypass and it was confirmed that the valve was 'in fault'.

During the audit, MGEL advised that its contractor was working on the valve. The contractor was carrying out a staged approach to modifying the bypass valve which was causing high sound levels during the start-up and shutdown processes. Since the audit, we have not received any further complaints of noise.

Further to the above, the Operator advised that the bypass valve was reducing the output of the plant to around 60% of its expected capacity. This had increased to around 70% 22 January 2019 and is expected to be at circa 80% by 26 January 2019.

## 2. Update on Large Combustion Plant Directive/Water Incineration Directive

NRW's current thinking (in collaboration with other regulatory agencies) around where the operation of MGEL resides in accordance with the Best Available Techniques Reference document (BRef), is within the Waste Incineration BRef. This thinking has been fed into the agency discussion's via meetings with MGEL, NRW's policy makers and visits to MGEL's wood feeding sites.

The Waste Incineration BRef is currently in the final draft version (December 2018) and the date for publication is unclear. **What we would encourage MGEL to do is to consider the Best Available Technique Conclusions (BATc) contained within Chapter 5 of the document to identify whether there are any gaps where MGEL needs to be in the four years following the publication.** These can be raised early in the process and if necessary alterations can be made before it becomes a compliance issue after the four years have ended.

## 3. Incident 17/08/18 (Flushing of hot water to lagoon Ref 1805282)

The following is an extract from our incident system, which was sent to the operator 21 August 2018. The delay in sending the report was due to timing of the report on a Friday afternoon.

*Reporter claims that as part of the commissioning process [Margam Green Energy Ltd] are flushing out hot water containing a lot of metal contaminants into a lagoon which then runs into a soakaway (Marshland).*

We requested a response from MGEL in the initial email and a formal response was sent to NRW 17 December 2018, although we discussed the incident and MGEL's response over the telephone around the time of the incident. The formal response was as follows:

*During the initial commissioning of the plant, it was noticed that the steel cowling in the effluent pit (which separates the effluent pit from the discharge penstock chamber) was slightly leaking. To facilitate repair of the leak, the effluent pit was emptied by pumping to separate Frac tanks on site. This would enable personnel to enter into the effluent pit to effect a repair. However, since the cleaning operations of the ACC system had already started, there remained a volume of condensate and boiler water that also had to be discharged.*

*This process could not be shut down instantly and the consortium took the decision to pump the water to the lagoon following the implementation of specific safety measures. The consortium confirm that the piped outlet was sandbagged (see attached dated photo) and the penstock valve located on the same drainage line and further toward the headwall was shut to avoid any discharge to the water course. The consortium confirm that no water was allowed to enter the water course and that the water was removed from the lagoon using pumps to the effluent pit and tankers where appropriate.*

*The consortium confirms this commissioning activity has been subsequently completed and remedial works to the defective area are complete. We continue to measure the water quality of the mother ditch at the locations previously agreed.*

A photograph was also supplied with the response to show the sand bagging of the piped outlet. The incident was closed as not substantiated and a request is made that for any incidents that have the potential to cause a significant pollution or cause a breach of permit, MGEL must immediately inform NRW in accordance with permit condition 4.3.1.

**Recommendation – MGEL to immediately inform NRW of any likely breaches of its permit or incidents that will or have the potential to cause significant pollution.**

#### 4. IC7 – Noise assessment (MACH Acoustics)

November 2018, we were contacted by MACH Acoustics (MACH), who advised that it had undertaken ambient sound monitoring on behalf of Interserve to establish operational sound levels against the targets specified in the planning conditions. MACH advised that the measured levels were higher than those specified as targets in the planning conditions. MACH approached us to provide advice on creating a methodology for the assessment.

4 December we formally replied advising that we would not offer advice on compliance with the planning regime but did advise that MGEL has an improvement condition (IC) within its environmental permit. The IC specifies that a noise assessment in line with British Standard 4142 - Methods for rating and assessing industrial and commercial sound should be undertaken with reference to the baseline report produced by NVC at previously agreed monitoring locations. A copy of the IC was sent along with a telephone number and name for the planning officer. We welcome any discussions with third party contractors to discuss relevant issues associated with the permit.

#### 5. Waste/Hazardous Waste contractors

In MGEL's application for its environmental permit it states that incinerator bottom ash (IBA) will usually be classified as non-hazardous waste. However, IBA is classified on the European List of Wastes as a "mirror entry", which means IBA is a hazardous waste if it possesses a hazardous property relating to the content of dangerous substances.

MGEL has submitted its sampling protocol under pre-operational condition 11 (PO11) entitled **B&W-MAR-SOP-902 IBA Residue Sampling**. This was created in line with the Environment Agency's M4 - Guidance for Ash Sampling and Analysis. In accordance with its protocol, MGEL has consigned IBA as hazardous waste based on the concentration of heavy metals and the high pH under European Waste Catalogue code (EWC) 10 01 14 - bottom ash, slag and boiler dust from co-incineration containing hazardous substances.

The Operator stated that during an internal audit of the waste disposal procedures, it discovered that the EWC had been wrongly identified on consignment notes and associated weighbridge tickets. MGEL consider EWC 19 01 11 is most representative of the generation of the waste and is now in the process of correcting the documentation. We are advised that it has an auditable trail correcting these mistakes but we do not believe that amending the consignments notes is appropriate.

We were provided with a sample hazardous waste consignment note (Ref MARGAM/80020) dated 29 November 2018 for the transfer of ">25T" of IBA to Augean at Peterborough by waste carrier T. Pritchard (Carrier Ref CBDU9944). Augean is a regulated facility under its environmental permit ref YP3138XB as entered onto Part E of the consignment note. The Augean permit of which a copy was provided by MGEL, outlines the waste codes that it can accept and the 10 01 14 code used in this consignment note, is permitted to be accepted under Augean's soil stabilisation process. It is also permitted to accept 19 01 11 both in its soil washing process, screening and soil stabilisation processes, which is the EWC code MGEL has informed us it will use going forward. **It is the responsibility of the waste producer to ensure that it categorise its waste correctly using relevant guidance.**

Other aspects of the consignment note that are queried include:

- Part B(1) - Process giving rise to the waste is not correct and will need amending to a more appropriate description e.g. bottom ash from waste wood energy plant
- Part B(3) - The quantity of waste needs to be more specific as there is a discrepancy in the waste quantity

removed from site and the waste received at Augean (Part E) (>25T removed from MGEL - 15.450 Kgs accepted at Augean's facility)

- Part B(3) - The skip size will need to be included and the number of containers used in the consignment
- Part B(3) - The information related to the transportation of waste will need to be completed see <http://www.hse.gov.uk/cdg/manual/commonproblems/waste.htm>

**Recommendation - It is the responsibility of the waste producer to ensure that the waste consigned from the installation is correctly described in the associated consignment note. We therefore recommend that the operator/waste producer reviews its current process for consigning hazardous waste from its installation.**

#### 6. Site Tour

We toured the site from waste reception to IBA production. We also toured the control room and the work being undertaken on the bypass valve. Several photographs were taken.

[END]

## EPR Compliance Assessment Report

**Report ID:  
CAR\_NRW0034488**

**This form will report compliance with your permit as determined by an NRW officer**

Site	Margam Green Energy Plant EPR/DP3137EG	Permit Ref	DP3137EG
Operator/Permit holder	Margam Green Energy Ltd	Date	11/12/2018

### Section 3 – Enforcement Response

You must take immediate action to rectify any non-compliance and prevent repetition.

Non-compliance with your permit conditions constitutes an offence and can result in criminal prosecutions and/or suspension or revocation of a permit. Please read the detailed assessment in Section 2 and the steps you need to take in Section 4 below.

### Section 4 – Action(s)

This section summarises the actions identified during the assessment along with the timescales for when they will need to be completed.

Criteria Ref.	CCS Category	Action required/advised	Due Date
See Section 1 above			

## Section 5 – Compliance notes for the Operator

To ensure you correct actual or potential non-compliance we may

- Advise on corrective actions verbally or in writing
- Require you to take specific actions verbally or in writing
- Issue a notice
- Require you to review your procedures or management system
- Change some of the conditions of your permit
- Decide to undertake a full review of your permit

Any breach of a permit condition is an offence and we may take legal action against you

- We will normally provide advice and guidance to assist you to come back into compliance either after an offence is committed or where we consider that an offence is likely to be committed. This is without prejudice to any other enforcement response that we consider may be required.
- Enforcement action can include the issue of a formal caution, prosecution, the service of a notice and/or suspension or revocation of the permit.

**See our Enforcement and Civil Sanctions guidance for further information**

This report does not relieve the site operator of the responsibility to

- Ensure you comply with the conditions of the permit at all times and prevent pollution of the environment
- Ensure you comply with other legislative provisions which may apply

### Non-compliance scores and categories

CCS category	Description	Score
C1	A non-compliance that could have a major environmental effect	60
C2	A non-compliance which could have a significant environmental effect	31
C3	A non-compliance which could have a minor environmental effect	4
C4	A non-compliance which has no potential environmental effect	0.1

**Operational Risk Appraisal (Opra)** - Compliance assessment findings may affect your Opra score and/or your charges. This score influences the resource we use to assess permit compliance.

## Section 6 – General information

### Data protection notice

The information on this form will be processed by the Natural Resources Wales (NRW) to fulfil its regulatory and monitoring functions and to maintain the relevant public register(s). The NRW may also use and/or disclose it in connection with:

- Offering/providing you with its literature/services relating to environmental matters
- Consulting with the public, public bodies and other organisations (eg. Health and Safety Executive, local authorities) on environmental issues
- Carrying out statistical analysis, research and development on environmental issues
- Providing public register information to enquirers
- Investigating possible breaches of environmental law
- Assessing customer service satisfaction and improving its service
- Freedom of Information Act/Environmental Regulations request

The NRW may pass it on to its agents/representatives to do these things on its behalf. You should ensure that any persons named on this form are informed of the contents of this data protection notice.

### Disclosure of information

The NRW will provide a copy of this report to the public register(s). However, if you consider that any information contained in this report should not be released to the public register(s) on the grounds of commercial confidentiality, you must write to your local area office within fifteen working days of receipt of this form indicating which information it concerns and why it should not be released, giving your reasons in full.

### Customer charter

#### What can I do if I disagree with this compliance assessment report?

If you are unable to resolve the issue with your site officer, you should firstly discuss the matter with officer's line managers using the informal appeals procedure. If you wish to raise your dispute further through our official Complaints and Commendations procedure, phone our general enquiry number 0300 065 3000 (Mon to Fri 08.00 – 18.00) and ask for the Customer Contact team or send an email to [enquiries@naturalresourceswales.gov.uk](mailto:enquiries@naturalresourceswales.gov.uk). If you are still dissatisfied you can make a complaint to the Public Services Ombudsman for Wales. For advice on how to complain to the Ombudsman phone their helpline on 0845 607 0987.

#### Welsh Language

If you would like this form in Welsh please contact your Regulatory Officer.