

Compliance Assessment Report

Report ID:
CAR_NRW0026406

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

Site	Margam Gases	Permit Ref	BV9713IU		
Operator/Permit holder	BOC Limited				
Regime	Installations				
Date of assessment	22/09/2016	Time in	13:30	Out	15:00
Assessment type	Unknown				
Parts of the permit assessed	Regulating officer handover meeting				
Lead officer's name	Lewis, Gareth A.				
Accompanied by	Jenkins, Nicholas				
Recipient's name/position	Robert Warren/ SHEQ Manager	Date issued	14/10/2016		

Section 1 – Compliance Assessment Summary

This is based on the requirements of the permit under the Environmental Permitting Regulations. 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
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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
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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

Adrian Hayman - Area Operations Manager UK (South), Linde/BOC Limited

Robert Warren - SHEQ Manager, BOC Limited

Gareth Lewis - Technical Specialist, Natural Resources Wales

Nick Jenkins - Pollution Prevention Control Officer, Natural Resources Wales

Agenda

Introductions & change of regulating officer

Overview of site operations

Introductions

The purpose of the meeting was to introduce Nick Jenkins as the new site regulator who has taken over from Gareth Lewis who is retiring.

Adrian Hayman has been the area operations manager covering BOC limited (BOC) sites in Ireland, north west and south west of England and Wales for around two and a half years.

Robert Warren is the safety, health, environment and quality manager at the Margam installation having worked for the company for around twenty eight years. Robert is the point of contact for the Natural Resources Wales (NRW).

Overview of site operations

BOC operates an installation for the production of hydrogen and carbon monoxide by a steam reforming process that uses natural gas as feedstocks at Margam in South Wales. The reforming of natural gas was a listed activity under Schedule 1 of the PPC Regulations 1.2 Part A(1)(b) but in March 2013 to reflect the changes with the introduction of the Industrial Emission Directive, the permit was amended. The Schedule 1 activity is now 4.2 A(1)(a)(i) - producing inorganic chemicals such as-gases and the process is operated using the Howmar plant. The KTI Hydrogen plant is currently mothballed and no longer in a condition to operate. Although it operates only one plant (Howmar), there are references to the obsolete plant (KTI) through the most recent variation (V003) but a review of recent EOPRA submissions (2015) outlines that only the Howmar is plant is a charging element.

The Margam installation is a major industrial gases production and distribution facility covering around 15.5 acres, whose activities include:

- Cryogenic air separation
- Bulk storage of liquid Oxygen, liquid Nitrogen and liquid Argon
- Gaseous Oxygen and Nitrogen compression
- **Steam Reforming of natural gas and separation of pure Hydrogen**
- Bulk storage and distribution of gaseous Hydrogen

It is the steam reforming of natural gas and separation of pure Hydrogen that brings the process under the regulatory control of Natural Resources Wales (NRW) and this is operated in a small section of the installation.

The operator also has an abstraction license from NRW ref 21/58/34/3 for the use of borehole water at its installation. Water is used at the installation for the generation of steam which is reacted with the methane feedstock in the presence of a catalyst to produce synthetic gas ("syngas"). Currently licensed for 501.6 m3/day from two boreholes but there is a reliance on one: ref PBH2 (407.8m3/day). The renewal for this license is 31 March 2017 but there is no requirement for BOC to wait until then to submit a renewal application. This can be done as soon as practicable.

Emissions

Table S4.1 of BOC's permit outlines the point source emissions to air, the emission limits and the monitoring requirements. These emissions are generated by the steam reformer burners on the Howmar plant. There is a requirement to monitor and report Oxides of Nitrogen (NOx) and Carbon Monoxide (CO) for both the Howmar and KTI plant and for the results to be submitted annually. As discussed the KTI plant is mothballed and therefore we would expect this to be outlined each time the operator submits its annual reports and emission monitoring.

We also expect the operator to report pH levels for its emissions to sewer annually but to include weekly spot samples. We discussed whether this was appropriate and whether it was required. BOC expressed their willingness to continue with this method of reporting.

Conclusion

BOC has been operating the plant under the regulation of Environment Agency Wales and now NRW, since 2007 in a designated section of their Margam plant. The expectation of the incoming regulating officer is that any changes onsite that may effect the permitted activity are discussed at the earliest opportunity and that any reporting is submitted as outlined in schedule 5 of its environmental permit. At the next opportunity the request would be to undertake a site walk around to better understand the activities.

[END]

EPR Compliance Assessment Report

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Operator/Permit holder	BOC Limited	Date	22/09/2016

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 reports should not be released to the public register(s) on the grounds of commercial confidentiality, you must write to your local area office within twenty 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. 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.