

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

Site	Tata Steel Port Talbot steelworks				Permit Ref	BL7108IM (as amended)		
Operator/ Permit holder	Tata Steel UK Ltd							
Date	2 November 2015				Time in	12.30	Out	14.30
What parts of the permit were assessed	See below							
Assessment	EPR - inspection	EPR Activity:	Installation	X	Waste Op		Water Discharge	
Recipient's name/position	Fiona Abbott, Environmental Manager, Tata Steel Port Talbot							
Officers names	DMP Broom and J Walters				Date issued	11/12/15		

Section 1 - Compliance Assessment Summary

This is based on the requirements of the permit under the Environmental Permitting Regulations. A detailed explanation and any action you may need to take are given in the "Detailed Assessment of Compliance" (section 3). 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
Condition(s) breached

a) Permitted activities	1. Specified by permit	A	
b) Infrastructure	1. Engineering for prevention & control of pollution	N	
	2. Closure & decommissioning	N	
	3. Site drainage engineering (clean & foul)	N	
	4. Containment of stored materials	N	
	5. Plant and equipment	A	
c) General management	1. Staff competency/ training	N	
	2. Management system & operating procedures	A	
	3. Materials acceptance	N	
	4. Storage handling, labelling, segregation	N	
d) Incident management	1. Site security	N	
	2. Accident, emergency & incident planning	A	
e) Emissions	1. Air	A	
	2. Land & Groundwater	N	
	3. Surface water	N	
	4. Sewer	N	
	5. Waste	N	
f) Amenity	1. Odour	N	
	2. Noise	A	
	3. Dust/fibres/particulates	A	
	4. Pests, birds & scavengers	N	
	5. Deposits on road	N	
g) Monitoring and records, maintenance and reporting	1. Monitoring of emissions & environment	A	
	2. Records of activity, site diary, journal & events	A	
	3. Maintenance records	N	
	4. Reporting & notification	A	
h) Resource efficiency	1. Efficient use of raw materials	N	
	2. Energy	N	

KEY: C1, C2, C3, C4 = CCS breach category (*suspended scores are marked with an asterisk),
A = Assessed or assessed in part (no evidence of non-compliance), N = Not assessed, NA = Not Applicable

Number of breaches recorded

-

Total compliance score
(see section 5 for scoring scheme)

-

If the Total No Breaches is greater than zero, then please see Section 3 for details of 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 (e.g. 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 suspended or consolidated scores.
- details of advice given
- any other areas of concern
- all actions requested
- any examples of good practice.
- a reference to photos taken

Site description

Tata Steel UK Ltd (Tata) operates an integrated iron and steel works at Port Talbot, Neath Port Talbot. The site is permitted as an installation under the Environmental Permitting Regulations (EPR). The steelworks has several identifiable permitted processes which are carried out sequentially across the installation to convert raw iron ores and coal to semi finished (slab) and finished steel products (such as hot rolled, pickled and oiled, cold rolled and annealed). The permit also covers coke making and the reception, stockpiling and blending of raw iron making materials. Two other companies, Cambrian Stone and Harsco, undertake separately-permitted slag handling and iron plating activities at the steelworks on Tata's behalf.

Purpose of visit/assessment

To discuss the CAPEX programs for the steelworks from 2015 and beyond.

Person(s) present (Office based)

Tata Steel	Scott McKinnon	NRW	Mark Broom
	Fiona Abbott		Jeremy Walters
	Peter Quinn (phone)		
	Claire Grainger		
	Neil Haynes (phone)		

Background

Tata Steel Port Talbot are suffering from financial stress with losses continuing and deepening. There are a number of capital projects (CAPEX) planned for the site to meet the Industrial Emissions Directive (IED) through the Iron and Steel BAT conclusions. These can be split into coke oven gas desulphurisation, the sinter plant main stack, the sinter plant dedust (and cooler), the steel plant and general PM10 improvements.

Coke oven gas desulphurisation

Tata are looking to delay this major project beyond the existing derogation deadline of 2018 until at least July 2020. They will carry out some gas balancing work to see if the combustion plant can be operated within IED Annex V elvs which would mean that they can run beyond July 2020 without coke oven gas desulphurisation. This delay assumes that the derogation cost benefit analysis supports any delay beyond the agreed 2018 deadline.

Sinter plant main stack

Following the recent stop when a significant amount of works was carried out, the condition of the north Electrostatic precipitator (EP) was found to be worse than expected. Tata are working on the premise that on two fan operation they will be able to meet the particulate limit for 40 mg/m³ as a daily mean after mid-March 2016. However they have safety concerns on this ep which means that they cannot use lignite on two fan operation and they estimate that they will not be able to comply with the 0.4 ng/m³ dioxin limit for between 6 and 12 months. They will trial the use of the Dorr clarifiers (ponds) on the furnaces to treat current blast furnace dust arisings and to wash out the residual chloride. This may provide a short term solution to the hydrocyclones required for this work. NRW may need to consider an enforcement position for any exceedances on the sinter plant main stack when the new limits take effect (after March 2016).

Sinter dedust/cooler replacement

The sinter dedust and the replacement cooler projects are linked. Tata would like to delay these two projects. We currently have issued a derogation for a refurbishment of the Eps until October 2016 and Tata has asked for an extension of this deadline because they will be installing a replacement bag filter. In principle we have agreed this approach but we have not formally issued a derogation for this extension. Now Tata wants to extend this bag filter installation beyond 2017 but it must show that the derogation cost benefit analysis supports any further delays. This analysis may more difficult to show as the cost of harm for particulates is higher than it is for sulphur dioxide and the area of impact lies within an Air Quality Management Area (AQMA).

BOS plant

Tata are completing phase 1 of this work and they believe that they do not need to carry out phase 2 of the project. They plan to carry out other measures under revenue and show that they are equivalent to those in the BAT Conclusions.

General PM₁₀ improvements

Tata have a plan to carry out general PM₁₀ reduction measures over the next 2 years. Due to the situation Tata are looking to re-profile these plans over the following few years.

Tata will review their existing derogation paperwork and decide if they can submit any new requests as either part of the combustion plant variation or with the future HAA variation. As the combustion plant variation is close to issue, Tata will need to be quick to get any requests written, submitted and assessed by the planned issue date (December 2015 at the earliest).

Other issues

Ferrous metal processing BAT conclusions

Ferrous metal processing (FMP) Bref note is being reviewed and it will lead to a BAT conclusions being published. Before the review starts the IED 'process' off NRW wants to describe the various milestones in the review process and into the permit review through to implementation of the various BAT conclusions at the four year anniversary of the BAT conclusions being published. For Tata the FMP note applies to their hot mill, cold mill, continuous annealing processing line (CAPL) and galvanising plants. They have appointed representatives across the business to represent these areas at the shadow BREF note working groups. The representatives are Jason Heatman (cold mill), Eddy White (hot mill) and Peter ? (galvanising). A date to meet up in Port Talbot is planned so that their representatives and the two main areas in Port Talbot to hear about the NRW involvement in the Bref note and BAT conclusions process.

Transitional National Plan (TNP)

Tata had passed on an email about the TNP. The plan is progressing and it is likely to be issued. If the plan does not happen, Tata were asked about their 'route' to compliance with Annex V ELVs in the IED. There are a number of choices if they choose not to be in the TNP or the TNP does not happen. In short Tata have very little choice either the TNP or ELVs and their preferred approach is to enter the TNP.

Conclusions and further actions required

Times are extremely challenging for the steel sector as a whole and for this site in particular. They are facing some severe pressures. They are trying to find ways in which to postpone capital expenditure while remaining compliant with IED and the published BAT conclusions for the coke, iron and steel parts of the site. Delays in some projects will require further delays to already agreed derogations and Tata may have to decide between additional new derogations or face formal enforcement by NRW if new BAT limit values cannot be met by the March 2016 deadline.

[END OF SECTION 2]

	EPR Compliance Assessment Report	Report ID: 6045	
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Operator/ Permit	Tata Steel UK Ltd	Date	11/12/15

Section 3- Enforcement Response		Only one of the boxes below should be ticked	
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.			
Other than the provision of advice and guidance, at present we do not intend to take further enforcement action in respect of the non-compliance identified above. This does not preclude us from taking enforcement action if further relevant information comes to light or advice isn't followed.			n/a
In respect of the above non-compliance you have been issued with a warning. At present we do not intend to take further enforcement action. This does not preclude us from taking additional enforcement action if further relevant information comes to light or offences continue.			n/a
We will now consider what enforcement action is appropriate and notify you, referencing this form.			n/a

Section 4- Action(s)			
Where a non - compliance has been detected and an enforcement response has been selected above, this section summarises the steps you need to take to return to compliance and also provides timescales for this to be done.			
Criteria Ref.	CCS Category	Action Required/Advised	Due Date
See Section 1 above			
N/A		Review the derogation applications for Coke Oven Gas Desulphurisation and sinter dedust and submit new applications if needed by	30 December 2015

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 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 which 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 Natural Resources Wales (NRW) to fulfill its regulatory and monitoring functions and to maintain the relevant public register(s). 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 (e.g. 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 and taking any resulting action
- preventing breaches of environmental law
- assessing customer service satisfaction and improving its service
- Freedom of Information Act/Environmental Information Regulations request.

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

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 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 the officer's line managers. 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) 601 0987**.