

Compliance Assessment Report

Report ID:
CAR_NRW0032749

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

Site	Port Talbot Steel Works EPR/BL7108IM	Permit Ref	BL7108IM		
Operator/Permit holder	Tata Steel UK Limited				
Regime	Installations				
Date of assessment	27/10/2017	Time in	10:00	Out	15:00
Assessment type	Audit				
Parts of the permit assessed	1 Management; 2 Operations; 3 Emissions and Monitoring; 4 Information				
Lead officer's name	Broom, Mark				
Accompanied by	Cowie, Douglas				
Recipient's name/position	Fiona Abbott/ Environment Manager	Date issued	19/01/2018		

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	
B1 - Infrastructure - Engineering for prevention and control of emissions	X	
B5 - Infrastructure - Plant and equipment	A	
C2 - General Management - Management system and operating procedures	X	
D2 - Incident Management - Accidents, emergency and incident planning	A	
E1 - Emissions - Air	A	
E3 - Emissions - Surface water	A	
F2 - Amenity - Noise	A	
G1 - Monitoring and Records, Maintenance and Reporting - Monitoring of emissions and environment	X	
G2 - Monitoring and Records, Maintenance and Reporting - Records of activity, site diary/journal/events	A	
G3 - Monitoring and Records, Maintenance and Reporting - Maintenance records	A	
G4 - Monitoring and Records, Maintenance and Reporting - Reporting and notification to Natural Resources Wales	A	
H2 - Resource Efficiency - Energy efficiency	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
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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

Site description

Tata Steel UK Ltd (Tata Steel) 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). Tata Steel has several defined industrial 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 steel). The permit also covers coke making and the reception, stockpiling and blending of raw iron making materials. Four other companies – Cambrian Stone, Harsco Metals, Runtech and ICL – are contracted to undertake their own permitted activities at the steelworks on behalf of Tata Steel.

Purpose of visit/assessment

This compliance intervention focused on Tata Steel's Large Combustion Plant (LCP).

In July 2017, the European IPPC Bureau published its revised Best Available Techniques Conclusions (BATc) for LCP. The scope of this document includes LCP fired using steelworks process gases. We reviewed Tata Steel's LCP against the criteria and emission limits outlined in the revised LCP BATc.

We also investigated a noise issue associated with sporadic steam releases from the infrastructure serving Boiler 5.

The relevant permit conditions are listed under Sections 1.1, 1.2, 2.1, 2.3, 3.1, 3.5, 3.6 and 4.2 of Tata's permit.

Person(s) present

Tata Steel

Jason Heatman
Jason Massey
Sean Langstone
Debbie Boyce
Huw Jones
Mark Roberts

NRW

Mark Broom
Doug Cowie

Boiler 5 steam noise

During August and September 2017 NRW received several complaints about a 'steam blasting' noise emanating from Port Talbot steelworks. The noise was investigated and ultimately attributed to sudden releases of pressurised steam from a safety valve on the 44 barg steam system serving Boiler 5. During this intervention, we examined the root cause of these steam releases.

At 21.50hrs on 16 August 2017 there was a turbo alternator circuit 'trip' at Tata Steel's Margam 'A' power plant, which resulted in a pressure imbalance on the 44 barg steam system serving Boiler 5. The system's safety valves activated as designed to vent excess steam and release the pressure, however one valve did not re-seat properly following its initial activation. Boiler 5 continued to run at normal operating pressures and therefore further minor and unrelated pressure imbalances repeatedly triggered the incorrectly-seated valve.

In response, Tata Steel brought Boiler 5 'off-range' i.e. below normal operating pressure to allow safe access to the valve. This could not be undertaken immediately as Boiler 5 operates alongside other LCPs which supply the steelworks with power. Tata's engineers first needed to ensure sufficient power was available to maintain the stable operation of other steelworks processes. Once this was achieved, Boiler 5 was brought off-range and the steam system and valve were isolated.

The safety valve uses springs to operate; these were all checked before it was re-seated. The activation pressure settings were also checked and calibrated ('Trevi' tests) by a specialist contractor during September 2017 to ensure further safe operation. Further Trevi testing is being undertaken for other LCP safety valves.

We examined the maintenance regime in place prior to the event on 16 August 2017. Tata Steel provided test records and certificates to show that Boiler 5's safety valves had been inspected and tested in June 2017 during a statutory plant outage. The test certificates confirmed that the valves remained functional, but recommended that the valves and/or the springs should be replaced at the next service interval. Tata Steel's SAP system showed that a corresponding order had been raised for new springs and valve head assemblies.

It is NRW's judgement that the operator has taken appropriate measures to maintain the relevant plant and equipment and Tata Steel has complied with this element of its environmental permit.

In terms of addressing the noise issue, NRW acknowledges that Boiler 5 could not be rapidly brought off-range in an unplanned manner to allow access to the valve; doing so could have potentially caused other operational and environmental issues within the steelworks. It is our view that Tata Steel have taken the necessary action to address this problem within a reasonable timescale.

Tata Steel has plans to introduce intermediate pressure relief valves with silencers for its LCP 44 barg steam system. These intermediate valves will be designed to activate at slightly lower pressures than the existing safety valves. This arrangement should reduce noise from valves activating in response to overpressure/pressure imbalance events. Tata Steel could use its *DeliveringOurFuture* newspaper to communicate this type of investment to steelworks employees and neighbours.

Should this type of noisy steam release occur in future, Tata Steel should consider more pro-active liaison with its neighbours and community representatives to explain what it is doing to address the cause(s).

BAT-gap analysis: Large Combustion Plant (LCP)

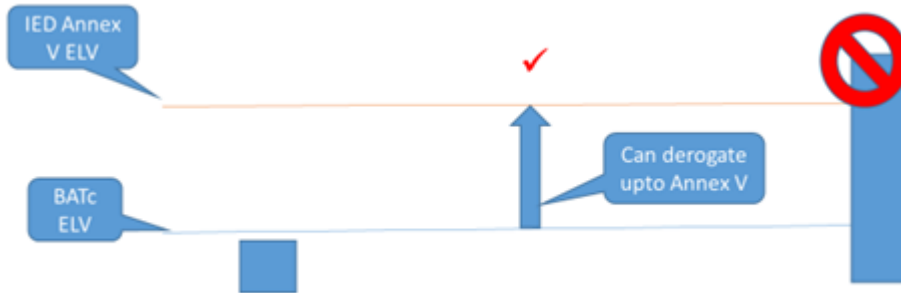
The revised BAT Conclusions (BATc) for the Large Combustion Plant sector were published by the European Integrated Pollution Prevention and Control (IPPC) Bureau in July 2017. The scope of this publication includes existing and new LCP at iron and steelmaking installations.

The UK along with other European Union Member States must now ensure these BATc are implemented into relevant environmental permits. We conducted a high-level review of Tata Steel's LCP against the criteria and emission limits outlined in the revised LCP BATc. Our twin aims were to identify any potential operational issues for Tata Steel and any (interpretational) ambiguities within the BATc which could require further consultation.

A more in-depth review will be conducted as the implementation of the LCP BATc progresses. Below are four slides that summarise current regulatory views on this issue, which may change as the UK's implementation programme develops.

LCP BATc principles

- No backsliding from current elvs
- We will apply the tighter of BATc or Annex V
- Cannot go above Annex V elvs – no derogation above Annex V
- Compliance date is 4 years from publication 31/7/21
- Reg 61 response will be used for compliance so if you say you can we will take you at your word and it will be a compliance issue post 31/7/2021

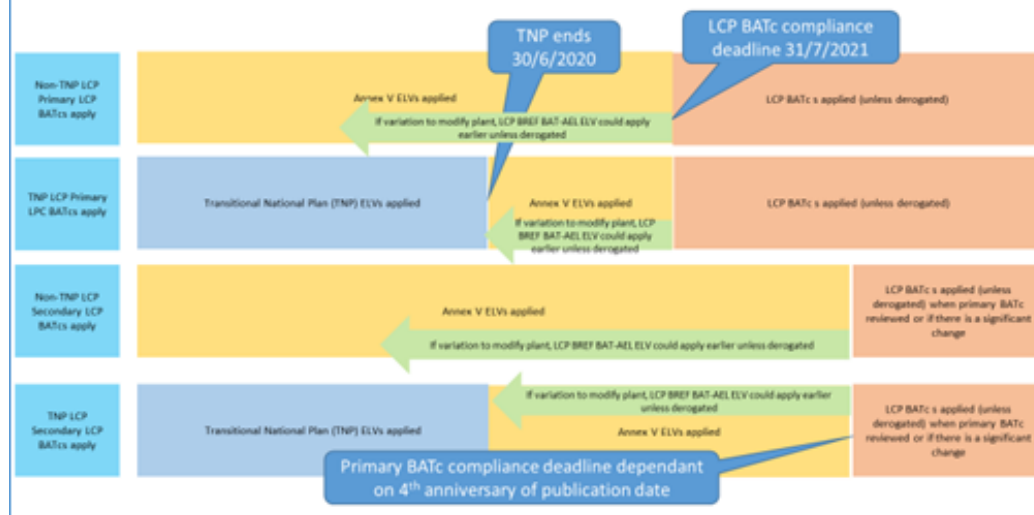


Interaction between IED (Annex V) and LCP BATcs

Driver	Daily mean	Monthly mean	95%ile of hourly means	Annual mean	Monitoring
Annex V	✓	✓	✓	✗	CEMS if > 100MW
LCP BATc	✓	✗	✗	✓	CEMS > 15 MW
Combined	✓	✓	✓	✓	CEMS > 15 MW

Tighter of Annex V and BATc

Approaches to ELVs for LCP BATcs



Interpretation of the BATc and related issues

Lead Author (Regulator)	General LCP BATcs	Coal	Biomass	Liquid fuels	Gaseous fuels	Industry specific fuels	Waste except municipal waste derived fuels
EA		✓	✓				
SEPA				✓			
NIEA					✓	✓	
NRW					✓	✓	

There is an interaction of permit reviews for sites that have more than one set of relevant BAT Conclusions (BATc). UK policy applying to these situations has not been agreed across the four environmental regulators, but the likely positions are as follows:

- For an installation where the LCP BATc does not reflect the primary purpose of the installation (e.g. steelworks where the Iron and Steel BATc take primacy), the environmental permit for that installation will not be formally reviewed by July 2021 unless there is a significant change to the permit e.g. a substantial variation.
- If there are no changes to the Tata Steel Port Talbot permit between now and when the Iron and Steel (II) BATc are published, then all relevant secondary BATc e.g. LCP, Ferrous Metal Processing will need to be considered by the Iron and Steel (II) BATc permit review.
- It is likely that compliance with published secondary BATc (which are in the compliance phase of their BATc cycle) will be assessed on issue of the reviewed environmental permit for the steelworks. Only the Iron and Steel (II) BATc will have a four-year implementation window from their publication date.

These positions may change depending on the consensus reached between the UK environmental regulators, but they represent NRW's current thinking on this issue.

The following table summarises our high-level review of the LCP BATc as they apply to Tata Steel's operations at Port Talbot steelworks:

BATc number	Issue	Site – Tata Steel Port Talbot	Compliant	
			Now?	17/8/21?
1	Environment Management System (EMS)			
	(i) Management commitment	Largely covered by their EMS – ISO 14001	✓ With ISO 14001 (2004)	✓ should comply with ISO 14001 (2014) by 2021
	(ii) Environmental policy with continuous improvement		✓	
	(iii) Procedures objectives and target		✓	
	(iv) Implementation procedures for responsibility, training, communication, employee involvement, documentation, process control, maintenance, emergency preparedness and compliance with environmental law		✓	
	(v) Checking performance and taking corrective action		✓	
	(vi) EMS senior management review		✓	
	(vii) Following the development of cleaner technologies	COG desulphurisation for the Coke ovens reviewed. NOx reduction techniques not as far advanced.		✓
	(viii) Eventual decommissioning	Need to consider for any new boiler(s)		✓
	(ix) Regular sectorial bench marking	Previously with Scunthorpe but not since sale of TSE Long Products in 2016		✓
	(x) Fuel QC/QA programs	See BATc 9 for details		✓
	(xi) A management plan for OTNOC* to minimise the releases to air and water *Other Than Normal Operating Conditions	See BATc 10 for details	✗	
	(xii) Waste management plan	Already considered under Tata's site waste plan	✓	
	(xiii) A systematic method used to identify and deal with unplanned events to land & ground water	The facility has a Site Condition Report and an Emergency Plan that takes this into account	✓	

	(xiv)	Dust management plan from fuel handling	Not applicable as only gaseous and liquid fuels burnt	N/A	N/A
	(xv)	Noise management plan	Need to formalise a noise plan for this area of the works. See BATc 17		✓
	(xvi)	Odour management plan	Not an odorous area of the site.	N/A	N/A
2		Energy efficiency assessment	Not clear on what is <u>required</u> . Is it only new or changed plant that needs assessment? What (EN) standards should be used? What criteria should be used to determine a 'significant change'?	?	?
3		Air flow and water measurement			
	Air flow	CEMS or periodic	Fuel flow is periodic	✓	
	O2, T & P	CEMS or periodic	CEMS on all LCP	✓	
	Water content	Not required if dry gas used.	Not required as dry gas used in the analysers	N/A	N/A
	Water flow, pH & T	CEMS	Not required	N/A	N/A
4		Monitoring - air			
	SO2	CEMS	Mitchell Boiler & Boiler 5 do not have CEMS	✗	
	NOx	CEMS	Mitchell Boiler & Boiler 5 do not have CEMS	✗	
	Particulates	CEMS	On all 7 boilers	✓	
	CO	CEMS	On all 7 boilers	✓	
5		Monitoring - water	See water table (BATc5 and 15) Flue gas treatment is not carried out	N/A	N/A
6		Optimised combustion	Techniques a/b/c/d/e all used	✓	
7		If SCR* and/or SNCR** used *Selective Catalytic Reduction **Selective Non-Catalytic Reduction	Not used	N/A	N/A
8		Design, operation and maintenance of abatement systems	No 'abatement' plant used for the current LCP configurations	N/A	N/A
9		Fuel quality assurance/control systems	Fully in place for HFO and Natural Gas.		✓

			Partially for the other fuels i.e. works gases		
10		OTNOC* management plan *Other Than Normal Operating Conditions	Need to develop a formal OTNOC plan for Port Talbot's LCP	✗	
11		Measurement of releases during OTNOC	Releases are measured during the OTNOC periods. No automated system is used to exclude data from monitoring results	✓	
12		Energy efficiency: only relevant ones shown	Some listed techniques are used in combination. May be improvement opportunities here.	✓	
13		Water minimisation	A mixture of cooling systems is used and water is recycled where possible. Consider this BATc for any new boiler(s).	✓	
14		Segregation of water systems – clean and contaminated	Parts of the site drainage system have clean/dirty segregation in place. Opportunities to improve.	✓	
15		Reduce releases to water from flue gas treatment	See water table (BATc5 and 15) Flue gas treatment is not carried out	N/A	N/A
16		Waste management and minimisation	Limited relevance – Tata's LCP uses gaseous and liquid fuels only	✓	
17		Noise minimisation	Needs formal review [see BATc 1 (xv)]		✓
BAT Conclusions 18 – 45 do not apply to Tata Steel's operations at Port Talbot steelworks					
46		Energy efficiency	Not discussed – further clarity needed (see BATc 2)	?	?
47		NOx and CO emissions to air – techniques for boilers	No detail discussed	?	?
48		NOx and CO emissions to air – techniques for CCGTs* *Combined Cycle Gas Turbines	No CCGTs	N/A	N/A
49		NOx techniques	No detail discussed	?	?
		NOx performance (Table 29)	May be ok but needs	?	?

			assessment		
50		SO2 techniques	No detail discussed	?	?
		SO2 performance (Table 30)	May be ok but needs assessment	?	?
51		Dust techniques	No detail discussed	?	?
		Dust performance (Table 31)	May be ok but needs assessment	?	?
BAT Conclusions 52 – 75 do not apply to Tata Steel’s operations at Port Talbot steelworks					

The following table shows the typical fuel use and emission limit values (ELVs) across Tata Steel's fleet of boilers at Port Talbot:

	Fuel split (100%)				IED Annex V ELV (daily)			LCP BATc BAT-AEL (daily)		
Boiler (LCP)	BFG	COG	BOS	NG	So2*	NOx	Dust*	So2	NOx	Dust
3	100				220	330	10	200	160	10
Service boilers 4 & 5	80	20			242	330	28	200	160 but could be 220 if high H ₂ in COG ¹	10
5	95	5			225	330	11	200		10
6	90	0-10	10-0		230	330	13	200		10
7	90	0-5	5-0	1-2	230	330	13	200		10

*Dynamic limit calculated according to IED Article 40(1) and the relevant ELV from IED Annex V.

Tata Steel Port Talbot does not routinely use Natural Gas (NG) to fire its boilers and this means that the LCP BAT-AELs (emission limits) may be simpler to apply than first thought. This also means that the appropriate LCP BATc could often require a tighter daily limit to be applied compared with the values outlined in IED Annex V.

The above ELVs are defined on the basis that iron and steelmaking gases are used during 'normal' operations, and NG and HFO usage falls within defined OTNOC periods. These OTNOC periods do not need to have ELVs apart from those already defined by IED Annex V.

Tata Steel's Energy Department has previously agreed to write to NRW with details of their approach to LCP start-up and shutdown and what they consider to be OTNOC criteria for Tata Steel's boilers. This will include an explanation of how the boilers will be managed when BFG supply is limited. Please refer to our previous **CAR_NRW0032745** which covered this topic in more detail.

BAT Conclusions 5 and 15 (see table below with BAT-AELs) do not apply because no LCP flue gas treatments are carried out at Port Talbot steelworks.

Measured as a daily average: 24-hr flow proportionate composite sample				Compliant?	
	Standard(s)	BAT-AEL	Minimum Frequency	Now?	17/8/21?
TOC (FGD)	EN 1484	20 – 50mg/l	Once every		

COD (FGD)		-	60 – 150mg/l	month		
TSS		EN 872	10 – 30mg/l			
Fluoride (FGD)		EN ISO 10304-1	10 – 25mg/l			
Sulphate (FGD)		EN ISO 10304-1	1.3 – 2 g/l			
Sulphide (FGD)		-	0.1 - 0.2 mg/l			
Sulphite (FGD)		EN ISO 10304-3	1 – 20 mg/l			
Metals	As	Such as EN ISO 11885 or 17294-2	10 – 50 µg/l			
	Cd		2 – 5 µg/l			
	Cr		10 – 50 µg/l			
	Cu		10 – 50 µg/l			
	Ni		10 – 50 µg/l			
	Pb		10 - 20 µg/l			
	Zn		50 - 200 µg/l			
	Hg	EN ISO 12846 or 17852	0.2 - 3 µg/l			
Chloride		EN ISO 10304-1 or 15682	-			
Total Nitrogen		EN12260	-			

Conclusions

NRW has reviewed the Boiler 5 steam releases which occurred during August 2017 and resulted in noise complaints from neighbouring residential properties. The root cause of the releases has been identified as an incorrectly-seated safety valve on the 44 barg steam system. It is NRW's judgement that the operator has taken appropriate measures to:

- maintain the relevant plant and equipment;
- address this problem within a reasonable timescale.

Furthermore, NRW acknowledges that Boiler 5 could not be rapidly brought off-range in an unplanned manner to allow access to the valve; doing so could have potentially caused other operational and environmental issues within the steelworks.

Tata Steel has plans to modify its 44 barg steam system which should reduce noise from valves activating in response to overpressure/pressure imbalance events. Tata Steel could use its *DeliveringOurFuture* newspaper to communicate this type of investment to steelworks employees and neighbours.

Tata Steel should consider more pro-active liaison with its neighbours and community representatives to explain what it is doing to address the cause(s) of issues such as these noisy

steam releases.

The review of Tata Steel's combustion plant against the revised LCP BAT Conclusions has revealed a couple of key areas where further work will be required to meet the new standards:

1. A management plan for OTNOC to minimise the releases to air and water
2. SO₂ and NO_x monitoring (CEMS) for Boiler 5 and the Mitchell Boiler

Tata Steel's Energy Department has previously agreed to write to NRW with details of their approach to LCP start-up and shutdown and what they consider to be OTNOC criteria for Tata Steel's boilers. This will include an explanation of how the boilers will be managed when BFG supply is limited.

NRW will explore the energy efficiency requirements (BATc 2 and 46) in more detail to ensure they are interpreted accurately and consistently. Further guidance on this specific area will be provided at a future LCP compliance intervention.

Overall, Tata Steel appears to be in a strong starting position in relation to LCP BATc compliance. Opportunities exist to improve its combustion operations further e.g. water minimisation and energy efficiency.

The company must carefully consider the requirements of the revised LCP BATc when designing boiler upgrades, replacements or new plant. Early engagement with the regulator on these topics is encouraged.

[ENDS]

EPR Compliance Assessment Report

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

Site	Port Talbot Steel Works EPR/BL7108IM	Permit Ref	BL7108IM
Operator/Permit holder	Tata Steel UK Limited	Date	27/10/2017

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			
G1	X	Tata Steel's Energy Department has previously agreed to write to NRW with details of their approach to LCP start-up and shutdown and what they consider to be OTNOC criteria for Tata Steel's boilers. This will include an explanation of how the boilers will be managed when BFG supply is limited.	31/03/2018
C2	X	Tata Steel should consider more pro-active liaison with its neighbours and community representatives to explain what it is doing to address the cause(s) of issues such as the noisy steam releases from Boiler 5 in August 2017.	19/01/2018
B1	X	The company must carefully consider the requirements of the revised LCP BATc when designing boiler upgrades, replacements or new plant. Early engagement with the regulator on these topics is encouraged.	19/01/2018

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. 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.