

Compliance Assessment Report

Report ID:
CAR_NRW0026286

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	28/07/2016	Time in	10:30	Out	13:00	
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	22/08/2016			

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

John Williams – Eco2 Construction Manager

Graham Thomas – Eco2 Fuel Manager

Nick Jenkins – Natural Resources Wales PPC Officer

Agenda

1. Review of outstanding actions and recommendations
2. Progress against project plan
3. Wood supply contracts
4. Update on Pre Operational Conditions
5. Site tour

1. Review of outstanding actions and recommendations

Table 1 below was produced following the initial compliance visit in October 2015 and has been amended once an action/recommendation has been completed or added. Currently there are two outstanding actions/recommendations.

Table 1 – Overview of actions and recommendations

Action/Recommendation	To be completed by:
Action – Operator to submit reporting forms to NRW for review	ONGOING
Recommendation – Operator to ensure that waste contractors are in place before operating, particularly for the disposal/recovery of bottom and fly ash	ONGOING

Eco2 had outlined in previous discussions that the reporting forms as required in Table S4.4 of the permit would have similarities to the adjacent wood fired power station operated by PX Limited. It is the operator's intention to share good practice and we would encourage this where similarities exist in the reporting forms. These will need to be in the correct format and labelled in accordance with Table S4.4.

No further updates was provided on the removal of fly ash from the installation. A more detailed understanding of the waste will be gathered following the completion of PO12.

2 Progress against project plan

At each meeting we discuss the progress of the commissioning programme against the dates specified to ensure that the project is on schedule. Eco2 advised that there has been no change to the commencement of cold and hot testing and therefore no change to the expected 'end of commissioning' phase i.e. April 2017. Any extension of these dates must be discussed with NRW at the earliest opportunity.

3 Wood supply contracts

The installation has the capacity to process up to 350,000 tonnes per annum of biomass fuel in the form of pre-processed wood chips. The fuel consists of waste wood sourced from commercial, industrial, construction and demolition waste streams. Graham Thomas was introduced to the meeting as the fuel manager. Graham is employed by Eco2 and has previously worked at the adjacent PX limited (Western wood energy plant – Margam) wood fired power station. Eco2 explained that the fuel contract is to be fulfilled by Stobarts Group who have three main suppliers across southern England and Wales including the areas of Glastonbury; Southampton and Swansea. It was described how Stobarts will deliver the pre-chipped wood to site from the three suppliers. It is not expected that any other supplier will use the installation. Eco2 are currently auditing the three supplier sites to ensure that the procedures and processes are in place to confirm the quality of the fuel supply.

It is expected that the first load onsite will be in November 2016.

4 Update on Pre Operational Conditions (POs)

30 June 2016, Eco2 submitted its response to pre-operational condition 5 (see below). The submission date had been extended to at least 9 months prior to commencement of commissioning following the request of Eco2 and agreed by NRW.

PO5	Following Natural Resources Wales approval of the written proposal provided in response to PO1, and at least 12 months prior to the commencement of commissioning, the Operator shall conduct the noise impact assessment using the background, residual and tonal noise level data collected in response to PO2 and submit the findings in the form of a written report and electronic modelling files for approval by Natural Resources Wales.
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NRW's Air Quality Modelling Risk Assessment Team (AQMRAT) are responsible for the verification of noise modelling data and at the time of the meeting it had not reviewed Eco2's submission for PO5. Subsequent to the meeting AQMRAT identified that on site traffic movements and loading/unloading activities which were expected to be included as noise sources in the impact assessment were absent. An email was submitted to Eco2 (29 July 2016) requesting the missing data no later than 5 August 2016 and this was provided 2 August 2016.

The next pre operational conditions to be submitted, in chronological order are PO3 and PO4 and both are expected at the end of September 2016. The wording of the conditions are provided below:

PO3	At least 5 months prior to the commencement of commissioning, the Operator shall submit a report on the baseline conditions of soil and groundwater at the installation. The report shall contain the information necessary to determine the state of soil and groundwater contamination so as to make a quantified comparison with the state upon definitive cessation of activities provided for in Article 22(3) of the IED. The report shall contain information, supplementary to that already provided in the application Site Condition Report, needed to meet the information requirements of Article 22(2) of the IED.
PO4	At least 5 months prior to the commencement of commissioning, the Operator shall submit a written report to Natural Resources Wales which provides a detailed summary of the site's hydrogeology, including groundwater flow direction and a brief description of aquifer properties (for example porosity and permeability). The report shall also include a detailed site drainage plan as built.

For the environmental permit application the operator submitted a site condition report which included a report on the baseline conditions as required by Article 22 of Industrial Emissions Directive. NRW reviewed the report during the determination phase of the application and considered that it adequately described the condition of the soil and groundwater prior to the start of operations. However, we have added pre-operational condition PO3 which requires information supplementary to that already provided in the application site report, which is needed to meet the information requirements of Article 22(2) of IED. Specifically, any relevant hazardous substances which are used, produced or released by the installation need to be identified and additional baseline monitoring undertaken if relevant hazardous substances are associated with the installation.

In addition, we included pre-operational condition PO4 which requires the operator to provide a detailed summary of the site's hydrogeology, including groundwater flow direction and a brief description of aquifer properties (for example porosity and permeability), as these were not adequately addressed in the application site condition report. The response to the pre-operational condition shall also include a detailed site drain plan for the site as built. This is necessary because the site has not yet been constructed, so no drainage plan was available at the time of permit application.

The following link provides guidance on what is expected to be submitted with regard to Article 22(2) and 22(3) of IED - [IED Guidance](#)

5 Site tour

NRW and Eco2 toured around the site to view progress of the construction. A number of photographs are provided below of the key parts of the process.



Photo 1 – Fuel storage area (63 x 29 x 25m)



Photo 2 – View of boiler building



Photo 3 – Section of flue gas treatment system (65m stack)



Photo 4 – Turbine plinth within turbine hall

6 AOB

No AOBs were raised.

[END]

EPR Compliance Assessment Report

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Operator/Permit holder	Margam Green Energy Ltd	Date	28/07/2016

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.