

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	25/05/2018	Time in	11:00	Out	14:00
Assessment type	Audit				
Parts of the permit assessed	2.1; 2.4				
Lead officer's name	Jenkins, Nicholas				
Accompanied by	Gibson, Paul				
Recipient's name/position	John Williams/ Construction Manager	Date issued	20/07/2018		

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	

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

David Fisher – Eco2

John Williams – Eco2

Wayne Goldsworthy –WSP (Resident engineer)

Paul Gibson – Natural Resources Wales

Nick Jenkins – Natural Resources Wales

Agenda

- 1- Update on commissioning
 - 2- BRef – LCPD update
 - 3- Improvement programme requirements (Table S1.3)
 - 4- Site tour
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- 1- Update on commissioning

Eco2 provided an overview of its commissioning phase to date.

Previous attempts to commence and continue commissioning had been unsuccessful. Tuesday 1 May, the Margam green energy website (www.margamgreenenergy.co.uk) had been updated to advise that steam blowing was to commence but advised that the times were restricted to a 12 hour window (07:00-19:00). There was also a caveat that there could be occasions when steam blowing outside of this window would be required. The website advises that residents and industry has been informed. No further updates have been added to the website.

Auxiliary burners 1 and 2 were fired Friday 18 May which carried on through the night and the refractory process commenced the following day around lunch time. The temperature increased slowly up to 250oC slowly into Sunday. There were concerns around temp control and dust inside the building. The refractory process was turned off and restarted again on the same day but soon came down.

Eco2 then advised that the expectation is the that by Wednesday 30 May, the refractory process will recommence for around 36 hours. Once this has been completed it will come back down into hot start to prep for steam blow, which is expected to last for 7 days. If successful, the operator will reconnect the steam and look for generation by steam to turbine but dependent this will depend on the steam quality. T59 testing was complete.

The Renewables Obligation (RO) is designed to incentivise large-scale renewable electricity generation in Great Britain and help the UK meet its requirements for 15 per cent of energy to be sourced from renewable sources by 2020. The Gas and Electricity Markets Authority administers the schemes, and its day-to-day functions are performed by Ofgem E-Serve.

The RO scheme is provided for under the Renewables Obligation Order 2015 in Wales. The Orders place an obligation on licensed electricity suppliers in England, Wales and Scotland to source an increasing proportion of electricity from renewable sources.

The RO Closure Order 2014 came into force in England, Scotland and Wales on 9 September 2014 to close the RO schemes to new generating capacity from 31 March 2017. The Order introduced five grace periods. Subject to specified conditions being met, the grace periods enable generating capacity to be accredited after 31 March 2017.

MGEL is certified under P00020RAWA with an accreditation and commissioning date 23/05/17. The assumption is that MGEL is subject to a grace period and therefore the closure has been extended until 30 September 2018 when the operator expects synchronisation with the national grid and handover to BWV under the OEM contract.

Update – 5 June 2018, we were advised that the commissioning had not recommenced as advised i.e. 30 May due to similar problems experienced previously with the FGT ducting. The operator advised that it anticipates recommencing in approximately 10 days (15 June). Weekly updates to discuss commissioning will take place each Monday between NRW and the construction manager.

Update – 18 July 2018, we have been advised that the operator will look to commission the plant 21 July 2018. The expectation is that the refractory dry-out will continue for around 4 days whereby the steam blowing will start. It is anticipated that the steam blowing will last for 6 days until the plant will be run on its primary fuel source i.e. waste wood.

Biomass UK No 2 Ltd (Barry Biomass, Barry) has recently undergone its commissioning phase and publicly this has been an issue which has generated many complaints and drawn a great deal of resources. Out of the process, the following learning points have been developed:

- Consideration of dark smoke incidents caused by ramp up of burner output to a higher refractory hold temperature.
- Dark smoke incidents – unable to fine tune due to engineer not able to attend site.

- Off-site noise – incidents of secondary noise.

We discussed the above points in detail and an email was sent (29/05/18) following the meeting to provide greater information. We would recommend the operator considers the points above and continues to update the residents and industry in line with its commissioning plan.

2- BRef – LCPD update

NRW met with the operator in February 2018 to outline under which Best Available Techniques Reference (BRef) document the installation could be permitted. There are two BRefs which are currently being considered for co-incineration i.e. large combustion plant directive (LCPD) and the waste incineration directive (WID).

The aim of this agenda point was to understand whether the operator had any thoughts on the implications of being considered in either of the BRefs. The operator advised that it has held off making any discussions until NRW provides a definitive decision.

We are still liaising with other regulatory bodies to ensure that we have a consistent approach and will feed back to the operator, when a decision is reached. The question which is being considered is around the fuel mix, where it is mixed, what is mixed and whether the fractions are determinable and reproducible. To provide an understanding of the fuel source received at the installation, we visited South West Wood Products (SWWP) in Swansea, 22 May 2018 to understand the sources, processing and blending of wood it feeds to MGL in Margam. This information will feed into the decision-making process of whether MGL will be regulated under the LCPD or WID. Information will be shared with the operator when it becomes available.

3- Improvement programme requirements (Table S1.3)

The operator is required to submitted detailed information following the completion of commissioning to satisfy the requirements of its environmental permit, in the form of improvement conditions (IC). These conditions are detailed in table S1.3 of the permit and are imposed by permit condition 2.4.1 which states that:

The operator shall complete the improvements specified in schedule 1 table S1.3 by the date specified in that table unless otherwise agreed in writing by Natural Resources Wales.

All ICs have a similar description for their submission i.e. within x months of the completion of commissioning. The definition of the completion of commissioning is defined in schedule 6 of the permit. It states that:

"completion of commissioning" - date when the listed activity is first operated.

In a previous meeting we defined the first operation date as the first export to grid.

The operator advised that it cannot envisage any problems with achieving the submissions in accordance with permit condition 2.4.1.

4- Site tour

Only Paul Gibson, Nick Jenkins and John Williams were part of the site tour. We toured both the internal and external parts of the installation. Photographs were taken.

[END]

EPR Compliance Assessment Report

**Report ID:
CAR_NRW0033654**

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	25/05/2018

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. 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.