

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

Site	Nantycaws Generation Plant EPR/LP3038SU	Permit Ref	LP3038SU		
Operator/Permit holder	Novera Energy Generation No.2 Limited				
Regime	Installations				
Date of assessment	01/09/2016	Time in	N/A	Out	N/A
Assessment type	Report/Data Review				
Parts of the permit assessed	1.3.1, 2.3.5				
Lead officer's name	Taylor, Richard				
Accompanied by					
Recipient's name/position	Richard Clarke/ Compliance Technician	Date issued	10/10/2016		

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
B1 - Infrastructure - Engineering for prevention and control of emissions	C3	2.3.5

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	1	Total compliance score (see section 5 for scoring scheme)	4
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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

Natural Resources Wales response to Schedule 6 notifications.

Natural Resources Wales (NRW) received notifications from site on 25th Jan, 19th July and 21st July to the effect that power outages contributed to the likelihood of landfill gas being released into the atmosphere. The 21st July notification notified us of the failure of the back-up generator which was employed to maintain suction which resulted in the further likelihood of landfill gas being emitted to atmosphere. Subsequent investigations into the root cause of the problem showed that the ring main unit was at fault and needed to be replaced. A back-up generator was then employed to maintain the suction of the landfill gas to the engines and flare, but this subsequently failed due to running out of fuel.

Estimation of landfill gas lost.

NRW asked for a quantification of the gas lost/emitted to atmosphere at the time of the generator failure, but this was returned by site as 'unquantifiable'. NRW then estimated the loss by using previous year's production figures. (Note, these are falling year on year).

2014 - 4,517,337 m³

2015 – 4,395,836m³

2016 – Estimated at 4,000,000m³ approximately – (rough conservative estimate).

From the return Schedule 6 part A and B, the down time of the generator was between 1 hour 30 mins and 15 hours 42 minutes. Had the generator been running, it can be assumed that the suction rate from the site would have been approximately 456.6m³ per hour (arrived at by 4,000,000 / 356 /24) which gives a rough estimate of landfill gas lost at between 684.9m³ and 7168.6m³ during the period of the back-up generator being offline.

Regulatory Response

However, it can be assumed that without the suction provided by the generator, that no landfill gas would have naturally be emitted. This scenario assumes that without suction, there are no LF gas emissions. If

this is the case then the likely figure is between zero and 7168m³ between 16.50hrs on 20th July and 07.00hrs on 21st July. But this cannot meaningfully be quantified, only estimated. **NRW will not be taking further regulatory action on an estimated loss of landfill gas where the lower part of the estimate can be reasoned to be a zero figure.** However, we find it disappointing that when asked to quantify the gas lost, that no effort was seen to be made to even estimate any loss by site.

Root Cause

However, the root cause of the incident on 21st July is identified as communication with the sub-contractors in terms of an underestimation of how long the generator would last whilst operating. This was exacerbated by there being no dedicated system in place to alert the site that the fuel had run out or person present to ensure that the back-up system was operating throughout the time the ring main unit was being repaired. Thus the failure of the back-up generator is a failure of the back-up system in place to maintain operations in the event of a power outage – which ultimately falls upon the Management system in place for this permit.

NRW identifies 2 improvement areas where the site could assess in order to improve this situation.

1. Employ a dedicated responsible person to monitor the stand by systems in place during power outages.
2. Employ telemetry to alert site staff of the breakdown/failure of back-up systems.

Review of Accident Management Plan Review triggered by this incident.

Action - Site are to employ a review of the AMP as stated in permit condition 2.8 where site are required to review this every 2 years or as soon as practicable after an accident. Site are to evaluate the improvement suggestions as part of the review with comments before a deadline set for **30th Nov 2016** and submit the new AMP to NRW.

Category 3 breach of permit condition 2.3.5.

For the power outages on Jan 25th and July 19th – NRW viewed these as unfortunate events which were deemed to be reasonable unforeseen. However, this is not the case with the incident on 21st July. We sympathise with the unfortunate circumstances leading to the deployment of the generator, but the running out of fuel which lead to the tripping is ultimately a Management responsibility regardless of whether a sub-contractor is employed. This lead to the likely release of landfill gas which cannot be quantified, only estimated between nought and 7168 m³

Permit LP3038SU has an overarching Management condition which states;

1.3.1 Without prejudice to the other conditions of this Permit, the Operator shall implement and maintain a management system, organisational structure and allocate resources that are sufficient to achieve

compliance with the limits and conditions of this Permit.

Permit condition 2.3.5 concerns Maintenance of plant and equipment.

'2.3.5 All plant and equipment used in operating the Permitted Installation, the failure of which could lead to an adverse impact on the environment, shall be maintained in good operating condition'.

We see the back-up generator as environmentally critical equipment in this circumstance which was not maintained in good operating condition because it ran out of fuel whilst carrying out an operation at the regulated facility. We see this ultimately as a symptom of the Management system and require a review of the site specific accident management plan as detailed above.

NRW impose a single Category 3 breach of permit condition 2.3.5 because LP3038SUequipment was not maintained in a manner to prevent the likelihood of an adverse effect on the environment. We will not seek to impose further breaches for the release of landfill gas because we cannot quantify it more accurately than the estimate above.

More information about permit breaches is on the back of a CAR form or by following this link;
<https://www.naturalresources.wales/how-we-regulate-you/how-we-assess-business-compliance/?lang=en>

END.

EPR Compliance Assessment Report

**Report ID:
CAR_NRW0026447**

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Operator/Permit holder	Novera Energy Generation No.2 Limited	Date	01/09/2016

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.

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.

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			
B1	C3	Review accident management plan (pc 2.8.1) and submit for approval	30/11/2016

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.