

Compliance Assessment Report

Report ID:
CAR_NRW0032595

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

Site	SOUTH HOOK LIQUEFIED NATURAL GAS TERMINAL	Permit Ref	XP3538LD		
Operator/Permit holder	South Hook LNG Terminal Company Ltd.				
Regime	Installations				
Date of assessment	07/12/2017	Time in	14:00	Out	16:00
Assessment type	Report/Data Review				
Parts of the permit assessed	3.1.3				
Lead officer's name	Broom, Mark				
Accompanied by					
Recipient's name/position	Dr Shane Evans/ Environmental Engineering Manager	Date issued	02/02/2018		

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
E2 - Emissions - Land and groundwater	A	
G1 - Monitoring and Records, Maintenance and Reporting - Monitoring of emissions and environment	A	
G4 - Monitoring and Records, Maintenance and Reporting - Reporting and notification to Natural Resources Wales	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

Meeting to discuss and review the soil and ground water monitoring proposals with SHLNG (Dr S Evans) and their contractor Dr A Green (RPS, by phone).

Permit condition 3.1.3 requires that South Hook LNG prepare a soil monitoring program that reflects the site operational activities and also meets the guidance on 'site' reports. The EC has issued some guidance on this issue to satisfy the IED requirements (see baseline monitoring under IED (2014/C 136/03)).

SHLNG have a network of ground water monitoring locations and a history of results. Previously it had been identified that it was not clear how the work that SHLNG does complies with their permit requirements in condition 3.1.3. SHLNG and their contractors RPS have been developing proposals to address this uncertainty. The approach taken has been based on the EU guidance in this issue (2014/C 136/03 -

[http://eurlex.europa.eu/legalcontent/EN/TXT/HTML/?uri=CELEX:52014XC0506\(01\)&from=EN](http://eurlex.europa.eu/legalcontent/EN/TXT/HTML/?uri=CELEX:52014XC0506(01)&from=EN)

This is an eight-stage process. The approach taken by SHLNG (and their contractors) used this process to identify the substances and areas at risk.

Since the meeting, SHLNG submitted their monitoring proposals on 18 December 2017 document reference 171215LJER5575UAGGWMPRev3. As the proposals meets the IED guidance on this issue, it satisfies condition 3.1.3. This conclusion was emailed through to SHLNG on 8/12/17.

South Hook LNG have used a consultancy RPS to develop this soil monitoring program. It has been based on the historical work that has been done and relevant guidance including the EC work referenced above and also the NRW guidance note H5 on site condition reports. This work has culminated in the document JER5575C that uses a 10 yearly soil program and an analogous ground water sampling regime. This document was reviewed with South Hook LNG and RPS at this meeting.

The soil sampling program reflects the information already known about the site and its risks . The choice of sampling locations and parameters (pH, hydrocarbons, BTEX, GRO etc) reflect the risks (caustic and hydrocarbons (diesel, hydraulic oils and transformer oils)) poses by this site and its processes. The approach uses a targeted sampling sites (T1 - 5 sites) that are aimed at known risks and some additional non targeted locations (NT 1 - 5 sites) in case there are issues that could fall outside the risk profile of the site. This dual pronged approach is good and the non targeted locations should provide a safety net if there are issues coming up in the years ahead.



The laboratory analysis will be undertaken by UKAS accredited laboratories of ALS.

A similar approach is being planned for ground water but in this case the approach complements the existing internal company work that is carried out. For the ground water and since the SHLNG site used to be an oil refinery, any approach should be cognisant of that potential historic risk. One way of taking that into account is the use of discernibility which used to be included in the old GP04 ground water guidance. The approach used could include the concept of discernibility and also should include references to this issue in the ground water programme. The link below is a useful starting point on discernibility and ground water -

<https://www.gov.uk/government/publications/groundwater-protection-technical-guidance/groundwater-protection-technical-guidance>

This conclusion was emailed through to SHLNG on 19/1/18.

AOB

The medium combustion plant directive (MCPD) is being implemented into UK law. The proposals for its implementation in Wales has not been confirmed. It is likely that MCPD may not apply to already permitted sites such as South Hook. However this approach could change once details of this directives implementation has been completed.

Related to this issue is the request from South Hook LNG (SHLNG-TS-ENV-C-532) to make a

minor change to the current permit and to add a proposed portable air compressor to the list of release points. This formal change, if relevant, can be made whenever the permit is reviewed and reissued.

The Large combustion Plant BAT Conclusions (LCP BATc) have recently been published. NRW is looking to review the relevant permits. As this directive relates directly to Chapter 3 combustion plant and not to Chapter 2 processes like South Hook, NRW may not review the South Hook operations to meet the LCP BATc deadlines. In the meantime NRW is considering how to deal reviews of the permits for Chapter 2 sites like South Hook. It is likely that NRW and fellow regulators may only apply the general BATcs to the chapter 2 combustion plant that SHLNG are described in IED.

Conclusions

A useful meeting to review the soil and ground water proposals being developed by SHLNG and their contractor. The proposal reference JER5575 meets the requirements of condition 3.1.3 and soil and ground water sampling can take place on this site. The implementation of MPCD and the LCP BATc is developing and will become clearer as the UK regulators develop a common position on their implementation.

EPR Compliance Assessment Report

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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.