

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

Site	Cardiff Rod & Bar Mill EPR/BV0759IC	Permit Ref	BV0759IC		
Operator/Permit holder	Celsa Manufacturing UK Ltd				
Regime	Installations				
Date of assessment	12/09/2018	Time in	09:00	Out	13:30
Assessment type	Audit				
Parts of the permit assessed	All				
Lead officer's name	Richards, Gareth (Rivers House)				
Accompanied by					
Recipient's name/position	Richard Lewis/ Environment Manager	Date issued	25/09/2018		

## 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
<b>KEY:</b> See Section 5 for breach categories, suspended scores will be indicated as such. <b>A</b> = Assessed or assessed in part (no evidence of non-compliance), <b>X</b> = Action only, <b>O</b> = Ongoing non-compliance, not scored.		

<b>Number of breaches recorded</b>	<b>0</b>	<b>Total compliance score</b> (see section 5 for scoring scheme)	<b>0</b>
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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

The audit was arranged as part of the routine inspection schedule. Celsa were provided with an agenda beforehand.

Richard Lewis, Environment Manager, was present for the duration of the audit, other personnel, including the Operations Manager, were present for specific parts of the audit.

### Business Update

The Operations Manager provided an update on general operations and business performance. Current mill utilisation is good although total production is below target (~700Kt vs 750Kt) primarily due to Melt Shop production not meeting the forecast. The production target for 2018 was 760Kt. Installation of the new recuperator has been completed although this was later than originally planned. This had been very beneficial in respect of furnace temperatures although it had not yet led to a reduction in gas usage. This was primarily due to operational problems with the tongs used for super hot charging, as a result the average charging temperature had reduced. (Super hot charging enables billets at ~600oC to be charged, dependent upon operations being co-ordinated with the MeltShop).

In preparation for the recuperator installation an area of new hardstanding had been created, this was now being used for an improved waste skip area.

While high emissivity paint had been used in the reheat furnace this has a limited lifetime and the benefit was unquantified due to the number of other variables that affect gas usage e.g. charging temperature, recuperator installation. It was therefore uncertain if it would be reapplied at any stage. However, other energy efficiency improvements included the installation of LED roof lights within the mill and use of VSDs on water pumps. More of these are planned in the near future. Another improvement will be the installation of a Doppler speed control system. Rolling speed was currently calculated, a system that measures speed will lead to 'yield' improvements. .

It was enquired whether there were any learning points for the Rod and Bar Mill following the recent fire at the Section Mill. While the incident investigation had not yet been completed aspects such as contractor control, fire watching and use of an electronic work permitting system were all considered important and could be revised where necessary.

The budget approval process for next year (2019 calendar year) was in progress and there were a number of potential projects that may receive financial support. These included improved oxygen sensors in the furnace, use of laser scanners to improve product quality, more VSDs and a rolling tension control system.

Celsa are finding it difficult to recruit good staff. The work force numbers remain consistent and the existing shift pattern (24/7, 4 shifts) is expected to remain in place. The product mix is likely to move slightly towards more smooth bar to fit the demand. However, overall business remained good and Celsa were able to compete with imports, Turkey being the main source.

### Review of actions from CAR-NRW0031916

Action 1. Covered during inspection.

Action 2. Confirmed redundant materials had been removed.

Action 3. Drains reported to have been cleared.

### **Audit topics**

#### Discharges to East Bute Dock

Records for the discharges to East Bute Dock were reviewed. There is a well developed procedure for discharging to the dock to avoid the discharge of water that exceeds the oil in water limits. A data logger is used to capture flow rates, this reports a flow value every 5 minutes during discharge periods. For reporting purposes this is used to derive a total volume for the calendar month. Data for May was reviewed and found to agree with the values reported to NRW.

#### Waste transfer records

Administration of waste documentation is handled by SiteServ. Copies of all documentation are provided to Celsa. Copies of documents/transfer notes were readily available for all but the most recent months. Specific transfers of three separate consignments were reviewed, these were for; railway sleepers, IBCs containing waste sulphuric and oil. No issues were identified. Celsa carry out an audit of SiteServ's transfer station at Llandow. **Action (1):** Celsa to provide a copy of the next annual audit report – due to be carried out before the end of 2018.

#### Contractor's monitoring reports

The contractor used for emissions monitoring had been changed earlier in 2018. The report produced for monitoring carried out on 14/6/2018 was reviewed. The reported values agreed with those reported to NRW for Q2 2018. No issues were identified.

All water samples are analysed by an accredited laboratory. There was evidence that the samples were being collected and received by the laboratory in a timely manner. This is an important aspect as samples can deteriorate rapidly if not handled correctly. All data that had been reported to NRW for February and July 2018 agreed with that reported by the laboratory.

#### Oil interceptor maintenance records

Records of maintenance work carried out on the oil interceptor were reviewed during the site inspection. A comprehensive inspection of the interceptor is carried out during plant shutdowns at an annual frequency. The most recent work was completed in January and May this year. Photographs of the inside of the interceptor were reviewed, these suggested it remained in a good condition. This work is important as there have been previous instances of failure of the internal structure that compromised the oil separation capability. The next maintenance work is scheduled for the February shutdown.

#### Complaints log

There were no new records on the Complaints Log. It was known that a previous site noise complainant who had several interactions with Celsa, including a site meeting, had now moved.

### **Site inspection**

A site inspection was carried out in the presence of Celsa operational and environment staff.

The inspection commenced at the site entrance. It was noticed that there was a surface water drain near the scale pit that was blocked, the adjacent drain was clear. It was important to keep roadways clean to minimise drain blockage and when this occurred drains should be cleaned as soon as possible. **Action (2):** Celsa.

It was noted that drains are not colour coded, instead manholes are. Where colour coding was present it was important to ensure this is maintained in a good condition. **Action (3):** Celsa.

The scale storage area was in a poor condition. While scale was stored within the enclosed area, although part of the retaining structure was a scale heap, the entrance area was heavily contaminated with scale and there were deep tyre ruts from the excavator. This material was external to the main enclosure and would lead to roadway contamination (and contribute to blocked drains). In the event of heavy rain it would not be possible to avoid contamination of the adjacent roadway. There should be improvements made to the area and changes to the operational procedures to reinforce that all scale must be contained within the enclosed area. **Action (4):** Celsa.

The oil recovery system was functioning, albeit with a single oil recovery belt. It was noted that spares were on order. Celsa should retain stock of essential items so that essential maintenance work can be completed without delay. **Action (5):** Celsa.

The bund for water treatment chemicals was examined. This is divided into separate sections for the individual chemical tanks. There was a section of the external bund block work where the mortar was cracked, it could be that as a direct result of this the bund would not retain liquid in the event of a storage tank failure. In addition some sections of the dividing and external block work had become very friable, and in some areas there had been significant erosion – the resultant grit was clearly visible at ground level. If this continued the whole structure may eventually fail. **Action(6):** Celsa - Repairs need to be made to the bund structure as a matter of urgency.

The waste storage area was tidy. A batch of drummed waste had recently been prepared for despatch and was located to the side of the waste area wrapped in plastic. This area was not bunded and therefore material should only remain here for a minimum period. It was noted that one package of material included an open plastic container that held liquid, this whole package had not been labelled. Ideally this should have been retained in the waste area until it was properly prepared for transfer. The labels that were used were unconventional in that the phrase 'Non-dangerous' was used. The basis for this was not known and Celsa should enquire with the contractor. **Action(7):** Celsa.

The roadway on the western side of the Mill was walked along. There was still a significant quantity of rubble on the side of the roadway that was now overgrown. Such material should be removed for disposal. The roadway was in regular use by HGV's and had not been damped down by the site bowser, there was therefore significant fugitive dust being generated by the vehicle movements. While this volume of traffic may have been abnormal, measures should still be in place to avoid fugitive dust.

At the end of the Mill there were two roller shutter doors. At least one of these appeared to be damaged to the extent that it would not function. It was later confirmed that repairs to such doors (there were two known to be u/s) had been delayed due to administration problems associated with setting up contracts. This was an unsatisfactory situation as the doors, although in frequent use, were important for noise attenuation and wherever possible should be closed at night. Repairs should be affected without further delay. **Action (8):** Celsa.

The vehicle maintenance garage area was tidy. The diesel tank and bund were in acceptable condition. A small quantity of hydraulic fluid had been left in an unsealed container in an exposed position, however, it was understood this was in preparation for a vehicle due to arrive within a few minutes. Despite this such liquids should only be brought out following the vehicles arrival to minimise the risk of spillage, and spill trays should be used.

**Recommendation (1).**

The stores area was in a good condition. Material that was identified during the previous inspection as 'beyond use' had been removed. Some of the bund trays underneath the racking were over half full with rain water. As noted previously, roofing for this area would be beneficial, but in the absence of this there needed to be regular emptying of the bund trays. **Recommendation (2).**

The Mill was walked through. Rolling was in progress. It was noted that the access doors on the reheat furnace were sealing effectively (based on the lack of visible furnace glow around the edges). Ambient conditions in the mill were reasonable with no evidence of significant fume or dust.

No non-compliances recorded.

Progress against all Actions should be reported to NRW by **1st December 2018.**

## EPR Compliance Assessment Report

**Report ID:  
CAR\_NRW0033963**

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

Site	Cardiff Rod & Bar Mill EPR/BV07591C	Permit Ref	BV07591C
Operator/Permit holder	Celsa Manufacturing UK Ltd	Date	12/09/2018

### 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.