

Compliance Assessment Report

Report ID:
CAR_NRW0034342

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

Site	Cardiff Section Mill EPR/BV0767IT	Permit Ref	BV0767IT		
Operator/Permit holder	Celsa Manufacturing UK Ltd				
Regime	Installations				
Date of assessment	26/11/2018	Time in	10:00	Out	16:00
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	12/12/2018		

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
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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

The audit was arranged as part of the routine audit schedule and an agenda was provided in advance.

Review of actions from last audit: NRW0031802

Action (1) Included in rolling plan for the installation

Action (2) No further instances identified and generally mixed waste loads are not consigned

Action (3) Document had been updated

Action (4) Appropriate instruction had been issued

Action (5) No ongoing issues were evident.

Audit topics

Waste transfer notes

Example WTNs were examined. All of these were for consignments of wastes covered by a single code. The paperwork had been completed correctly and no issues were identified. The two main waste types were oily water (13 05 07) and oily contaminated rags (15 02 02).

Monthly EMS Meetings

Celsa routinely hold monthly EMS meetings for the installation. Minutes for the meeting June 15th included substantive items related to the trade effluent consent (discharge was compliant with all limits including oil in water (100mg/l limit), progress against targets for energy, water, waste, general waste and oil usage were all reviewed, review of incidents – none of these were environmentally significant. The minutes for the most recent meeting were also reviewed to check if there had been any reference to the damaged bund wall in the waste storage area (noted during the site inspection). It was noted that there was a picture of the damage but no specific written comment. However, it is understood that as a result of this there will have been an action raised for the damage to be repaired, although no evidence of this was made available.

Monitoring reports

Copies of the monitoring reports prepared by the monitoring contractor for the periods Jan to March 2018 and April to June 2018 were reviewed. There were no discrepancies identified between the data in these reports and the monitoring results reported to NRW. It was noted that the monitoring contractor had recently been changed and was now ECL. It was also confirmed that a SSP was being provided to Celsa prior to the monitoring being carried out.

Site bunds and tanks

The visual inspection of site bunds and tanks was described as a standard item for the monthly checks and this was presumably how the damaged bund wall in the waste store area had been identified. However, there was no formal record that such checks had been completed, or, a list of all bunds and tanks that should be covered by such checks. It is considered important that records of such inspections should be retained and that there was a comprehensive list of all the bunds and tanks that should be inspected and at what frequency. A casual check during the monthly routine inspections is not considered sufficient evidence that the necessary standards are being achieved.

Action (1): Celsa to include within the EMS a procedure for the inspection of all bunds and tanks that includes a list of all such facilities, a frequency of inspection and the scope, and a requirement for evidence that such inspections have been completed.

Audits of service providers

Celsa carry out a programme of regular audits on the services provided by contracting organisations. The most recent audit had been carried out on SiteServ at Llandow on 10th October 2018. A comprehensive audit proforma had been prepared for this purpose and was considered to be evidence of 'good practise'. There were no significant issues identified during the audit.

Complaints log

No complaints had been recorded since the last inspection.

Business Update (Mark Evans, SM Operations Manager)

A general update on the Section Mill performance was provided by the Operations Manager. During 2018 the expected mill tonnage was predicted to be 273 000t against a target of 317 000t. The Mill utilisation was predicted to be 67.1% . Two weeks production were lost as a result of the fire in August 2018, this accounted for a 3% utilisation loss. There had also been billet supply issues during the year. Energy performance would also be below the year's target (Gas 425 KWh/t vs target of 420, Electricity 89.3 KWh/t vs target of 89). These figures were adversely affected by the wide product range. Hot charging performance has also been disappointing with an average charge temperature of 57°C. It was acknowledged that there is scope for further improvement and these issues were incorporated in to the five year rolling plan. Noteworthy improvements that are already happening include motor changes and optimisation of stands.

Noteworthy successes during 2018 were highlighted, these included; reducing straightener delays, mechanical and electrical improvements to the cold shear, new drives and panels to minimise delays, the adoption of iPads on plant to enable the effective use of real time data, skill training – the apprentice scheme was working very well and proving to be a real asset that should help the future availability of skilled staff. In addition a new recuperator had been installed that would result in considerable energy savings together with variable speed drives. Noteworthy difficulties during the year were the problems caused by the fire (see detailed comments below) and a gearbox failure.

Production related targets for 2019 were; production 311 000t, Mill utilisation 73.3%, yield loss of 5.98% and BBC (Billet between each cobble) 2700 (was 2315 in 2018 to date). The main areas that were targeted for improvement were training, PPM and recruitment. Work was also planned to be carried out on the laser alignment of stands. It is also hoped that improvements in hot charging will be possible but this will also necessitate changes to the sales arrangements. A new furnace remains a real objective but this will be challenging as it will be necessary to minimise any production interruption during installation. The plans should be finalised by 20/21.

There had been an in-depth investigation in to the cause of the Mill fire on 28th August 2018. A Schedule 1 Notification had been submitted to NRW on 31st August 2018. The fire location was under the Stacker where the bars are bundled. At the time contractors had been carrying out 'hot work' in the area and had left for a lunch break. The fire caused significant damage to electrical cabling and control panels and led to 16 days lost production. A detailed time line for the event had been constructed to help identify the root cause – key factors had been identified. In view of the nil environmental impact a non-compliance for the incident has not been recorded.

Site inspection

An inspection of the site was carried out in the presence of Celsa staff - RL, GJ, GN. Weather conditions were dry and mild with a light wind. The Mill was in production and as melt suits were not readily available the inspection was restricted to external areas. The following points were noted;

The compressor house was in a very tidy condition. There was no evidence of any discharge of water to ground.

The waste storage area was in a reasonable condition. The inventory was being well managed and separate storage areas were being used for the different waste types and storage of empty drums. The bund wall at the back of the drum storage area had been damaged. While this was only a low section of wall (~20cm) it appeared to have been impacted at several points such that the concrete had broken away and the rebar was exposed. It was not possible to determine how recent this would have been. A row of drums had been positioned in front of the wall, maybe to avoid the damage being spotted. This compromised the integrity of the bund and must be repaired without delay. **Action**

(2): Celsa. In addition the drainage gully behind the bund wall was heavily contaminated with oily materials. This gully takes rainwater from the roof which then goes to sewer. The gully needs to be maintained in a clean condition. A drain cover was missing in the gully. **Action (3):** Celsa to clean gully and replace drain cover without delay.

The water treatment plant was operational and oil recovery belts were operating. There was significant oil on the surface of the water in the tanks. The oil recovery belts were recovering this and as a consequence the oil tank was near full. The potential for the tank to overfill was raised, however, it was stated that there was a level alarm in place (this could be seen partly submerged but there was no evidence it was functional). The extent of oil contamination suggests that there was excess oil being used in the mill, possibly a result of a leak. Clearly any oil leaks in the Mill should be dealt with as soon as practicable to avoid the need to recover large quantities of oil and minimise cost. Celsa should have the necessary procedures in place to ensure oil leaks are solved without delay. **Action (4):** Celsa.

General housekeeping standards appear reasonable, the site was generally tidy. There were some roof drainage down pipes that were damaged, or, in one instance the bottom section was missing. Large volumes of roof water will result during periods of heavy rain to ensure this is effectively drained to sewer, rather than operational areas, the pipes should be maintained in a good condition. **Action (5):** Celsa.

The dry waste material collection area was tidy. All the skips were in a good condition, those examined contained the appropriate segregated waste and there was no evidence of loose material. There were two small patches that were probably oil/diesel contamination on the ground. It was not thought these were present at the time of the last internal environmental inspection. These should be cleaned up and the contaminated soil appropriately disposed. **Action (6):** Celsa.

EPR Compliance Assessment Report

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Operator/Permit holder	Celsa Manufacturing UK Ltd	Date	26/11/2018

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.