

Compliance Assessment Report CAR_NRW0041108

Permit being assessed: BP3532HX.

For: Newport Ceramic Works EPR/BP3532HX, held by Kennametal UK Ltd

At: Leeway Industrial Estate Lake Road , Newport, South Wales, NP19 4SR.

Type of assessment carried out: Report/Data Review, Reason: Routine.

On 27/01/2023.

Parts of permit assessed: 4.2.1 Annual Reports 2022 & EMS Targets Review 2022

NRW Lead Officer: Rebecca Green.

Report sent to: James Wham, Manager, EHS Plant on 08/02/2023.

1. Summary of our findings (full details in section 4)

Part of permitted activity assessed (criteria)	Assessment result	Permit condition
A1 - Specified by permit	Assessed (A)	
B1 - Infrastructure - Engineering for prevention and control of emissions	Assessed (A)	
C2 - General Management - Management system and operating procedures	Assessed (A)	
E1 - Emissions - Air	Assessed (A)	
E4 - Emissions - Sewer	Assessed (A)	
E5 - Emissions - Waste	Assessed (A)	
G1 - Monitoring and Records, Maintenance and Reporting - Monitoring of emissions and environment	Assessed (A)	
G4 - Monitoring and Records, Maintenance and Reporting - Reporting and notification to Natural Resources Wales	Assessed (A)	
H1 - Resource Efficiency - Efficient use of raw materials	Assessed (A)	
H2 - Resource Efficiency - Energy efficiency	Assessed (A)	

Result types are explained in more detail in the 'Important Information' section below.

Total number of non-compliances recorded	Total non-compliance score
0	0

How we use the non-compliance score to calculate your annual fee is explained in the 'Important Information' section below.

2. What action is required?

No action required.

3. What will happen next?

Any non-compliance we have identified and recorded on this form is an offence. It can result in criminal prosecution and/or suspension or revocation of your permit.

At this time, we do not intend to take any further action.

This statement does not stop us from taking additional enforcement action if further relevant information comes to light or offences continue.

4. Details of our assessment

Forms WaterUsage1 2022; Energy1 2022; Performance1 2022; Air1 1st January to 31st December 2022 and the End of Year Report 2022 were received on 27th January 2023.
All the reports are accepted.

Water Usage 2022

Total use was lower than in 2021 and use per tonne decreased by more than 40%.

Energy Usage 2022

Total use was less than in 2021; the use per tonne reduced by 8%.

Performance 2022

Production was almost 20% higher than in 2021. The estimated amount of effluent discharged to sewer was less than in 2021, both in terms of m³ per tonne of production and in the total amount discharged.

Water and energy usage are discussed under the relevant heading above.

Air1, Air Emissions 1st January - 31st December 2022

Emissions were measured above the relevant emission limit values (ELV) at two emission points. The ELV for ammonia was exceeded in November at emission point A1 and the ELV for particulate emissions was exceeded in June at emission point A6. These breaches are discussed in the Annual Report (see below). Emissions from all the other emission points were within their respective ELVs.

End of Year Report 2022 (calendar year 2022)

Air

A1: The reason for the high ammonia (NH₃) emission from A1 in Q4 is still under investigation. All other emissions were within their respective ELVs. Emissions were less than in 2021, except for SO₂ and CN. The long term downward trend for particulates continues, due mainly to improvements in the abatement equipment and its maintenance. There is a long term upward trend for NO_x and CN. The upward trend for NH₃ is probably due to the ELV breaches in 2021 and 2022. The other trends may be due to different product mixes and changes in production methods and volumes.

A3: All emissions were within the ELV and were less than in 2021, but show an overall positive trend.

A6: The new abatement equipment was installed in August 2022. Particulate emissions since then have been less than the ELV and are less than in 2021, even though the ELV was exceeded in Q2. Full cycle monitoring has been conducted, confirming that emissions are being abated throughout

the process.

A7: Particulate emissions were all less than the ELV in 2022 and were similar to those in 2021. They show a slightly positive trend.

A8: All emissions were below their respective ELVs in 2022, but were higher than in 2021. CO exhibits a long term positive trend, which may be reversing and particulates show a negative one. No other trends are obvious.

Total site emissions: Particulates, NH₃, CO and NO_x are all less per tonne of production than in 2021, despite the exceedance of the ELV for NH₃ from emission point A1. SO₂ and CN were higher per tonne of production than in 2021.

Energy efficiency: Total energy usage was 8% less in 2022. These improvements are mainly due to the purchase of more energy efficient equipment, repairing compressed air leaks and alterations to production methods and times. These improvements will continue to be implemented in 2023. The final product still contains 31% reclaimed material.

Waste: Waste generation was similar to that in 2021 and rose by 4% per tonne of production. Laboratory samples and filter dust continue to be recycled back into the process. Evaporator boats also continue to be recycled, diverting about 24 tonnes of waste from landfill. Kennametal are investigating the feasibility of recycling offcuts from the machine shop. Discussions regarding the recycling of waste graphite are continuing.

Raw Material Efficiency Review: The review has been completed and several improvements instigated. These include the modernisation of the raw material loading process, reducing raw material wastage and fugitive emissions.

Water usage has reduced by 46%, a significant reduction, due to quicker identification of excessive water use and emptying the wet scrubber tank less frequently. The frequency of flushing is being optimised.

Accident Management Plan: This has been reviewed and updated.

In terms of environmental improvements, this has been a successful year for Kennametal, with reductions in energy use and improvements in use of resources. It is encouraging to see that production volumes have increased. The installation of the new wet scrubber at emission point A6 is a major investment and should ensure that emissions are abated to comply with the relevant ELV. NRW hope that the business continues to grow and that Kennametal will be able to further improve their environmental performance. Their commitment to recycling and re-use of offcuts and waste material is recognised as being best practice.

END.

If you have any queries about this report, or to discuss completion of any actions, please contact the NRW Officer named above.

Important information

Legal status of this report

Your permit is issued to you under the Environmental Permitting Regulations. You have a responsibility to comply with the conditions of your permit and prevent pollution/harm of the environment. You must also ensure that you comply with any other relevant legislation that may apply to your site's operations.

This report explains the findings of our assessment and any action you are required to take. We categorise non-compliance using our guidance for assessing non-compliance at regulated sites.

When we find potential non-compliance/s we will normally give you advice on how to maintain compliance.

To correct non-compliance, we may:

- require you to take specific actions
- issue a notice
- review the conditions of your permit.

Any advice and guidance we give will be without prejudice to any other enforcement response that we consider may be required.

Assessment results and non-compliance categories (used in section 1):

Assessment result	Description
Assessed (A)	Assessed or assessed in part, no evidence of non-compliance found
Action only (X)	Action only relating to the activity assessment
Ongoing (O)	Ongoing non-compliance, not scored

Non-compliance category	Description	Score
C1 Major	Potential to have a major, serious, persistent and/or extensive impact or effect on the environment, people and/or property	60
C2 Significant	Potential to have a significant impact or effect on the environment, people and/or property	31
C3 Minor	Potential to have a minor or minimal impact or effect on the environment, people and/or property	4
C4 No environmental impact	Non-compliance at a regulated site that cannot foreseeably have any impact on the environment, people and/or property	0.1

How we use assessment scores

The number and severity of non-compliances recorded in a year will affect your annual subsistence fee the following year. A non-compliance factor is added to your site's Operator

Performance Risk Appraisal (OPRA) score when we calculate your fee to reflect the additional resource we use to assess permit compliance.

What are suspended scores?

In line with our guidance, we may suspend scores for up to six months to allow time for remedial action to be taken. Suspended scores will be re-instated if the action is not completed.

Full list of Industry and Waste action criteria (used in section 1 and 2):**A: Permitted activities**

- A1 Specified by permit

B: Infrastructure

- B1 Infrastructure – Engineering for prevention and control of emissions
- B2 Infrastructure – Closure and decommissioning
- B3 Infrastructure – Site drainage engineering (clean and foul)
- B4 Infrastructure – Containment of stored materials
- B5 Infrastructure – Plant and equipment

C: General management

- C1 General management – Staff competency/training
- C2 General management – Management system and operating procedures
- C3 General management – Materials acceptance
- C4 General management – Storage, handling, labelling and segregation

D: Incident management

- D1 Incident management – Site security
- D2 Incident management – Accidents, emergency and incident planning

E: Emissions

- E1 Emissions – Air
- E2 Emissions – Land and groundwater
- E3 Emissions – Surface water
- E4 Emissions – Sewer
- E5 Emissions – Waste

F: Amenity

- F1 Amenity – Odour
- F2 Amenity – Noise
- F3 Amenity – Dust/fibres/particulates and litter
- F4 Amenity – Pests/birds and scavengers
- F5 Amenity – Deposits on road

G: Monitoring and records, maintenance and reporting

- G1 Monitoring and records, maintenance and reporting – Monitoring of emissions and environment
- G2 Monitoring and records, maintenance and reporting – Records of activity, site diary/journal/events
- G3 Monitoring and records, maintenance and reporting – Maintenance records
- G4 Monitoring and records, maintenance and reporting – Reporting and notification to Natural Resources Wales

H: Resources efficiency

- H1 Resource efficiency – Efficient use of raw materials
- H2 Resource efficiency – Energy efficiency

Enforcement response

Any permit condition non-compliance is an offence and we may take legal action against you. Action we take can include prosecution, serving a notice on you and/or suspension or revocation of your permit. See our Enforcement and Sanctions Guidance for further information.

Data protection notice

You should make sure that anyone named in this report knows that the information it contains will be processed by Natural Resources Wales to fulfil its regulatory and monitoring functions and to maintain the relevant public register(s).

We may also use and/or disclose the report in connection with:

- offering or providing you with our literature or services relating to environmental matters
- consulting with the public, public bodies and other organisations (e.g. 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 our service
- Freedom of Information Act or Environmental Information Regulations requests.

We may also pass it on to our agents or representatives to do these things on our behalf.

Disclosure of information – this report will be available to view on-line

If you think this report contains commercially confidential information that should not be placed on our public register, you must contact your local Natural Resources Wales office within **fifteen working days** of receiving this report, using the contact details in the accompanying email or letter. You must give a full explanation of why it should not be added to our public register, including specifying which information is commercially confidential. We will assess your request and respond to you within 20 working days to let you know if we agree to your request.

What do I do if I disagree with the report or have a complaint?

If you disagree with this compliance assessment report, you should contact the lead officer without delay to discuss your concerns.

If you are unable to resolve the issue with the lead officer or their line manager you should contact our Customer Contact team on 0300 065 3000 (Monday to Friday 08:00 – 18:00), or email enquiries@naturalresourceswales.gov.uk for details of how to raise your dispute further through our Complaints and Commendations procedure.

If you are dissatisfied with our response, you can contact the Public Services Ombudsman for Wales by phone on 0300 7900203 or by email at ask@ombudsman.wales

Welsh Language Standards

We are committed to establishing Natural Resources Wales as a naturally bilingual organisation. We will provide compliance reports in your preferred language.