

Compliance Assessment Report CAR_NRW0041503

Permit being assessed: EP3034GS.

For: Llysonnen Mill, held by Wynnstay Group PLC

At: Llysonnen Mill , Travellers Rest, CARMARTHEN, Dyfed, SA31 3SG.

Type of assessment carried out: Site Inspection, Reason: Routine.

On 14/02/2023 between 10:00 and 13:30.

Parts of permit assessed: See Part 4

NRW Lead Officer: Michael Launder.

Report sent to: Sally Davies, QC & Compliance Manager on 30/03/2023.

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

Part of permitted activity assessed (criteria)	Assessment result	Permit condition
E1 - Emissions - Air	C3 Minor (Suspended)	3.1 Emissions
B1 - Infrastructure - Engineering for prevention and control of emissions	Assessed (A)	
B4 - Infrastructure - Containment of stored materials	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
1	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?

Criteria	Action needed	Complete by
E1	Add unpermitted emission points to air to the permit through a variation applied for by the operator.	31/08/2023

Action criteria codes are listed in the 'Important information' section below.

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.

You are non-compliant with your permit.

We are currently considering taking enforcement action against you for the non-compliance recorded above. We will contact you in due course.

4. Details of our assessment

Attendees

- Sally Davies - QA and Compliance Manager, Wynnstay
- Rachel Gardner - Llysonnen Mill Compliance Specialist, Wynnstay
- Gareth Jones - Llysonnen Mill Production Manager, Wynnstay
- Steve Reading - Group Engineering Manager, Wynnstay
- Simon Howard - Principal Consultant, Stantec
- Michael Launder - Senior Industry Regulation Officer, Natural Resources Wales

Introduction

The Compliance Assessment Report was completed following a site familiarisation visit by Michael Launder on 14 February 2023. Aside from an introduction to the site, the purpose of the visit was to discuss the proposals for a new production line, required permit variation, ongoing assessment of unpermitted emission points and other compliance topics.

New Production Line and Permit Variation

Wynnstay are proposing to add a third production line to the Llysonnen Mill, comprising a grinder, mixer, press, cooler and cyclone. The projected timescales at the time of the visit were for design drawings to be completed by the end of April 2023 and the line to be in place and operational by early 2024.

During the site walkover, the space within the Mill where the new production line will be installed was visited. The layout will be in the same vertical arrangement as the existing two lines.

This new line will increase the production capacity of the plant and add a further emission point from the cooler process. The permit variation will include the unpermitted emission points as described below. The operator was advised to consider duly making time as well as statutory variation timescales when planning putting their application variation into NRW.

Given the scale of the proposed change and associated increase in production capacity, when applying for the variation the operator should also consider Regulatory Guidance Note 8 which outlines what constitutes a substantial change -

<https://cdn.cyfoethnaturiol.cymru/media/1220/rgn-8-substantial-changes-involving-solvents-and-combustion.pdf>

Unpermitted Emission Points to Air

During a previous permit variation process in 2021, it became apparent that an emission point to air was not included on the site permit. Initially, it was thought by the operator that the grinding process within the installation was venting to air, however further investigation has shown this to not be a point source emission to and has revealed two other separate emission points for the

main dust unit and blend bin extraction.

This was identified in a previous CAR (CAR_NRW0039409) as a breach of condition 3.1.1 of the permit, which states that there shall be no point source emissions to air except those listed in Schedule 3.



LEV22 Blend Bin extraction emission point to air

During the site walkover, the unpermitted emission points referred to as LEV02 (Main Dust Unit at top of Mill) and LEV22 (Blend Bin extraction at top of Bulk Loading Area) were visited. It was confirmed that the function of both is dust and particulate extraction and they not connected to any combustion processes.

The recently identified emission points for the main dust unit and blend bin extraction described above are also not included in the permit. This is a breach of condition 3.1.1 of the permit, which states that there shall be no point source emissions to air except those listed in Schedule 3 and has been assigned a non-compliance category of C3 under sub-criterion E1 emissions – air.

However, as the operator is in the process of varying the permit in response to the first notification, the score associated with this non-compliance is suspended. Note that the suspension of scores is at the discretion of NRW and the compliance situation will be reviewed periodically, taking into account the permitting situation. The action below and the due date in the summary reflect the proposal of the operator to include the addition of the existing, unpermitted emission points in the variation for the new production line.

Action: The operator to add unpermitted emission points to air to the permit through a variation applied for by the operator.

Medium Combustion Plant Boiler

The site currently operates a 1 MW kerosene fuelled boiler for steam generation. This is listed in the permit as a Directly Associated Activity (Schedule 1, Table 1.1, A3). Under current permitting

requirements, the installation permit will need to be varied before 1 January 2029 to include the new compliance requirements (including Emission Limit Values) of the Medium Combustion Plant Directive.

The Operator may choose to include the MCP boiler in the upcoming permit variation, the outcome of which would be a schedule of conditions in the permit including ELVs, post-dated to 2029. However, the compliance requirements may be subject to change between now and the statutory deadline, so the Operator may choose to request a variation to include the specific MCP change at a later date.

During the site walkover, the kerosene tank was visited, in the Bulk Loading Area outside the Main Mill building. It is a double skinned steel tank, suspended above a bunded pit.



Kerosene storage tank in Bulk Loading Area

Improvement Conditions

The current version of the permit (EP3034GS/V004) includes several improvement conditions (ICs), which were discussed during the visit.

IC6 requires the Operator to:

complete and submit for approval in writing by Natural Resources Wales:

- *A baseline report containing information necessary to determine the current state of soil and groundwater contamination;*

or

- *Provide a summary report referring to information previously submitted where you are satisfied*

that such information represents the current state of soil and groundwater contamination;

so as to enable a quantified comparison to be made with the state of soil and groundwater contamination upon definitive cessation of activity

The Operator has proposed to prepare the 'summary report' required as per bullet 2 of the IC. This proposed report will append and refer to the 2017 Site Condition Report as the 'information previously submitted' and is proposed to include a review of:

- EPR requirements vs. on site engineering
- Current site activities that have the potential to create soil and/or groundwater contamination
- The site conceptual site model (e.g. the identified potential sources, pathways and receptors with regard to soil and groundwater contamination) as well as the associated risks
- The protection and containment systems installed (e.g. fuel tank bunding)
- Any environmental incidents on site (particularly those since 2017)
- EMS procedures, maintenance records, etc.

The Operator is also advised to consider not just site activities, but also to undertake a review of any historical incidents such as spills, including responses to those incidents (e.g. remediation). The Operator should also consider the H5 Guidance on Site Condition Reports -

<https://cdn.cyfoethnaturiol.cymru/media/1215/environmental-permitting-regulations-guidance-for-applicants-h5-site-condition-report-guidance-and-template.pdf>

The ICs arising from the Food, Drink and Milk Industries BRef review were also discussed. These relate to:

- BAT Conclusion 15 (IC7 - Odour Management Plan)
- BAT Conclusion 13 (IC8 – Noise Management Plan)
- BAT Conclusion 2 (IC9 – Waste Water and Waste Gas Inventory)

The current deadlines for each of these is in Table S3.1 as *4 June 2023 or otherwise agreed in writing with Natural Resources Wales*.

Given the scale of the proposed permit variation, the operator may choose to request to delay these submissions, to either include them as part of the permit variation, or in the instance of the Noise Management Plan until after the new lines are installed to reflect any changes from baseline conditions.

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.