

Compliance Assessment Report CAR_NRW0041610

Permit being assessed: BB3097ZS.

For: PB Gelatins, held by Veolia Energy & Utility Services UK PLC

At: P B Gelatins, Unit A6, Severn Road, Treforest Industrial Estate, Pontypridd, Rhondda Cynon Taf, CF37 5SQ.

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

On 27/03/2023.

Parts of permit assessed: Annual Returns

NRW Lead Officer: Dale Padfield.

Report sent to: Andrew Brown, IWE Manger on 27/03/2023.

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

Part of permitted activity assessed (criteria)	Assessment result	Permit condition
H1 - Resource Efficiency - Efficient use of raw materials	Action only (X)	
E1 - Emissions - Air	Action only (X)	
G4 - Monitoring and Records, Maintenance and Reporting - Reporting and notification to Natural Resources Wales	Action only (X)	

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?

Criteria	Action needed	Complete by
H1	Please see Actions 1, 2, 4 & 5 within the main body of the report.	07/04/2023
E1	Please see Action 3 within the main body of the report.	07/04/2023
G4	Please see Action 6 within the main body of the report.	14/04/2023

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

Veolia Energy & Utility Services UK PLC

EPR/BB3097ZS

NRW have several concerns with regards to permit compliance at the Veolia Treforest site. Communication from the site has been poor with a lack of response to reporting deadlines and notification requirements are not being adhered to.

Multiple non-compliances with various permit conditions have been identified during review of the annual 2022 reports, these will be scored and detailed in the next compliance assessment report. Furthermore, there are apparent errors and inconsistencies in the 2022 annual performance reports whereby data and statements provide conflicting and false information. Veolia need to provide further explanation on the matters detailed below.

Steam production data

The following statement was taken from the annual report provided by Veolia for the 2022 reporting period, received on the 27th of February 2023,

“We are unable to accurately report the results of the annual steam generation for the site due to a failure on our client’s steam meter for Boiler no.1 during early 2022, which remains unresolved at the time of writing.”

The following statement is from Veolia’s annual report for 2021.

“We are unable to report the results of the annual steam generation for the site due to a failure on our client’s steam meter for Boiler no.1 during June 2021, which remains unresolved at the time of writing”

In CAR_NRW0039236 issued in response to Veolia’s 2021 annual report, the following actions were issued.

Action 1: Repair or replace boiler no.1 steam meter. Due 28th February 2022.

Action 2: Review how energy, water and raw materials are recorded and investigate if and how a more accurate method can be incorporated for each sector. For example, the installation of additional flow metres on the water supply lines. So a better interpretation can be made of water use and water efficiency. Due 31st March 2022.

The following email was received from Veolia on the 05th of April 2022.

“With regards to Action 1: Repair or replace boiler no.1 steam meter. Due 28th February 2022. - The meter was repaired effectively on February 8th by Spirax Sarco on behalf of PB Leiner.

With regards to Action 2: Review how energy, water and raw materials are recorded and investigate if and how a more accurate method can be incorporated for each sector. For example, the installation of additional flow metres on the water supply lines. So a better interpretation can be made of water use and water efficiency. Due 31st March 2022. - This has been reviewed throughout February and March with PB Leiner and they have agreed to implement measures to improve the accuracy of the metering. A comprehensive package of upgrades has been developed and costed by Veolia's Technical Direction team and budget costs have now

been presented to the customer for further consideration. This will be discussed further during our next meeting on April 13th. The package includes metering of all points of steam generation (including hire plant) with an additional main steam meter to compare values, individual metering of all water supplies to the boilerhouse (including hire boiler), metering of steam consumption by the site hotwell (to enhance efficiency monitoring), with the option to tie all proposed metering into an automated data capture tool for half-hourly reporting of data.”

As stated in Veolia’s reply, the steam meter for Boiler no.1 was repaired on the 08th of February 2022.

It is a requirement of the permit – Permit condition 4.2.2(b) that the annual steam production is measured, as such any issues identified with obtaining this data, such as a steam meter failure should be rectified in a timely manner.

This is the second year Veolia have failed to accurately record steam production and are now relying on efficiency data from 2018 to 2020. A non-compliance score will be issued for failing to accurately record and report production data as stated within the permit.

Action 1 – Veolia – 27/03/2023. Provide more detail of the failure of the steam meter for boiler no.1, why did the repair conducted on the 08th of February 2022 fail in such a short timeframe? Explain why this steam meter has not undergone subsequent repair, having failed in early 2022, this meter has now presumably been unfunctional for almost an additional year. Due 7th of April 2023.

Action 2 – Veolia – 27/03/2023. Provide an update on the comprehensive package of metering upgrades, as mentioned in Veolia’s response to action in CAR_NRW0039236. Due 7th of April 2023.

Emissions monitoring

Veolia have submitted conflicting information with regards to the annual emissions monitoring as required by schedule 3 of the permit.

In the annual report received from Veolia dated the 27th of February 2023 the following statement was provided.

“1) The results of the monitoring and assessment, carried out in accordance with the permit, indicate emissions values in line with our expectations for this facility, and in line with what we have witnessed in previous years, with emissions values well within the advised scope of the MCPD. We do not anticipate any decline in this performance in the future, due to our structured planned maintenance system and a stable operating condition.”

An email was sent to Veolia on the 17th of March 2023 requesting the annual reporting forms to be submitted as well as a copy of the emissions monitoring reports. The following response was received from Veolia on the 22/03/2023.

“The results of emissions monitoring were not carried out for 2022.

We have no reason to believe the emissions values would not be in line with our expectations this will be reinforced with emissions checks carried out following the maintenance work and we have planned the monitoring to be carried out w/c 24th April.”

The statement provided in the report received on 27th of February 2023 regarding the emissions monitoring is misleading and suggest that monitoring had taken place. Nowhere did the report state that monitoring had not been conducted, nor was this communicated to NRW prior to NRW’s request for a copy of the monitoring

reports, this further highlights issues with communication and notification procedures, as well overall compliance with the permit. The statement regarding the emissions monitoring within the report may be considered as an attempt to falsify information to meet reporting requirements, **It is an offence under Regulation 38(4) of the Environmental Permitting Regulations (consolidated 2016) to make a statement which the person knows to be false or misleading in a material particular, or recklessly to make a statement which is false or misleading in a material particular, where the statement is made in purported compliance with a requirement to provide information imposed by or under a provision of these Regulations.**

Action 3 – Veolia – 27/03/2023 – Explain why a false statement was submitted suggesting the emissions monitoring had been conducted in accordance with the permit, when no such monitoring had taken place. Explain why no notification of this permit breach was sent to NRW. Due 7th of April 2023.

It is a requirement of the permit – Permit condition 3.5.1, to conduct the emissions monitoring on the boilers on an annual basis, with each annual period beginning on the 1st of January. A non-compliance score will be issued in your next compliance assessment report (CAR) for this failure. The monitoring that is scheduled for April 2023 will be used as a late entry for the 2022 period. Veolia will need to schedule additional monitoring during 2023 for the 2023 annual report.

Energy Usage Reporting

In the 2022 annual report the total energy usage is stated as 76,790MWh, this figure does not correspond with the sum of 71,611MWh of natural gas and 2,602MWh of gasoil. In reporting form Energy1, the table has not been completed correctly, the 'Energy Usage Quantity' column should state the value in the units indicated by the form. Secondly, the figure provided in the primary energy column for gasoil states 238,08 tonnes, this figure is the gasoil used in litres (as stated in the performance report), it should be the calculated primary energy of the gasoil. As a result, the calculated total is also incorrect and inconsistent with that provided in the annual report.

Veolia have reported an additional usage of 238,084 litres of BS2869 Class A2 gasoil during 2022, for the operation of the mobile boiler plant, which calculated as an additional 2,602MWh of energy use. In Veolia's 2021 annual report, the exact same figure of 238,084 litres of BS2869 Class A2 gasoil was supplied. It seems unlikely that the figures for both 2021 and 2022 would be precisely the same.

Action 4 – Veolia – 27/03/2023. Provide an explanation for the similarities in reported gasoil consumption figures for 2021 and 2022. Due 7th of April 2023.

Water Usage

There are inconsistent water usage figures reported for the 2022 period. Veolia have reported 103,664 m3 in the WaterUsage1 form, in the comment box Veolia have stated, "the supply to the boiler house is metered by the client, however this meter has also suffered a failure in 2021 and has only recorded 91,385m3 against our boiler feed water meters recorded 96353 m3". In the 2022 annual report letter the following statement was provided, "this meter has also suffered a failure in 2021 and has only recorded 91,385m3 against our boiler feedwater meters recorded 105,037m3". This second statement provides the exact same figures as reported in the 2021 annual report letter.

The 2022 annual report regarding water usage for the hotwell states, "meters report volumes of 28m3 and 1345m3 respectively for 2021", the same figures are reported in the 2021 annual report. These figures have

been used in the WaterUsage1 reporting form for both 2022 and 2021.

Action 5 – Veolia – 27/03/2023. Please explain the inconsistencies in the water usage reporting and why figures for the ‘hotwell’ are unchanged from 2021. Please explain why the water meter failure identified in 2021 has not been repaired. Due 7th of April 2023.

The 2022 annual report stated that the mobile boiler plant was utilised for the period 27/07/2022 through 20/02/2023. The start date provided is not consistent with Veolia’s notification to NRW of the mobile boiler use, that was received on the 05/10/2022. The notification provided by Veolia stated the mobile boiler would be utilised from the 10th of October 2022. The start date in the 2021 annual report for mobile boiler use was the 27/07/2021. This highlights a trend of inconsistencies within the report, it appears that Veolia have used the 2021 report and altered 2021 dates to 2022 but have failed to accurately report the actual performance of the installation for the 2022 period.

Several permit conditions have breached, as the permit holder you are legally obliged to adhere to the conditions of the permit. **It is an offence under Regulation 38(2) of the Environmental Permitting Regulations (consolidated 2016) to breach a permit condition or emission limit.** Multiple offences under Regulation 38(2) of the EPR have been identified and these will be scored and detailed further in the next compliance assessment report, once Veolia have provided clarification of the matters raised in the CAR form.

As a result of the above findings, the 2022 annual performance reports submitted by Veolia are not accepted. Veolia will need to explain the inconsistencies identified above and resubmit the required reports that accurately reflect the performance of the installation during 2022.

Action 6 – Veolia – 24/03/2023. Veolia to review their 2022 annual performance reports and amend all inconsistent figures, ensuring reports are accurate and reflect the performance of the installation during 2022. Due 14th of April 2023.

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.