

Compliance Assessment Report CAR_NRW0043302

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: Report/Data Review,

Reason: Routine.

On: 31/01/2024.

Parts of permit assessed: 4.2.1 Annual Reports 2023.

NRW Lead Officer: Rebecca Green.

Report sent to: James Wham, Manager EHS Plant, on 05/02/2024.

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

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
IR1C - Management - Energy Efficiency	Assessed (A)	
IR1D - Management - Efficient use of raw materials	Assessed (A)	
IR1E - Management - Avoidance, recovery and disposal of wastes produced by the activities	Assessed (A)	
IR3A - Emissions and monitoring - Emissions to water, air or land	Assessed (A)	
IR3E - Emissions and monitoring - Monitoring	Assessed (A)	
IR4B - Information - Reporting	Assessed (A)	

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

Total 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 2023; Energy1 2023; Performance1 2023; Air1 1st January to 31st December 2023 and the End of Year Report 2023 were received on 31st January 2024. All the reports are accepted.

Water Usage 2023

Total use was lower than in 2022 and use per tonne decreased by more than 20%.

Energy Usage 2023

Total use was less than in 2022; the use per tonne reduced by 19%.

Performance 2023

Production was 12% lower than in 2022.

The estimated amount of effluent discharged to sewer was less than in 2022, 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 2023

Emissions for ammonia were measured above the relevant emission limit value (ELV) at emission point A1 in December. A Schedule 6 Notification was submitted. This breach is discussed in the Annual Report (see below).

Emissions from all the other emission points were within their respective ELVs.

End of Year Report 2023

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 2022, except for particulates, NH₃ and CO. 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, 2022 and 2023. The other trends may be due to different product mixes and changes in production methods and volumes.

A3: All emissions were within the ELV but were higher than in 2022. They show an overall downwards trend.

A6: The new abatement equipment was installed in August 2022 and seems to be working efficiently. Particulate emissions in 2023 were considerably less than the ELV and consequently emissions are now showing a downward trend.

A7: Particulate emissions were all less than the ELV in 2023, but higher than in 2022.

A8: All emissions were below their respective ELVs in 2023. There was no monitoring in Q4 because the firing operation whose emissions are abated here was not operating. There are no plans to re-instate this operation in 2024.

Total site emissions: Particulates, SO₂ and CN were lower than in 2022 and less per tonne of production. NH₃ emissions were higher than in 2022 and increased per tonne of production. CO emissions were similar to those in 2022 but higher per tonne of production. NO_x emissions were less than in 2022 and rose slightly per tonne of production.

Energy efficiency

Energy efficiency improved by 14% in 2023. These improvements are mainly due to the purchase of more energy efficient equipment, removal of water cooling from the hot pressing operation and alterations to production methods and times. Cessation of one firing operation will also have an effect on energy efficiency in 2024.

Kennametal aim to investigate further improvements in 2024. These will include replacing existing furnace technology and motors with more energy efficient equipment, recycling offcuts from machining and reducing drying and processing times.

The final product contains 28 - 31% reclaimed material.

Waste

Waste generation was less than in 2022 and decreased by 7% per tonne of production.

Filter dust cannot be recycled back into the process because it affects the quality of the product.

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 continue.

Site Protection and Monitoring Plan

This has been reviewed. No amendments were necessary because site operations remain largely unchanged.

Despite the reduction in production volumes, Kennametal continue to reduce their resource use and consider all facets of their operations as having potential for savings.

NRW hope 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 industry 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.

If your assessment result in Section 1 is suspended, what does this mean?

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 compliance criteria (used in section 1 and 2):

1. Management

- IR1A – General management
- IR1B – Finance (only applicable to Landfill)
- IR1C – Energy efficiency
- IR1D - Efficient use of raw materials
- IR1E - Avoidance, recovery and disposal of wastes produced by the activities
- IR1F - Multiple operator installations

2. Operations

- IR2A – Permitted activities
- IR2B – The site
- IR2C – Operating techniques
- IR2D – Technical requirements
- IR2E – Improvement programme
- IR2F – Pre-operational conditions
- IR2G – Landfill engineering (only applicable to Landfill)
- IR2H – Waste acceptance (only applicable to Landfill)
- IR2I – Leachate levels (only applicable to Landfill)
- IR2J – Closure and aftercare (only applicable to Landfill)
- IR2K – Landfill gas management (only applicable to Landfill)

3. Emission and Monitoring

- IR3A – Emissions to water, air or land
- IR3B – Emissions of substances not controlled by emission limits
- IR3C – Odour
- IR3D – Noise and vibration
- IR3E – Monitoring
- IR3F – Pests
- IR3G – Air quality management plans
- IR3H – Monitoring for the purposes of the Industrial Emissions Directive (this heading includes Large Combustion Plants)
- IR3I – Fire

4. Information

- IR4A – Records
- IR4B – Reporting
- IR4C – Notification

Enforcement response

Any non-compliance with a permit condition 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 twenty 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 to 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.