

Compliance Assessment Report CAR_NRW0043555

Permit being assessed: BV0759IC.

For: Cardiff Rod & Bar Mill EPR/BV0759IC, **held by:** Celsa Manufacturing UK Ltd

At: PO Box 83 Cardiff Rod & Bar Mill Castle Works , East Moors Road, Tremorfa, Cardiff, South Wales, CF24 5NN.

Type of assessment: Report/Data Review,

Reason: Routine.

On: 31/12/2023.

Parts of permit assessed: Annual & Quarterly Returns 2023.

NRW Lead Officer: Dale Padfield.

Report sent to: Hannah Powell, Environmental Manager, on 22/02/2024.

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

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
IR4B - Information - Reporting	Assessed (A)	
IR3B - Emissions and monitoring - Emissions of substances not controlled by emission limits	C3 Minor	2.2.7.2
IR3B - Emissions and monitoring - Emissions of substances not controlled by emission limits	C3 Minor	2.2.7.2
IR1A - Management - General management	C3 Minor	2.3

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

Total non-compliances recorded	Total non-compliance score
3	12

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
IR3B	Ensure potentially contaminated water is correctly managed and not discharged to land.	Already completed

Criteria	Action needed	Complete by
IR3B	Ensure measures are in place to prevent leaks from the cooling tower discharging to land.	Already completed
IR1A	Ensure the EMS has adequate control measures and procedures in place that identify the need to correctly manage contaminated water, should a similar issue arise in the future.	31/05/2024

Compliance 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.

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

Celsa ~ Road and Bar Mill

EPR/ BV07591C

This compliance assessment report summarises the annual, quarterly, and Monthly returns for 2023 and details two schedule 5 notifications received during 2023.

Quarterly and Monthly Returns

All quarterly and monthly reports were received on time.

The W1 reporting form for the monthly reporting of discharges to water from emission point W1 indicate that all determinands are below their specified ELVs. Furthermore, Celsa have reported that no discharges to the dock have taken place during 2023, with all water being recirculated within the process.

The quarterly reports for emissions to air from emission point A1 indicate that the NO_x emissions were below the ELV for all four spot samples taken during 2023.

Annual returns

Reporting forms A2, EW1, R1 & PI1

A2 – A total of 49,552.24 Kg of NO_x (As NO₂) was reportedly emitted from the installation, no limit applies to mass release.

EW1 – Totals for Electricity, natural gas, process water and CO₂ are reported.

R1 – Details the waste generated and the method of disposal or recovery. Millscales and scrap metal remains the largest proportion of the waste generated by the site accounting for 97.9% of the total waste. Celsa have reported that all the waste generated has either been recycled or recovered, it is encouraging to see that no

waste has gone to landfill. Waste management on the site appears to be well conducted.

PI1 - Details the performance indicators. Water supplied per tonne of rolled steel has increased significantly in 2023 (139.84 litres / tonne) when compared to 2022 (62.42 litres / tonne) but is comparable to the 2021 figure. Oil use per tonne of rolled steel has decreased on the previous year and kg of NO_x per tonne of rolled steel has increased to the highest level since 2018.

Pc 4.1.5 EMS Annual Improvement Targets

The rod and Bar Mill had a gas usage target set at 351.2 kWh/tonne per month for 2023. The site failed to meet their target with a figure of 386.45 kWh/tonne being reported. However, this does appear to have slightly improved on the 2022 reported figure. Celsa reported that their gas consumption faced several challenges during 2023, frequent stoppages due to high stock levels and the furnaces showing signs of thermal shock were reported to be the main challenges.

The electricity consumption target was met for 2023, with a figure of 98.4 kWh/t reported against a target of 100.24 kWh/t, this also appears to have improved on the 2022 figures.

The oil consumption KPI was also met, with the site reporting a consumption of 0.42 litres per tonne of finished product against a target of 0.45 litres/t. This is also an improvement on the reported 2022 figure.

Pc 4.1.4 Fugitive Emissions annual review.

Principle sources of fugitive emissions remains unchanged, these are the roof vents and the water treatment system. Additionally on-site oil and chemical storage have the potential for releases. Celsa have reported no fugitive emissions to air from the site for 2023.

Site reported installing a bunded storage cabinet to store waste oil and grease, which has the capacity to store 96 (200 litre) oil barrels or 24 IBCs. Celsa have also rebuilt a brick bund adjacent to the cooling tower to store the water treatment chemicals, the bund also benefits from a coating of chemical sealant.

Schedule 5 notifications

Two Schedule 5 notifications were received on the 28/04/2023, with follow up part 'B's received on 31/05/2023.

The first detailed a flooded cellar which was subsequently pumped with the effluent allowed to discharge directly to the ground. Although no testing of the effluent was conducted, Celsa stated that it was possible that the effluent was contaminated with oil and metal from the basement and estimated 64 m³ was discharged.

The cause of the flooding was found to be a blocked drain, the blockage was believed to be a direct result of recent road re-surfacing. The blocked drain resulted in a rise in the water table leading to the cellar flooding. An extraction pipe was run through the cellar and out onto the internal road, with the aim of mitigating the health and safety issues surrounding the flooded cellar. The extraction pipe has since been rerouted to a storm drain on site, which flows directly to the water treatment plant.

It is appreciated that the actions taken were to mitigate potential health and safety issues, however, allowing potentially contaminated water to discharge directly to land is a breach of the permit. The following non-

compliance will be issued.

Non-compliance: A category 3 minor non-compliance is issued for the emission of potentially contaminated water to land. Permit condition 2.2.7.2. **It is an offence under Regulation 38(2) of the Environmental Permitting Regulations (consolidated 2016) to breach a permit condition or emission limit. Non-compliance score CCS3.**

The effluent should have been tested for potential contamination before being discharged to ground, or adequately contained for correct disposal or on-site treatment within the water treatment plant. Celsa should ensure there are adequate procedures for such events, which should detail the necessary actions, including assessment and correct disposal. This is seen as a management system failure, whereby procedures were unavailable or not implemented, and the requirement to correctly contain and dispose of the effluent was not identified. The following non-compliance will be issued.

Non-compliance: A category 3 minor non-compliance is issued for the management system failure, allowing the discharge of potentially contaminated water to ground. Permit condition 2.3. **It is an offence under Regulation 38(2) of the Environmental Permitting Regulations (consolidated 2016) to breach a permit condition or emission limit. Non-compliance score CCS3.**

Celsa have included this location in their sampling plan, Celsa should also ensure that this is documented within their site condition records, to note the potential contamination in this area.

The second Schedule 5 detailed a second emission to land, whereby water from cooling tower No2 had suffered and overflow. The water was reported to contain chemical dosing agent (sodium hypochlorite) to control legionella, an estimated 120 m³ of water was lost. Celsa's investigation found that the overflowing water was caused by water seeping beneath filter material that allows steam to escape. The following non-compliance will be issued for the discharge.

Non-compliance: A category 3 minor non-compliance is issued for the emission of cooling tower water containing sodium hypochlorite to land. Permit condition 2.2.7.2. **It is an offence under Regulation 38(2) of the Environmental Permitting Regulations (consolidated 2016) to breach a permit condition or emission limit. Non-compliance score CCS3.**

Celsa have scheduled repairs to be conducted, creating a seal beneath the filter material to prevent reoccurrence, this was planned for early 2024. Celsa have also erected a bund around the first floor of the TEVA tower, to prevent overflow was discharging to the ground. Subsequently, an additional schedule 5 was received in January 2024, detailing a similar discharge from the cooling tower, however, this falls beyond the scope of this CAR form. The root cause and second emission will be explored in the next CAR form.

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.