

Compliance Assessment Report CAR_NRW0049379

Permit being assessed: VP3339PD.

For: Electrical Carbon, Swansea, **held by:** Morganite Electrical Carbon Limited

At: Morgan Advanced Materials, Upper Fforest Way, Swansea Enterprise Park, Swansea, SA6 8PP.

Type of assessment: Site Inspection,

Reason: Routine.

On: 03/09/2025 between 10:00 and 12:00.

Parts of permit assessed: Operations, Emissions & Monitoring.

NRW Lead Officer: Rhydian Cox.

Report sent to: Operations Manager, Morganite Electrical Carbon Limited, on 15/09/2025.

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

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
IR2B - Installations - Operations - The site	Assessed (A)	
IR3A(2) - Installations - Emissions and monitoring - Emissions to air	Assessed (A)	
IR3D - Installations - Emissions and monitoring - Noise and vibration	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

This Compliance Assessment Report (CAR) details the comments of Natural Resources Wales (NRW) Officers for the site inspection conducted on 3 September 2025 at Morganite Electrical Carbon Ltd (Morganite), Upper Fforest Way, Morriston, Swansea, SA6 8PP, for activities held by Morganite Electrical Carbon Ltd (the operator) under the environmental permit EPR-VP3339PD.

The purpose of the site inspection was to assess the installation of the new graphitisation furnace and the associated infrastructure, as outlined in the site's most recent permit variation. This variation was issued to accommodate the operational changes and activities related to the new equipment. The visit also served to discuss the updated regulatory requirements introduced under the revised permit.

No non-compliance scores were recorded during this inspection. All observed activities were found to be in accordance with the conditions set out in the operator's environmental permit.

Permit Variation Application

Morganite submitted an application to vary their existing environmental permit (EPR/VP3339PD/V013). This application was duly made by Natural Resources Wales (NRW) on 14 August 2024. The proposed variation included the installation of a new graphitisation furnace, an inspection table equipped with dust extraction, and a 0.7 MWth standby generator fuelled by diesel.

The application also proposed the removal of the Long-Metallised Carbon (LMC) process and its associated emission points, as well as the decommissioning of the Theta processes and associated emission point A10. In total, the variation resulted in the addition of four new emission points and the removal of six existing emission points.

As part of the variation, emission limits for sulphur dioxide (SO₂) on the three existing kilns were tightened to reflect updated environmental standards and operational controls.

The varied and consolidated permit, reference **EPR/VP3339PD/V014**, was issued to Morganite on 24 February 2025.

Site Tour and Infrastructure Assessment

A site tour was undertaken as part of the inspection, which included a review of the newly installed graphitisation furnace and associated infrastructure. At the time of the visit, installation of the furnace had been completed, and contractors remained on site conducting final commissioning activities. The initial operational testing of the furnace is

currently scheduled to take place later in the year.

As part of broader site modifications, the previous 'goods-in/goods-out' area had been reconfigured into a 'goods-out' only zone. A new 'goods-in' area has been established on the eastern side of the facility to improve the efficiency of goods handling and external traffic flow.

Commissioning of the new emission points (A70, A71, A72, and A73) had been completed prior to the inspection. These points were inspected to confirm alignment with the revised permit. No emissions were observed from these points during the visit, as the graphitisation furnace had not yet been brought into operation.

The newly installed standby generator had also been completed but was not yet operational at the time of inspection.

The area formerly occupied by the Theta process has been repurposed into a storage facility. All associated emission points from the decommissioned Theta process have been removed to accommodate this change, with the location of the decommissioned emission points now being the aforementioned 'goods-in' zone.

No noise pollution was observed during the site tour. Ambient noise levels were consistent with expected operational conditions.

Improvement Condition Programme

The recently issued permit variation included updates to the Improvement Condition Programme, as detailed in Table S1.3 of the permit. A new Improvement Condition, IC16, was introduced requiring further noise monitoring to verify that actual noise emissions from the new processes do not exceed the levels predicted in the permit application. Completion of this monitoring and submission of the associated report is required within three months of the commencement of operations of the graphitisation furnace. For detailed further information regarding the requirements of IC16, please refer to Table S1.3 of the permit.

As discussed during the site inspection, commissioning and testing of the new furnace has been delayed due to changes in global market conditions and fluctuating demand for the product. Consequently, the requirement to complete IC16 has not yet been triggered.

Reporting Requirements and Emission Limit Revisions

With the issuing of the revised environmental permit and associated changes to site infrastructure, updates have been made to the annual reporting requirements. These changes are intended to align reporting obligations with the new annual monitoring period, which commenced on 01 January 2025. Please refer to the permit for information on reporting deadlines and requirements.

The revised reporting requirements reflects the operational changes at the site. Reporting obligations for several decommissioned emission points have been removed. However, new requirements have been introduced for emission points A70 and A72, which must be

included in future returns once they become operational.

Additionally, the permit variation includes an agreed tightening of Emission Limit Values (ELVs) for sulphur dioxide (SO₂) from emission points A27, A28, and A61. The ELV has been reduced from 2900 mg/Nm³ to 500 mg/Nm³, reflecting enhanced environmental controls and regulatory expectations.

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.