

Compliance Assessment Report CAR_NRW0049580

Permit being assessed: AB3090CC.

For: Argoed Farm AD Facility, **held by:** Derwent Renewable Power Ltd

At: Argoed, Trefeglwys, Caersws, Powys, SY17 5QT.

Type of assessment: Site Inspection,

Reason: Routine.

On: 04/09/2025 between 11:00 and 13:00.

Parts of permit assessed: All.

NRW Lead Officer: Malcolm Dines, accompanied by Jeremy Goddard.

Report sent to: Roger Hughes, Director, on 24/10/2025.

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

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
W1A - Waste - Management - General management	C2 Significant	1.1.1
W1A - Waste - Management - General management	C3 Minor	1.1.1
W1A - Waste - Management - General management	Action only (X)	
W1A - Waste - Management - General management	C3 Minor	1.1.1
W1A - Waste - Management - General management	C3 Minor	1.1.2
W1A - Waste - Management - General management	Action only (X)	
W2C - Waste - Operations - Operating techniques	Action only (X)	
W3B - Waste - Emissions and monitoring - Emissions of substances not controlled by emission limits	C3 Minor	3.2.1
W4B - Waste - Information - Reporting	C3 Minor	4.2.2

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

Total non-compliances recorded	Total non-compliance score
6	51

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
W1A	Review and update your Management System to reflect current site activities, layout and management	30/11/2025
W1A	Ensure that the door to the control room is repaired and is locked when staff are not in the room.	30/11/2025
W1A	Install a site noticeboard as set out in the guidance document "How to Comply with Your Environmental Permit"	30/11/2025
W1A	Submit a detailed report explaining why the digester failed.	30/11/2025
W1A	Submit records as required by Compliance Report dated 30/09/2024 and the Regulation 61 Notice	30/11/2025
W1A	Submit copies of the primary qualification and, if necessary, the Continuing Competency certificate of a suitably qualified manager(s) and the date(s) which they started at Argoed Farm AD site	03/11/2025
W2C	Provide evidence that the digestate lagoon has been designed and constructed in accordance with CIRIA C759	03/11/2025
W3B	Digester has been rebuilt: No further action required	Already completed
W4B	Outstanding waste returns have now been submitted	Already completed

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.

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

This was an arranged routine compliance visit carried out by Malcolm Dines (Waste Regulation Officer) and Jeremy Goddard (Team Leader Mid Wales Waste and Enforcement Team) who met with, and were accompanied for the duration of the visit by, Roger Hughes (Director of Derwent Renewable Power Ltd.) and Tom Corbett of Hillgreen Energy Ltd (Consultant). The aim of this compliance visit was to understand progress with the reconstruction of the Digester and to ensure that you will be complying with your permit when the digester starts producing gas again.

Permit Breaches

W1A - General Management - Category 2; Permit Condition 1.1.1

You have been given this Category 2 breach under the above permit condition as, at the time your digester failed on 30 November 2024, you were not operating in accordance with a management system that reflected the actual on-site activities. The compliance report (CAR_NRW0045139, dated 30/09/2025) issued following my compliance visit on 6 September 2024, required you to submit a fully revised and updated Environmental Management System by 1 January 2025. While the digester failed before the deadline, you were first required to review and update your Management System on compliance report CAR_NRW0038728, dated 15 September 2021. At that time your management system was a generic user manual provided to you by the manufacturer of the digester and is as created on 11/08/2016, or reviewed and updated on 10/09/2018 and did not include details about the specific operation of your site. Subsequently, you have failed to comply with the same action issued on the following compliance reports:

CAR_NRW0039498, dated 10/03/2022

CAR_NRW0040131, dated 04/08/2022

CAR_NRW0040512, dated 21/10/2022

CAR_NRW0042068, dated 21/07/2023

CAR_NRW0042930, dated 17/01/2024

During this compliance visit we discussed the failure to update the management system and you that your consultant (at the time) had submitted an updated management system in 2024 however, Natural Resources Wales have not received an updated management system for your site at any time prior to the failure of the digester. Since the failure you have had nine months to submit an updated management system in preparation for re-starting operations. On 30 September 2025 I received an email from Tom Corbett, of Hillgreen Energy Ltd., which stated that the intention is to re-start gas production towards the end of October 2025, yet I have still not received a revised management system for review.

Despite the positive nature of this compliance visit and acknowledging that you now have a team of experienced professionals working with you to rebuild and manage the site, the basic elements of site management have not been completed and you have not provided information as required. Because of these repeated failures to submit an updated management system, you have received a compliance classification score of 2 for this breach because it is reasonably foreseeable, due to the risk posed by a failure of an Anaerobic Digestion plant, that not having an adequate Environmental Management System could result in significant pollution of the environment. The failure to comply with the action set out below, may result in Natural Resources Wales serving a notice to suspend your permit.

Action: submit an updated management system that accurately reflects current site operations **by 30 November 2025**

W1A - General Management - Category 3; Permit Condition 1.1.1

You have been given this Category 3 breach under the above permit condition as on compliance report CAR_NRW0045139, dated 30/09/2024 you were required to repair the

door to the control room to ensure that it is secure and can prevent illegal access to the controls of the digester. The deadline for this action was 14 October 2024 and at the time of this compliance visit, 11 months after the deadline, the door had still not been repaired. The failure to ensure that the control room is secure would, if the digester were operating, would result in a Compliance Classification Score of 2 as it is reasonably foreseeable that damage to the controls could result in a significant pollution. The failure to comply with the action set out below may result in Natural Resources Wales giving this breach a higher score in the future and also taking further enforcement action that could include the suspension of your permit.

Action: Repair the door of the control room so that it prevents unauthorised access to the digester controls by **by 30 November 2025**

W1A - General Management - Category 3 (consolidated); Permit Condition 1.1.1

You have been given this Category 3 breach under the above permit condition as on compliance report CAR_NRW0045139, dated 30/09/2024 you were required to install, by 14 October 2024, a site noticeboard at the entrance to the site that meets the requirements of the guidance document "How to Comply with Your Environmental Permit". At the time of this compliance visit, 11 months after the compliance report was issued, this action had not been completed. A site noticeboard allows people responding to an incident, such as a catastrophic failure of the digester, who to notify. The score for this breach is consolidated with the above breach for failing to secure the control room as they both fall under the site security element of the management system.

Action: install site noticeboard at the entrance to the site that meets the requirements of the guidance document "How to Comply with Your Environmental Permit" by **30 November 2025**

W1A - General Management - Category 3; Permit Condition 1.1.1

You have been given this Category 3 breach under the above permit condition as you have failed to provide a detailed written report into the failure of the digester on 30 November 2024. On page 23 of the guidance document "How to Comply with your Environmental Permit" it sets out what to do, *"If an accident or incident causes damage to the environment, or risks doing so"*. Required actions include:

- report the accident to us
- do whatever is necessary to minimise the environmental consequences
- record the incident or accident, in a report book or folder
- find out why the accident happened
- consider if your response and actions were adequate
- take any actions needed to stop it happening again
- review and amend your accident management plan as soon as possible.

Following this compliance visit it is clear that you did whatever was necessary to minimise the environmental consequences of the digester failure: You stopped feeding the digester

as soon as the damaged tank roof was identified and the dismantling of the tank was undertaken with all measures needed to prevent the remaining digestate from causing pollution. Your response and actions regarding the actual incident were adequate. However, on 14 March 2025 you were issued a Regulation 61 Notice requiring you to provide information including,

"A chronological report detailing the time and date of the failure of the anaerobic digester at Argoed Farm Anaerobic Digestion Plant, including details of how the failure was identified and all the actions taken at the site following the identification of the failure"

You failed to comply with the deadline of the Regulation 61 Notice and you did not contact Natural Resources Wales to request further time if, for instance, the investigation was not yet complete. At the time of this compliance visit it had been almost 6 months since that notice was issued and you had failed to provide the required report. An email from Tom Corbett of Hillgreen Energy Ltd on 25 September 2025, included a report (ref: C0097 TC NRW MD C01 22 08 25) that detailed the timeline of events leading up to, during and after the failure of the digester, but does not investigate the cause of the failure. While I acknowledge the wording of the notice may be considered slightly ambiguous regarding this as a requirement of the notice, as set out in "How to Comply with your Environmental Permit", finding out why the accident happened should be a process in your management system and should be undertaken without the need for the regulator to issue a notice.

Action: Submit a report that identifies and details the root cause of the failure of the digester on 30 November 2024, causing the release of 1.57TCO₂e of Greenhouse Gas to the atmosphere **by 30 November 2025**

W1A - General Management - Category 3; Permit Condition 1.1.2

You have been given this Category 3 breach under the above permit condition because on Compliance Report CAR_NRW0045139, dated 30/09/2024, you were required to submit, by 14 October 2024, the following:

- - copies of the record of the hours of attendance at the site by the Technically Competent Manager(s)
- - copies of the site inspection checklists for 2024
- - copies of the records of any maintenance activities carried out during 2024
- - records of the camera inspections of the covered channels of the silage clamp that are required by the manufacturer.

These are records that you should be making to demonstrate that you are complying with the requirements of permit condition 1.1.1. At the time of this compliance visit, none of this information has been provided. In addition you failed to comply with the Regulation 61 Notice issued following the failure of the digester.

On Compliance Report CAR_NRW0040131, dated 04/08/2022, you were given an action to,

"Ensure that all records required by the permit are kept correctly. You must keep records to demonstrate that you are operating and managing the activities in compliance with your management system. Use your management system to explain what records you are going to keep and where they will be held. Then make sure you keep the relevant

records up to date"

Therefore it is reasonable to expect that the records required on CAR_NRW0045139 will be available as you are required to keep all records for at least six years.

During this compliance visit it was explained that the control system for the digester only records two weeks of data before being over-written. It is expected that you would be recording data to demonstrate the stable operation of the digester and so you should have been downloading or documenting the system records before they are over-written as this is how you comply with permit condition 1.1.2.

It is acknowledged that the control system does not record all the information required by the Regulation 61 Notice, but you must report those metrics required by the notice that are recorded by your control system.

Action: Submit the required information, or a written explanation of why this information is not available **by 30 November 2025**

W3B - Emissions of substances not controlled by emission limits - Category 3; Permit Condition 3.2.1

You have been given this Category 3 breach under the above permit condition because on 30 November 2024 the digester failed resulting in the escape of biogas to the atmosphere through the damaged roof of the tank. Following this compliance visit your letter, a letter from Hillgreen Energy Ltd., dated 25 September 2025, included calculations to show that the failure resulted in the release of 1.57TCO_{2e} of Greenhouse Gas to the atmosphere. It is reasonably foreseeable that this quantity of Greenhouse Gas emission is unlikely to result in significant environmental harm and so does not warrant a higher compliance score. The digester has now been rebuilt and there is no further action required for this non-compliance.

W4B - Reporting - Category 3; Permit Condition 4.2.2

You have been given this Category 3 breach under the above permit condition because you had failed to submit quarterly waste returns since the end of 2022. Since this compliance visit, all outstanding waste returns have been submitted. **No further action**

However, despite the positive nature of the compliance visit and acknowledging that you have a team of experienced professionals working with you to rebuild and manage the site, these basic elements of site management have not been completed and you have not provided information as required. Therefore if this information is not provided by the deadline in this compliance report, it is likely that I will recommend that a Regulation 37 Notice is served to suspend your permit until all outstanding actions have been completed.

Other Matters

Technical Competence

Currently you are not demonstrating that you are complying with an approved competency scheme, as required by permit condition 1.1.4. Roger Hughes had previously been acting as the Technically Competent Manager for the site however, his Continuing Competency certificate expired on 17 November 2024 and while the digester has not been operating since 30 November 2024, you have still be carrying-out waste activities as you have been

handling and storing digestate after this date as part of the re-building of the digester.

During this compliance visit you advised that Roger Hughes would be stepping back from the Technically Competent Manager role at the site and that Marches Biogas will be providing cover for the site however, you have not yet provided details of the individual(s) who will be acting as the Technically Competent Manager, or copies of their qualifications.

Action: Submit copies of the primary qualification and, if necessary, the Continuing Competency certificate of a suitably qualified manager(s) and the date(s) which they started at Argoed Farm AD site **by 3 November 2025**

Lagoon Construction Standards

On 18 July 2025 I emailed Roger Hughes requesting that you provide evidence that the digestate lagoon has been designed and constructed in accordance with CIRIA C759. This was re-iterated during this compliance meeting but you have not yet submitted any evidence that the lagoon meets this requirement as per permit condition 2.4.1.

Action: Submit evidence to demonstrate that the lagoon has been constructed in accordance with CIRIA C759 **by 3 November 2025**

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 Waste compliance criteria (used in section 1 and 2):

1. Management

- W1A – General management
- W1B – Energy Efficiency (MCP/SG facilities only)
- W1C – Avoidance, recovery and disposal of wastes produced by the activities

2. Operations

- W2A – Permitted activities
- W2B – Waste recovery plan
- W2C – Operating techniques
- W2D – The site
- W2E – Waste acceptance
- W2F – Technical requirements
- W2G – Improvement programme
- W2H – Pre-operational conditions

3. Emission and Monitoring

- W3A – Emissions to water, air or land
- W3B – Emissions of substances not controlled by emission limits
- W3C – Odour
- W3D – Noise and vibration
- W3E – Monitoring
- W3F – Pests
- W3G – Fire

4. Information

- W4A – Records
- W4B – Reporting
- W4C – 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.