

# Renewal Determination Report

## Report under the Water Resources Act 1991 (as amended) and the Environment Act 1995 on an application to renew full abstraction licence number WA/056/0041/003

In this document, Natural Resources Wales ('NRW') means the Natural Resources Body for Wales ('the Body') established by Article 3 of the Natural Resources Body for Wales (Establishment) Order 2012.

Please note that on 01 April 2013, the functions previously conducted by the Countryside Council for Wales ('CCW'), Forestry Commission Wales ('FCW'), and the functions of the Environment Agency within Wales ('EA/EAW'), (CCW,FCW and EA/EAW together 'the Legacy Bodies') were transferred to NRW.

In determining this application, NRW has exercised its duties and powers under the Water Resources Act 1991 (as amended) and the Environment Act 1995 and has taken account of guidance issued by the Legacy Bodies where relevant.

The impact of the abstraction was originally assessed in our report dated [17/09/2014](#), a copy of which is available on DMS.

NRW has decided to issue the licence

### 1. Application process

#### 1.1 Application details

Administrative details	
Applicant name and address	Huw Morgan, on behalf of Ceri Morgan and Eurin Morgan Y Hen Beudy, Talybont -on-Usk, Brecon, Powys. LD3 7YS
Application reference number	PAN-029041
Existing licence number	WA/056/0041/003
New licence number	WA/056/0041/003/R001
ALS	USK
NRW Area	South East

Date application received into NRW (inc. fee)	22/04/2025
Relevant date	28/05/2025
Determination date	28/08/2025
Agreed extended determination date	Email sent 31/12/2025 requesting a further extension.
LEV applied	No

Abstraction details	New Proposal
Location of abstraction	Cwm Cwy, Talybont-on-Usk, Brecon
Source of supply	Inland water (stream) known as the Cwm Cwy
Point of abstraction National Grid Reference (NGR) (point)	SO 08942 22399
Purpose of abstraction	Power Production
Period of abstraction	All Year
<b>Quantities and rates:</b>	
cubic metres per day	4,406.4
cubic metres per year	1,608,336
litres per second	51
Means of abstraction	Intake works and a gravity feed pipe of an internal diameter not exceeding 280 millimetres
Measurement of abstraction	By reference to the electrical output from the turbine using flow measurement analysis.

## 1.2 Validation of the application

The applicant has submitted all the required information for a complete and valid application. The applicant occupies the land where the abstraction point is situated and therefore has a right to apply for the licence.

The applicant as part of their application wished to change the licence holder to Pwll Hydro Ltd. Which required the consent of all three licence holders see email dated [28/05/2025](#) where consent was confirmed. The change to Pwll Hydro Ltd. Will also require the licence holder address to be changed to the companies house address which has been detailed to the applicant in email dated [27/01/2026](#). The new address is shown in the section 1.1 of this report and also appendix 1.

## 1.3 Departures from original application form

Application form WRI sited a zone 3 70% abstraction; licence authorises an 80% take. This was clarified by applicant as a typo in the application over phonecall. Email detailing phonecall saved to DMS and dated [27/01/2026](#).

## 1.4 Advertising

The proposal is exempt from the need to be advertised under Regulation 7(1) of the Water Resources (Abstraction and Impounding) Regulations 2006 (SI 2006/641).

## 1.5 Internal consultation

The 'Renewal Consultation Spreadsheet [2025-26](#) was completed on [04/11/2025](#) and Marine advisory team advised the need for an HRA due to mobile species within the Usk SAC.

## 1.6 External consultation

No external consultation has been undertaken.

## 2. Tests for renewal

### 2.1 Test one: Environmental sustainability

Natural Resources Wales have reviewed the abstraction in light of its Abstraction Licensing Strategy (ALS).

During the renewals consultation, no concerns were raised about this licenced abstraction. In light of this and the abstraction being non consumptive with all water returned to the catchment, NRW consider it appropriate to renew the licence to the next ALS common end date, which for River Usk ALS is 2038.

### 2.2 Test two: justification of need

NRW holds returns data from 2016 to 2025 - see table below regarding previous 6 years.

Year	Total abstraction (cubic meters)	Total abstraction as a % of maximum permitted. (1,356,048.000)
2019-20	729,790.342	53.82%
2020-21	576,438.576	42.51%
2021-22	359,425.416	26.51%
2022-23	371,425.368	27.39%
2023-24	604,646.736	44.59%
2024-25	509,172.312	37.55%

*Table 1: Annual Abstraction return quantities*

Natural Resources Wales have assessed the information provided by the applicant and determined that the quantities applied for are justified.

When issuing hydropower abstraction licences, NRW guidance allows 365 times the daily volume per year. This is a very large quantity and unlikely to be achieved by any

hydropower scheme in a normal year. However, it allows the schemes flexibility to take more water in exceptionally wet years.

NRW are satisfied that the licensed quantities continue to be justified and can be renewed as the scheme is in place and operational, the volumes remain within current guidance and the abstraction is non consumptive with all water returned to the catchment. The environment within the depleted reach remains protected by the hands off flow requirements and flow split requirements, where relevant.

### **2.3 Test three: water efficiency**

Natural Resources Wales have assessed the information provided by the applicant and determined that the water will be used efficiently. See application form WRI dated [09/04/2025](#) where applicant discusses efficiency measures including monitoring and annual servicing.

## **3. Statutory duties**

### **3.1 Environmental Impact Assessment**

The applicant has consulted Natural Resources Wales and it has confirmed that the proposal is not a “relevant project”. No Environmental Statement is therefore required by NRW to be submitted in respect of this application and project proposal.

### **3.2 Water Framework Directive**

This proposed activity has screened out of requiring a Water Framework Directive Assessment due to it being a “green light activity” as defined in OGN 72: Guidance for assessing activities under the Water Framework Directive. This renewal is on the same terms, not within a protected area, there are no monitoring conditions on the existing licence, no recorded concerns from specialists and will be time-limited. NRW are satisfied that there will be no deterioration in ecological status as a result of the components of the activity authorised by the licence

### **3.3 Conditions removed/amended**

Condition 9.4 Updated NGR for discharge point Q to correct previous error and reflect accurate location of discharge. See email dated [10/12/2025](#) saved to DMS.

Condition 9.7 Updated to reflect screening on two discharge pipes as shown in drawings and confirmed with LH.

Condition 9.9 Removed due to abstraction commencing.

Condition 9.10 Removed due to abstraction commencing.

### **3.4 Sites designated under the Habitats Directive and CRoW Act**

#### **3.4.1 Habitats Directive**

### Assessment of Likely Significant Effect:

The project has been screened for likelihood of significant effects and, taking account of the advice received from protected sites advisors, is considered not likely to have a significant effect on any Natura 2000/Ramsar site please see completed [HRA OGN 200](#) form saved to DMS

### 3.4.2 Countryside Rights of Way (CRoW) Act

This scheme was assessed under the CRoW Act by the Natural Resources Wales when the original licence was granted, document dated [15/08/2014](#) and saved to DMS.

The Assessment concluded that no significant impact is likely as the proposal is located upstream of the River Usk (Tributaries) SSSI and all water is returned prior to the Cwm Cwy entering the Caerfanell. The proposal is significantly further upstream of the River Usk (Upper) SSSI so no impact is anticipated.

### 3.5 Protected rights and lawful users

No lawful users were identified during the original determination of this application or during consultation for the renewal of the licence. Therefore, lawful uses of water have been considered and appropriate measures to safeguard them have been taken.

No protected rights have been identified as being at risk of derogation as a result of this proposal.

### 3.6 Cost benefits and environmental mitigation or gain

An assessment of the likely costs and benefits of the proposed licensing approach was carried out as part of the sustainability appraisal undertaken as for the ALS. For more information about the sustainability appraisal please see the ALS technical document.

<b>Options considered</b>	Option 1: issue the licences as applied for Option 2: issue the licences with appropriate conditions in accordance with policy and guidance Option 3: Refuse the application
<b>Preferred option</b>	<b>Option 2: issue the licences with appropriate conditions in accordance with policy and guidance</b>
<b>Reason for choosing preferred option(s)</b>	The costs and risks to the environment associated with this proposal do not make a refusal a reasonable or appropriate course of action. All conditions placed on the licence are in accordance with current legislation and policy. Conditions, such as residual flow, maximum abstraction rate and fish screening are considered necessary and adequate to protect the ecology of the depleted reach.

<b>Assessment of likely benefits and costs of proposed option to:</b>	
Water Resources/ Environment	<p>The Environment</p> <p>There is low risk of environmental damage occurring as a result of this proposal.</p> <p>The inclusion of flow/level conditions will ensure there is enough water for the environment.</p> <p>The proposal accords with local water resources policy and is sustainable.</p>
The applicant	<p>The applicant will benefit from the availability of water for their operation.</p> <p>There will be a cost saving from not having to use mains water for this purpose.</p> <p>The applicant will incur the costs of installing and maintaining the method of abstraction and of measuring the volumes of water they abstract.</p> <p>The applicant will have to pay the application fee,</p>
Natural Resources Wales	<p>Natural Resources Wales will incur the cost of determining the application and enforcing the licence. These costs will be recovered through the application charge and annual charges, where applicable.</p> <p>In determining the licence in accordance with local and national policy, Natural Resources Wales is fulfilling its duties as a regulator.</p>
The economic and social well being of the rural community.	<p>No adverse effects upon the social and economic well being of local communities in the rural area are perceived as a result of this proposal.</p>

### **3.7 Biodiversity and sustainable development**

The principles of biodiversity and sustainable development are embodied in the conditions attached to the licence.

### **3.8 Time limit**

A time limit of 31/03/2038 has been included in accordance with the Usk ALS common end date for the catchment and Natural Resources Wales approved policy.

## **4. Other considerations**

### **4.1 Special agreements**

No special agreements applied.

### **4.2 Measurement of water abstracted**

The applicant has been advised of the measuring requirements which will comply with Natural Resources Wales' Abstraction Metering Good Practice Manual (R & D Technical Report W84). Flow Measurement Analysis (FMA) will be applied to the abstraction licence in accordance with the Hydropower Guidance. The Licence Holder will be required to determine the quantities of water abstracted by reference to the kilowatt-hours generated, as measured by a kilowatt-hours meter multiplied by a site specific conversion factor determined using the calculation checklist attached to the abstraction licence.

In accordance with current guidance, records of weekly electrical output and the corresponding quantity of water abstracted will need to be submitted to the NRW on an annual basis (within 28 days of 31 March in each year) or within 28 days of the NRW requesting the records in writing. The Licence Holder will also be required to keep all records for at least 6 years and to make them available for inspection during all reasonable hours.

## **5. Considerations of SMNR – Compliance with our General Purpose**

We are satisfied that this decision is compatible with our general purpose of pursuing the sustainable management of natural resources in relation to Wales and applying the principles of sustainable management of natural resources.

## **6. Conclusion and recommendations**

The conditions incorporated on the licence are considered to be necessary and reasonable in the light of the available and presented evidence. The conditions are also considered to be consistent with appropriate standards for enforcement by Natural Resources Wales.

I therefore recommend approval of the application and issue of the licence with the conditions as drafted.

## APPENDIX 1 – FULL APPLICANT DETAILS AND FINANCE MEMO

### 1. Enforcement – Criticality Class

Highly Critical

### 2. The following new licence abstract water has been granted

<b>Licence number:</b> WA/056/0041/003/R001	<b>Previous licence number:</b> WA/056/0041/003
<b>Licence Holder name:</b> Pwll Hydro Ltd.	<b>Previous Licence Holder name:</b> Huw Morgan, Ceri Morgan & Eurin Morgan Trading as Pwll yr Hwyaid Farm
<b>Registered address:</b> Y Hen Beudy, Talybont -on-Usk, Brecon, Powys. LD3 7YS	<b>Previous registered address:</b> Pwll yr Hwyaid Talybont-on-Usk Brecon Powys LD3 7YS
<b>Correspondence address:</b> As above	<b>Previous correspondence address:</b> As above

<b>Area</b>	South East
<b>ALS</b>	Usk
<b>LEAP</b>	Usk LEAP

### 3. PALS Purpose

Primary Code	Secondary Code	Use/Loss Level (provide explanation if necessary)
P: Production of energy	ELC:Electricity	240: Hydro-electric Power generation – Very Low

### 4. Financial charge calculation

<b>Issue date</b>	28/01/2026
<b>Effective date</b>	01/04/2026
<b>Expiry date</b>	31/03/2038
<b>Two part tariff offered (Yes/No)</b>	No
<b>Other agreement (Yes/No)</b>	No
<b>Chargeable (Yes/No)</b>	No
<b>Reason if non chargeable</b>	Power Production > 5MW

If authorised, the licence will be exempt from the payment of annual charges being one of the categories under Paragraph 6.2.1 of Natural Resources Wales's Charges Scheme.

### Deviations:

Deviation from 1:10,000 scale on the licence document map to 1:25,000 scale due to the need to get both the 'Point A' abstraction point and 'Point Q' discharge point on the same map.