

Compliance Assessment Report CAR_NRW0037218

Permit being assessed: AB3097FU.

For: Asgard Renewables Ltd, held by Asgard Renewables Limited

At: Unit 2, Crugmawr Farm, Penparc, Cardigan, Ceredigion, SA43 1QY.

Type of assessment carried out: Audit, Reason: Routine.

On 09/12/2020.

Parts of permit assessed: Containment, Infrastructure, TCM, Waste Returns

NRW Lead Officer: Malcolm Dines, accompanied by Ffion Quan.

Report sent to: Tom Chaloner, TCM on 09/02/2021.

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

Part of permitted activity assessed (criteria)	Assessment result	Permit condition
B1 - Infrastructure - Engineering for prevention and control of emissions	C3 Minor (Suspended)	2.1
B5 - Infrastructure - Plant and equipment	Assessed (A)	
C4 - General Management - Storage, handling labelling and Segregation	Assessed (A)	
G4 - Monitoring and Records, Maintenance and Reporting - Reporting and notification to Natural Resources Wales	Assessed (A)	

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

Total number of non-compliances recorded	Total non-compliance score
1	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?

Criteria	Action needed	Complete by
B1	Submit timescales for completion of the work to improve the tankfarm bund.	01/04/2021

Action 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

Officers met with Tom Chaloner, Technically Competent Manager, via Zoom due to Coronavirus restrictions and an sharp increase in cases of the virus in the Cardigan area.

The aim of the compliance audit was to gain a general update of site operations: including reviewing actions from previous compliance work; the wastes entering and leaving the facility, any future plans and any disruptions concerns caused by the pandemic.

There were two outstanding actions from previous compliance visits:

1) to ensure that the Fire Prevention and Mitigation Plan (FPMP) was improved and met the requirements of the latest guidance. You stated that the FPMP had been revised and so it was agreed that the document would be submitted by the end of 2020 - which has now been done - and which will be reviewed at a later date, with that review being documented on a subsequent CAR form. I also appreciate you including the DSEAR Plan for the site, which will be saved to our file for the site.

2) completion of work to improve the tankfarm bund which had settled since completion of the site and were no longer of a sufficient structure to retain 110% of the material held in the largest tank. You stated that the work to stabilise the bund is complete, but there is a need to raise about 20 cm or more for full containment. The Asgard board have committed to the project and finance is available to complete the work. It was acknowledged that the Coronavirus pandemic had delayed work and prevented it being completed before the winter and it was agreed that you would provided an update by the end of 2020 as to timescales for completion of this work.

Natural Resources Wales (NRW) have subsequently received the level management procedure from the updated version of your Environmental Management System (EMS) which is to ensure that the digestate storage tank is not filled to a level more than can be contained by the tankfarm bund. As well as a screenshot demonstrating the recent storage tank level (from Dec 2019 to May 2020) taken prior to the level sensor issue that occurred in October 2020 that demonstrates that you are managing the storage level correctly.

Condition 2.1 of your permit requires that:

"All anaerobic digestion and digestate storage tanks shall be located on an impermeable surface with sealed drainage surrounded by a bund with a capacity to store 110% of the volume of the largest tank or 25% of the total tankage volume (whichever is highest)."

Due to the settlement of the bund it no longer can contain the required volume and so this is a breach of your permit and as such attracts a Compliance Classification System (CCS) score of 3. It is reasonably foreseeable that there would be an environmental impact in the event of a spill, but that as the amount that would not be contained is relatively small any environmental impact would be likely to be low. However, due to the procedures you have put in place to limit the amount of digestate stored in the tank to an amount that can be contained by the bund, and the procedures adopted to monitor that level, as well as the delays to complete improvement work to caused by the on-going Coronavirus pandemic, this score is suspended until further notice.

During the compliance audit you also stated that in October an error had been found with the level sensor in the digestate storage tank and that there were concerns about replacing it because it is located at the base of the tank that is currently full. Trying to replace the sensor with the tank full would risk causing a substantial spill of digestate and that the best time for the sensor to be replaced would be spring, when the tank is empty. You stated that in the meantime the digestate level in the tank is being monitored visually on a daily basis.

It was agreed that the sensor would be replaced in the spring. It would be appreciated that you could provide a timescale for when this work will be completed if it is not done before 1st April 2021. It was also agreed that you would ensure that the daily visual checks are recorded which you have subsequently notified NRW that this is now carried out as part of the daily check and formally recorded on the daily check sheets.

A review of the quarterly waste returns for the site was carried out prior to the compliance audit. The review showed that digestate is being exported so whereas NRW understood that the Anaerobic Digestion process at the site produced digestate to the PAS 110 standard and so would be exported and used as non-waste. Therefore it was felt that this was a good opportunity to review the process relating to the digestate including how it is exported and where it is used.

You explained that it was not digestate recorded on the waste returns, but the small amount of material that is removed from the digestion process as contaminants and which is sent for incineration - as it is Animal By-Product material it is not allowed to go to landfill. You effectively run an ISO9001 production system for the digestate and all the final product is taken and recorded on Dispatch Notes to a local farm, via a single haulier.

You stated that you have a duty to ensure that it is being used in accordance with the PAS110 scheme and that you are audited annually by Organic Farmers and Growers (OF&G) in the spring.

You also stated that you have to comply with Animal Health due to the Animal By-Products Regulations and have to specify storage locations and spreading fields. The records of these are retained by the spreading contractor in agreement with Animal Health.

After being exported from the AD plant, the digestate is stored in a storage lagoon at the farm. You stated that Asgard require that the digestate is being used at the correct spreading rates and on the correct fields and that all elements of the process is correct and as you are FACTS qualified you can carry out these checks on the contractor's processes.

The digestate can be spread as late as early October if the weather is good and over winter the storage tank at the AD plant will be filled up and then any additional storage is held in the lagoon at the farm until early March.

Since the compliance audit was carried out, the Welsh Government have announced new restrictions on the spreading of materials to land that includes a "close season" for spreading. The timescales that you provided mean that there is sufficient storage for the digestate to enable compliance with these new regulations.

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.

What are suspended scores?

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 and Waste action criteria (used in section 1 and 2):**A: Permitted activities**

- A1 Specified by permit

B: Infrastructure

- B1 Infrastructure – Engineering for prevention and control of emissions
- B2 Infrastructure – Closure and decommissioning
- B3 Infrastructure – Site drainage engineering (clean and foul)
- B4 Infrastructure – Containment of stored materials
- B5 Infrastructure – Plant and equipment

C: General management

- C1 General management – Staff competency/training
- C2 General management – Management system and operating procedures
- C3 General management – Materials acceptance
- C4 General management – Storage, handling, labelling and segregation

D: Incident management

- D1 Incident management – Site security
- D2 Incident management – Accidents, emergency and incident planning

E: Emissions

- E1 Emissions – Air
- E2 Emissions – Land and groundwater
- E3 Emissions – Surface water
- E4 Emissions – Sewer
- E5 Emissions – Waste

F: Amenity

- F1 Amenity – Odour
- F2 Amenity – Noise
- F3 Amenity – Dust/fibres/particulates and litter
- F4 Amenity – Pests/birds and scavengers
- F5 Amenity – Deposits on road

G: Monitoring and records, maintenance and reporting

- G1 Monitoring and records, maintenance and reporting – Monitoring of emissions and environment
- G2 Monitoring and records, maintenance and reporting – Records of activity, site diary/journal/events
- G3 Monitoring and records, maintenance and reporting – Maintenance records
- G4 Monitoring and records, maintenance and reporting – Reporting and notification to Natural Resources Wales

H: Resources efficiency

- H1 Resource efficiency – Efficient use of raw materials
- H2 Resource efficiency – Energy efficiency

Enforcement response

Any permit condition non-compliance 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 20 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 – 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.