

Compliance Assessment Report CAR_NRW0037667

Permit being assessed: BP3532HX.

For: Newport Ceramic Works EPR/BP3532HX, held by Kennametal UK Ltd

At: Leeway Industrial Estate Lake Road , Newport, South Wales, NP19 4SR.

Type of assessment carried out: Report/Data Review, Reason: Routine.

On 12/02/2021.

Parts of permit assessed: 4.2.1 Annual Reports 2020

NRW Lead Officer: Rebecca Green.

Report sent to: Mike Williams, Operations Manager on 19/02/2021.

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

Part of permitted activity assessed (criteria)	Assessment result	Permit condition
A1 - Specified by permit	Assessed (A)	
B1 - Infrastructure - Engineering for prevention and control of emissions	Assessed (A)	
B5 - Infrastructure - Plant and equipment	Assessed (A)	
C2 - General Management - Management system and operating procedures	Assessed (A)	
E1 - Emissions - Air	Assessed (A)	
E5 - Emissions - Waste	Assessed (A)	
G1 - Monitoring and Records, Maintenance and Reporting - Monitoring of emissions and environment	Assessed (A)	
G4 - Monitoring and Records, Maintenance and Reporting - Reporting and notification to Natural Resources Wales	Assessed (A)	
H1 - Resource Efficiency - Efficient use of raw materials	Assessed (A)	
H2 - Resource Efficiency - Energy efficiency	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
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

Forms WaterUsage1 2020; Energy1 2020; Performance1 2020; Air1 1st January to 31st December 2020 were received on 18th February 2021.

The End of Year Report 2020 was received on 12th February 2021.

All these reports were due on 31st January 2021, but Natural Resources Wales (NRW) agreed to extend this to 26th February 2021.

All the reports are accepted.

Water Usage CY2020

Total use was higher than in 2019 and use per tonne increased by more than 13%.

Energy Usage CY2020

Total use was less than in 2019 and similar to that used per tonne in 2019.

Performance CY2020

Production was 8% less than in 2019.

The estimated amount of effluent discharged to sewer higher than in 2019, both in terms of m³ per tonne of production and in the total amount discharged.

Water and energy usage are discussed under the relevant heading above.

Air1, Air Emissions CY2020

Air emissions monitoring was not carried out in the first two quarters of 2020 due to the covid situation. Kennametal informed NRW and a Cat 3 non-compliance was issued. The score was suspended, as laid down in NRW's Position Statement.

Emissions were measured above the relevant emission limit values (ELV) at two emission points.

Emissions from emission points A3, A7 and A8 were below their respective ELVs.

A1 and A6 both exceeded their respective ELVs for particulate emissions. There is a known problem with particulate emissions from A6, consequently scores for non-compliances from A6 are suspended at the moment. The causes of these breaches are discussed in the Annual Report (see below).

End of Year Report 2020

(Kennametal's financial year (FY) runs from July to June so the data in this report does not necessarily refer to the same period as the forms above).

The high particulate emission from A1 in Q4 was due to a build up of dust in the bottom of the stack. The frequency for checking and cleaning this stack will be increased in 2021. Kennametal also propose carrying out a root cause analysis to identify the reason for the build up. Long term trends for this emission point remain similar to those reported in 2019.

Both readings from emission point A3 were within the ELV. Particulate emissions from A6 were very high in Q4, but it was later discovered that the pump for the shower head in the scrubber was not working. This may have been the reason for the high reading. The measured emission in Q3 was less than the ELV. Additional air intake valves have been installed in the ducting after the scrubber and Kennametal also plan to install a washable filter in the ducting after the scrubber. It should be possible to evaluate the effectiveness of these measures by Q2 2021.

Energy efficiency is improving year on (financial) year, mainly due to improvements in manufacturing methods and maintenance and investments in new equipment.

The amount of waste produced in FY20 increased, due mainly to the normal year to year fluctuations in metal waste. Other waste streams showed a similar trend.

Kennametal use compacted raw materials for 35% of their firings allowing them to increase the charge size and propose using this technique for the remaining 65% of firings in 2021. This should help to reduce the amount of energy required per tonne of product.

Evaporator boats are also recycled, saving more than 24 tonnes of landfill waste in 2020.

Kennametal's targets for FY21 include the increase in charge size mentioned above and reducing particulate emissions from emission points A1 and A6.

NRW are pleased to see that Kennametal are addressing the problem of high particulate emissions from A6. This problem has been going on for a long time and NRW cannot continue to suspend scores for non-compliances from this emission point for much longer.

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.

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.