

Compliance Assessment Report CAR_NRW0038616

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: Site Inspection, Reason: Routine.

On 11/08/2021 between 10:00 and 12:15.

Parts of permit assessed: Abatement of emissions to air

NRW Lead Officer: Rebecca Green, accompanied by Wayne Grimstead.

Report sent to: Tim O'Leary, UK-EHS Analyst on 12/08/2021.

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	Action only (X)	
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)	

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?

Criteria	Action needed	Complete by
E1	Install & commission new abatement system, ensuring emissions from A6 will comply with permitted limits.	10/12/2021

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

Kennametal Manufacturing UK Ltd (KMUL) requested a meeting with Natural Resources Wales (NRW) to discuss their proposals for reducing the particulate emissions from emission point A6 so that they are reliably compliant with the emission limit value (ELV) for particulates from A6. An agenda for the meeting was not supplied.

Present at the meeting were -

MW, Senior Manager Ceramics, KMUL;

MG, Production Manager IFBG, KMUL;

LB, Maintenance Supervisor IFBG, KMUL;

TO'L, UK-EHS Analyst, KMUL;

Wayne Grimstead, Senior Officer Industry Regulation SE, NRW;

Rebecca Green, Senior Officer Industry Regulation SE, NRW.

Business Update - Covid/EU Exit

KMUL experienced a few weeks disruption due to Covid and have had difficulties with supply chains due to the EU Exit. The site has been operational throughout as the nature of the business means that homeworking is not feasible for most employees.

Particulate Emissions from Emission Point A6

Two drying ovens are the source of particulate emissions from A6. These emissions are abated through a scrubber before emission to the air. Emissions from both ovens have been monitored separately for the whole drying cycle in each one. This showed that the Airflow oven is the main contributor to the particulate emissions and that the emissions peak about a quarter of the way through the cycle. Emissions from the standard oven are well within the permitted emission limit values (ELV), whereas those from the Airflow oven have sometimes peaked at eight times the ELV. Scores for ELV exceedances for particulates from A6 have been suspended for the last two years, but NRW are not prepared to allow this situation to continue for much longer. It is likely that the suspension of scores for ELV exceedances from emission point A6 will cease after December 2021.

Kennametal Manufacturing UK Ltd (KMUL) have tried many ways of reducing the particulate emissions, but none has been successful. They have consulted with expert consultants and contacted several companies who are specialists in designing and installing abatement equipment, including the original supplier of the scrubber. The consultants offered no helpful information and the original suppliers of the scrubber were most unhelpful. Some of the other companies either could not offer a solution or the proposed solution was impractical or too expensive. KMUL have finally engaged a specialist company who have designed a practical, cost effective solution that they are confident will abate the particulate emissions at or below the permitted ELV. This equipment can be installed relatively quickly, pending approval of the capital expenditure by Kennametal Corporate Senior Management Team. NRW will support the installation of this equipment and sincerely hope that it will prove a lasting solution to the problem.

KMUL, in collaboration with the equipment suppliers, should also ensure that this equipment will be BAT compliant. The Bref for the sector covered by KMUL's primary activity has yet to be reviewed but there are other Bref and BAT conclusion documents that should be reviewed as they may give guidance as to what may be required in the sector Bref and BAT conclusions when they are published. (RVG sent links to these documents to TO'L on 11th August 2021).

Future Development Work

KMUL are investigating the use of alternative raw materials which may result in a significant reduction in the generation of particulates from the manufacturing process. NRW are very encouraged by this approach as it is always preferable to remove or reduce the source of an emission, rather than to have to treat it at the "end of pipe". This substitution, if successful, will not be immediate as it will have to be approved by KMUL's customers before the manufacturing process can be changed.

EHS Reporting

Corporate EHS reporting requirements have changed. KMUL are now required to report all non-compliances and resulting actions to the corporate EHS department, who will follow-up any actions.

NRW feel that these latest developments are very positive and hope that the new abatement equipment is effective and can be installed in a timely manner.

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.