

Compliance Assessment Report CAR_NRW0038699

Permit being assessed: BB3599CW.

For: Newport Data Centre, held by Vantage Data Centres UK Ltd

At: Imperial Park, Celtic Way, Marshfield, Newport, NP10 8BE.

Type of assessment carried out: Site Inspection, Reason: Routine.

On 25/08/2021 between 10:20 and 14:00.

Parts of permit assessed: A1, B1, B3, B4

NRW Lead Officer: Ian James, accompanied by Gareth Richards.

Report sent to: Glenn Kitchen, Principle of Facilities on 02/09/2021.

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)	
B3 - Infrastructure - Site drainage engineering (clean and foul)	Assessed (A)	
B4 - Infrastructure - Containment of stored materials	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.

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

Compliance Assessment Report – Vantage – BB3599CW

Compliance: No breaches were identified during the visit.

Introduction

On the 25th August 2021 your site was inspected by officers Ian JAMES and Gareth RICHARDS. The visit was arranged to also allow familiarisation as a first site visit since the issue of the Permit.

This first visit was delayed due to the Coronavirus pandemic.

The site holds the following permit;

BB3599CW Version V002. V002 was an Admin variation which covered the change of ownership to Vantage from NGD.

The permit regulates a Section 1.1 Part A (1) (a) activity under the Environmental Permitting Regulations 2016 for the burning of any fuel in an appliance with a rated thermal input of 50 or more megawatts.

The visit was hosted by Glenn KITCHEN (Facilities Principal) Wesley SIMMONDS (Facilities Manager) and Katie KENDALL (Facilities Supervisor). GK has responsibility for Environment as well as Health and Safety on site.

The site visit was split into 3 sections;

Discussion

After introductions GK gave an overview of the site including the numbers of staff employed and the direction of the business. He indicated that a Permit Variation application was about to be approved for submission to NRW for the expansion of operations on site. This was currently with a Board member for sign-off.

It was confirmed by NRW that a variation could be used even when the proposed extension to operations were not connected to the existing building as long as it was under the same management control. However, any extension to the installation boundary would be likely to invoke an update to the site condition report. If adequate control could be maintained this was usually preferable to applying for an additional stand-alone permit.

IJ confirmed that a variation would be welcomed and explained that there was currently a 6+ months queue before applications were being reviewed. An additional period of 3 months would then follow, this being the statutory determination period or service level for a permit variation.

The Operator should be aware that activities outside of those listed in Table S1.1 cannot

commence until a Variation for them is issued.

GK explained the current facility has 77 standby generators with a potential additional 125 to be added via expansion.

GK confirmed the Operator has a compliant ISO14001 management system which identifies roles and responsibilities. NRW could potentially look at this in more detail in forthcoming inspections.

Improvement Conditions IC1 to IC4;

Evidence of compliance with these has been submitted and assessed by NRW specialists and/or observed by the Regulatory team.

There are some comments within the reports but overall the actions taken by Vantage, previously NGD, satisfy the requirements of the Improvement Conditions.

Recent uncontrolled start-up incident;

GK explained that the recent incident had been investigated and an individual component failure identified. These components were present throughout the facility.

The Operator has asked the supplier to make an urgent analysis of the failure, the outcome of this will determine whether the component needs replacing site wide. Having escalated the importance of this the expectation is that a report should be available within 3 weeks.

Action 1 – Confirm the outcome of this report and actions to be taken, with timelines, to NRW by 25th September 2021.

Failure of this component leads to the start-up of the generators causing related emissions. Contracts with external partners allow for 4hr service level attendance to deal with these incidents. The Operator also has a fulltime staff presence which can manage certain failures, minimising environmental impact.

Recommendation 1 – Ensure effective measures are in place to minimise the run-time of generators in the event of similar failures, therefore reducing emissions.

The Operator and NRW have reviewed the Permit conditions and the text within the Decision Document in relation to the incident and the run-time accrued during it. NRW's Regulatory view is that this doesn't fall within the permitted 500 hours allocated for maintenance and where the generators are run to provide back-up during a grid outage. NRW acknowledge that the Operator interprets this differently and will seek further guidance and clarification.

The incident itself gave rise to a period of emissions that are modelled to give a low environmental impact and as such, if this is determined to be a breach of the permit conditions, it would incur a C3 level breach. NRW considers the actual impact and the potential impact as well as the root cause when assessing non-compliance. (C1 being the highest and C4 the lowest). NRW will confirm the appropriate response once we have

clarification of interpretation.

It was pleasing to hear that the Operator has a substantial programme of preventative maintenance and a 5/10year replacement programme for components. They also hold a significant spare parts inventory to allow rapid repair of key equipment.

Complaints – the Operator had received a complaint in the past regarding the noise from a load bank test where generators are run up to 110%. NRW advised to keep a log of these.

Site Familiarisation and Inspection

A site tour was carried out which included the infrastructure behind the primary operations inside and outside of the main building. The generator compounds within the Permitted area were inspected and found to be in good order.

It was pleasing to observe a programme of continual improvement which included leak detection on diesel tank double skinned pipework.

Acoustic panelling was in good condition and the area installed for IC1 was in place.

Drainage controls were observed and it was explained that expanding bladders were employed when diesel tanks were filled to prevent any leaks, if they occurred, from leaving the site.

Spill kits were readily available and on system where they were checked and maintained regularly. GK advised that they were carrying out a programme to standardise the contents and introduce numbered security tags on the kits for easier traceability.

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Round-up

GK explained how the proposed new facility would work on similar principles to the existing Permitted activities. There would be continual improvements with new acoustic enclosures.

GR gave an overview of NRW's approach to regulation and enforcement along with the compliance scoring system and how this affects the subsistence fees. It was also explained that all documentation produced by NRW or supplied to NRW by the Operator was in the public domain. If anything was considered confidential by the Permit holder a request should be made to NRW to withhold public access and this would be considered.

IJ confirmed in closing that no compliance breaches had been observed during the visit and that NRW would take an action to finalise their position on the interpretation of the '500 hours' matter. This would then determine the regulatory response to the uncontrolled running of the generator.

The 'Enforcement Response' section of this form is flagged as 'Enforcement action considered' to recognise the above is still awaiting closure.

It was also pleasing to see evidence of investment and continued improvement at the site

which would improve environmental performance.

With thanks.

If you have any questions regarding this Compliance Assessment Report (CAR) form, please contact Ian James on 03000 654203 or via email on ian.james@naturalresourceswales.gov.uk

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

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.