

**This form will report compliance with your permit as determined by an NRW officer**

Site	Llanwern Steelworks EPR/BS3905IP	Permit Ref	BS3905IP		
Operator/Permit holder	Tata Steel UK Limited				
Regime	Installations				
Date of assessment	16/02/2017	Time in	10:00	Out	16:15
Assessment type	Audit				
Parts of the permit assessed	2.1, 2.3				
Lead officer's name	Richards, Gareth (Rivers House)				
Accompanied by					
Recipient's name/position	Hayleigh Jeremiah/Jason Heatman/ Environment Dept.	Date issued	24/02/2017		

### Section 1 – Compliance Assessment Summary

This is based on the requirements of the permit under the Environmental Permitting Regulations or the licence under the Water Resources Act 1991 as amended by the Water Act 2003. A detailed explanation is captured in "Compliance Assessment Report Detail" (Section 2) and any actions you may need to take are given in the "Action(s)" (section 4). This summary details where we believe any non-compliance with the permit has occurred, the relevant condition and how the non-compliance has been categorised using our Compliance Classification Scheme (CCS). CCS Scores can be consolidated or suspended where appropriate, to reflect the impact of some non-compliances more accurately. For more details of our CCS scheme, contact your local office.

Permit conditions and compliance summary	CCS Category	Condition(s) breached
<b>KEY:</b> See Section 5 for breach categories, suspended scores will be indicated as such. <b>A</b> = Assessed or assessed in part (no evidence of non-compliance), <b>X</b> = Action only, <b>O</b> = Ongoing non-compliance, not scored.		

<b>Number of breaches recorded</b>	<b>0</b>	<b>Total compliance score</b> (see section 5 for scoring scheme)	<b>0</b>
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**If the Number of breaches recorded is greater than zero, please see Section 3 for our proposed enforcement response**

## Section 2 – Compliance Assessment Report Detail

This section contains a report of our findings and will usually include information on:

- The part(s) of the permit that were assessed (eg. Maintenance, training, combustion plant, etc)
- Where the type of assessment was 'Data Review' details of the report/results triggering the assessment
- Any non-compliances identified
- Any non-compliances with directly applicable legislation
- Details of any multiple non-compliances
- Information on the compliance score accrued inc.
- Details of advice given
- Any other areas of concern
- Any actions requested
- Any examples of good practice
- A reference to photos taken

The audit was arranged as part of the routine inspection schedule and to enable Tata representatives to provide a brief on the proposals for increasing the capacity of the Zodiac plant and cessation of chromate based passivation. An agenda was provided in advance. Jason Heatman and Hayleigh Jeremiah were present for the duration of the audit, many other Tata personnel were involved during specific discussions.

### Business Update

Following the long periods of uncertainty within Tata about prospects for the organisation the mood was now more optimistic particularly following the outcome of the recent ballot. The CAPEX plan for Llanwern had been finalised and was now awaiting Board sign off. In addition the Annual Plan was also ready to be signed off. It was noted that there were no plans for the status of the Hot Mill to change, coil demand was being met by Port Talbot. Current processing volumes are above those originally predicted and in some areas additional Agency staff had been taken on.

### Review of actions (CAR form NRW-0022710)

1. Instructions had been disseminated to staff and there had been no further known occurrences of household white goods being mixed with site waste.
2. NRW had been advised about the lagoon cleaning and it was carried under a derogation for W1 limits. All work is now complete.
3. The documents were controlled by the Pickle Line and should have been updated, however, this was not confirmed.
4. A complete bund list has been compiled and was demonstrated.
5. The raised CO level was considered an outlier and the burner is maintained on a regular basis. It was not confirmed whether there was a procedure in place. NRW consider that a raised level may be indicative of an underlying cause and there should be documented procedure to ensure a prompt and effective response. **Action (1)** Tata to discuss internally and advise NRW of the outcome.
6. Comments now being included on reporting forms.
7. Permit to be changed at next opportunity.
8. Approach adopted although it was suggested reference to FCS in the Annual Waste report should be removed as FCS was not consigned as a waste.
9. A separate OMA had been done for Port Talbot based on LCP reporting, a separate OMA was therefore appropriate for Llanwern. Tata use internal staff for monitoring work and they will want to carry out a self-assessment prior to an OMA. **Action (2)** JH to determine if it is feasible to complete the internal assessment by end of April so an OMA can be scheduled for May/June.

### Proposals for upgrades to Zodiac plant and passivation changes

A detailed presentation was given by a group of Tata staff (Process Specialists, Project Engineers and Project Manager) on the planned upgrade to the Zodiac plant and changes to the passivation process.

The plan is to increase Zodiac capacity from 500 to 600Kt/year. This will require installation of additional furnace capacity, reconfiguration of the radiant tube heaters and additional cooling

capacity. The basic design work and technology selection was in progress. Consideration had been given to efficiency and low NOx requirements. It is planned to complete some of the installation work during the normal plant operation then finalise during a plant shutdown in late October 2017.

Llanwern had looked at the processes in use at other sites e.g. Shotton, regarding passivation, and following this the initial design work was in hand to be able to cease use of hexavalent chromium. This would result in a significant reduction in hazardous waste and the existing A12 release point would no longer be used. In addition emissions are expected to be minimal with direct release to atmosphere. It was noted that similar changes made at Shotton did not require a permit variation. A copy of the monitoring studies carried out in advance of the Shotton changes was provided.

A copy of the presentation slides were requested, although these may need to be modified prior to passing to NRW. **Action (3)**. They would be used to aid the identification of the most appropriate type of variation in consultation with NRW's Permitting Team. **Action (4)**: NRW.

#### Pickle Line Operation and Maintenance

Records for maintenance of tanks, bunds and abatement equipment associated with the Pickle Line were reviewed by interrogation of the SAP system. At present only Pickle Line 2 was operational. The Pickle tanks were being inspected on a weekly basis – this inspection covering all four tanks. The hot water tank was no longer used as part of the process. The inspections were visual and followed a set check list. The construction of the tanks is steel rubber lined brick, one piece construction (welded joints) with covers that are also rubber lined. Condensation on the covers is a perennial problem as it runs to the edges and can then cause corrosion. The tanks are typically maintained at 70 – 80°C. The annual inspection involves entry into the tanks – acid inventory is sent to storage and is then reused. Following a fire in 2011 some tanks were replaced, these are expected to have a serviceable life of at least 20 years. Overall the maintenance programme seemed adequate, there was evidence of regular inspections and any identified issues were closed out in good time.

The bag filter abatement for scale breaking dust was subjected to a 4 weekly and annual inspection. Again this was in accordance with a defined inspection procedure. The unit contains 48 filters, these are inspected as part of the inspection regime and if any are then found to be faulty they are replaced. There is no routine replacement of all the filters at any stage. Pressure drops and reverse pulsing are tested as part of the electrical inspection, these are a useful indication of overall performance of the system and enable early identification of any problems.

Maintenance and inspection records for the acid and FCS tanks and bunds were inspected. There are two HCl tanks, one of these has recently been refurbished, this involved spark and thickness testing, re-rubbing and painting. When fully commissioned the other tank will be similarly refurbished. There is a routine 26wk inspection schedule that includes hydraulic testing of the bund. Last documented inspection was 24/1/2017. In addition there are visual checks every 4 hours. There is a separate bunded area (SPL bunds) that holds five tanks (FC tanks). This is inspected at the same frequency. During the last hydraulic test the level dropped overnight from three to two inches. A PM order has been created to survey in detail and repair, the work is due to commence on 28/2/2017.

The process control system for the pickle line tanks was discussed. While this is primarily an automated system samples are taken manually every four hours and titrated to determine the pH. Result sheets were viewed that indicated when the process is in constant operation the pH control is very good and maintained at consistent levels.

### Pickle Line and associated plant inspection

The Pickle Line was walked through in reverse. At the time it was not operating in preparation for the maintenance work scheduled for the following day. The plant was being maintained in what appeared to be a good condition. There was no significant acid odour (extraction is continued during maintenance periods). General housekeeping was excellent both internally and externally.

The scale breaking abatement plant was viewed. This was being maintained in a good condition. Recovered dust was being collected in bulk bags with no evidence of spillage. The general area was tidy. Monitoring points were viewed and access was reasonable.

The filter press had been in recent use and there had been a recent drop of sludge (primarily iron hydroxide) into the receiving skip. The equipment appeared to be in a reasonable condition and the general area was well maintained.

The acid neutralisation plant was walked through. There was no flow through the process, as the pickle line was not operating, however, the tanks continued to be agitated. Considering the nature of the process (neutralisation of pickle line effluent) the plant appeared to be being maintained in a reasonable condition.

The acid tanks and bunds were viewed. The refurbished tank was clearly evident. While it had been repainted there was considerable pitting evident. It was stated that thickness testing had been carried out and taking account of the deepest pit the metal thickness was 8mm.

The FCS storage area was viewed. It was clear that new tanks had been installed however exact details were not available as the compound was managed by Industrial Chemicals Limited. It was subsequently noted that the area is included within the permitted installation and therefore Tata have responsibility. It could not be confirmed if there were any duty of care audits completed by Tata and this would be investigated. **Action (5):** Tata.

The Lagoon and W1 were inspected. The condition of the Lagoon was much improved. There was very little vegetation at the edge and sludge levels acceptable. Water clarity appeared good.

Tata were unable to provide copies of Waste Transfer Notes/Consignment Notes for FCS or  $\text{Fe}(\text{OH})_2$ . **Action (6):** Tata to provide documented evidence for removal of these materials from site during 2016.

### AOBs

- Tata had completed the annual noise survey. NRW had previously indicated that in view of the mothballed activities at Llanwern and the consequent reduced environmental impact it would be acceptable to reduce the frequency of such surveys. However, Tata wanted to retain a complete annual dataset. A copy of the survey was therefore requested by NRW. **Action (7):** Tata.
- Tata were advised about the Living Levels project. FA was advised to be the best point of contact within Tata. NRW will provide further information so Tata can determine if they wish to be involved. **Action (8):** NRW to contact FA.
- Copies of the reports for the last ISO 14001 audits were requested. These are done for main operational areas; Cold Mill (November 2016), Zodiac (Summer 2016), Pickle Line (2015). NRW's view is that they may contain relevant information related to Tata's

compliance with the permit requirements. **Action (9):** Tata. NRW noted that the reports would not be considered in the same way as those received in response to permit conditions.

- The Part B is awaited for raised oil levels detected on 29<sup>th</sup> December 2016. It was explained that the most likely reason for the high value was an analytical error or cross contamination as there was no visual substantiation. On this basis it would be ranked as a Cat 4 and fall under the 2016 compliance record. **Action (10):** Tata.
- The Auto Finish Line (AFL) was due to be commissioned in April with full production by June/July. Tata were advised following the audit that it will be necessary to vary the nnRSR permit. Tata to progress this asap. **Action (11):** Tata
- Zinc dross from the Zodiac plant is being sent overseas for recovery. NRW are currently collecting information on TFSs that are captured as 'Green List' materials as these do not require prior approval. Tata were requested to provides a copy of documentation that detailed the transfers during 2016. **Action (12):** Tata

## EPR Compliance Assessment Report

**Report ID:  
CAR\_NRW0031243**

**This form will report compliance with your permit as determined by an NRW officer**

Site	Llanwern Steelworks EPR/BS3905IP	Permit Ref	BS3905IP
Operator/Permit holder	Tata Steel UK Limited	Date	16/02/2017

### Section 3 – Enforcement Response

You must take immediate action to rectify any non-compliance and prevent repetition. Non-compliance with your permit conditions constitutes an offence and can result in criminal prosecutions and/or suspension or revocation of a permit. Please read the detailed assessment in Section 2 and the steps you need to take in Section 4 below.

### Section 4 – Action(s)

This section summarises the actions identified during the assessment along with the timescales for when they will need to be completed.

Criteria Ref.	CCS Category	Action required/advised	Due Date
See Section 1 above			

## Section 5 – Compliance notes for the Operator

To ensure you correct actual or potential non-compliance we may

- Advise on corrective actions verbally or in writing
- Require you to take specific actions verbally or in writing
- Issue a notice
- Require you to review your procedures or management system
- Change some of the conditions of your permit
- Decide to undertake a full review of your permit

Any breach of a permit condition is an offence and we may take legal action against you

- We will normally provide advice and guidance to assist you to come back into compliance either after an offence is committed or where we consider that an offence is likely to be committed. This is without prejudice to any other enforcement response that we consider may be required.
- Enforcement action can include the issue of a formal caution, prosecution, the service of a notice and/or suspension or revocation of the permit.

**See our Enforcement and Civil Sanctions guidance for further information**

This report does not relieve the site operator of the responsibility to

- Ensure you comply with the conditions of the permit at all times and prevent pollution of the environment
- Ensure you comply with other legislative provisions which may apply

### Non-compliance scores and categories

CCS category	Description	Score
C1	A non-compliance that could have a major environmental effect	60
C2	A non-compliance which could have a significant environmental effect	31
C3	A non-compliance which could have a minor environmental effect	4
C4	A non-compliance which has no potential environmental effect	0.1

**Operational Risk Appraisal (Opra)** - Compliance assessment findings may affect your Opra score and/or your charges. This score influences the resource we use to assess permit compliance.

## Section 6 – General information

### Data protection notice

The information on this form will be processed by the Natural Resources Wales (NRW) to fulfil its regulatory and monitoring functions and to maintain the relevant public register(s). The NRW may also use and/or disclose it in connection with:

- Offering/providing you with its literature/services relating to environmental matters
- Consulting with the public, public bodies and other organisations (eg. 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 its service
- Freedom of Information Act/Environmental Regulations request

The NRW may pass it on to its agents/representatives to do these things on its behalf. You should ensure that any persons named on this form are informed of the contents of this data protection notice.

### Disclosure of information

The NRW will provide a copy of this report to the public register(s). However, if you consider that any information contained in this report should not be released to the public register(s) on the grounds of commercial confidentiality, you must write to your local area office within fifteen working days of receipt of this form indicating which information it concerns and why it should not be released, giving your reasons in full.

### Customer charter

#### What can I do if I disagree with this compliance assessment report?

If you are unable to resolve the issue with your site officer, you should firstly discuss the matter with officer's line managers using the informal appeals procedure. If you wish to raise your dispute further through our official Complaints and Commendations procedure, phone our general enquiry number 0300 065 3000 (Mon to Fri 08.00 – 18.00) and ask for the Customer Contact team or send an email to [enquiries@naturalresourceswales.gov.uk](mailto:enquiries@naturalresourceswales.gov.uk). If you are still dissatisfied you can make a complaint to the Public Services Ombudsman for Wales. For advice on how to complain to the Ombudsman phone their helpline on 0845 607 0987.

#### Welsh Language

If you would like this form in Welsh please contact your Regulatory Officer.