



Mr Andi Kemp
Natural Resources Wales,
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St Mellons,
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31st January 2018

Permit BU2110IS – Permit Condition 4.1.5

Dear Mr Kemp,

Please find below the formal response to Permit Condition 4.1.5 from on behalf of Cabot Carbon which states:

“Where the Operator has a formal environmental management system applying to the Permitted Installation which encompasses annual improvement Targets the Operator shall, not later than 31 January in each year, provide a summary report of the previous year’s progress against such Targets.”

Setting of Objectives and Targets

A procedure is in place which describes the process for the setting of environmental Objectives and Targets which the company aims to meet in order to facilitate continuous improvement in fulfilment of its Environmental Policy and Management System.

Setting, Monitoring and Tracking Progress

In setting Environmental Objectives and Targets the following areas are taken into consideration:

- Cabot Environmental Policy
- Legal and other requirements
- Significant environmental aspects
- Environmental Permit improvement actions
- Technological options and best practice
- Financial, operational and business requirements (Scorecard)
- Views of interested parties, including clients
- Opportunities for continual improvement (short and long term)

Progress towards the Objectives and Targets are discussed at monthly Leadership Team (LT) meetings and/or monitored via the personal Performance Based Management process (i.e. personal objectives and targets). Chaired by the site Facility General Manager and attended by relevant functional heads, the site scorecard and incentive plan performance is reviewed at the LT meetings and minutes/actions recorded and tracked.

In lieu of an annual ISO Management Review meeting, monthly LT meetings have become the main forum for detailed discussion of Environmental Management including progress of, or changes that may affect the performance of the EMS and associated objectives and targets. The objectives and targets are also tracked on an excel spread-sheet and updated on a regular basis.

A selection of environmental objectives and targets often forms part of the site scorecard and the site incentive plan. These initiatives raise environmental awareness and help to drive continual environmental improvement across the site. Please refer to the attached table: **Cabot Environmental Objectives & Targets and Improvement Plans 2017**

We continue to seek opportunities to improve our environmental performance through the application of the site ISO 14001 system. The site is preparing for recertification to the new ISO 14001:2015 standard in the May 2018. Following your visit to site to carry out EMS audit 07.08.17 Cabot anticipate that the comments and suggestions below would have been addressed as part of the in- depth assessment of the Cabot's EMS system.

Recommendation 3 from CAR Report ID: BU2110IS/0255762

The operator (if they are not already doing this) should also have a longer rolling programme of environmental improvement potential subject matter. Such areas would likely be based on compliance history and recommendations, incidents, BSI 14001 inspections, changes within the Cabot organisation, legislative and technology changes – all these could provide opportunities for new aspects to be assessed or revisit previous work and should be closely linked to the significant environmental impacts and aspects identified within the EMS. NRW would also expect to see documented internal management reviews and internal audits on environmental performance and any improvement implementation from this.

Cabot continues to build on the success of diverting off quality silica away from landfill and into a re-use option with a company that manufactures polymeric rubber compound, displacing Titanium Dioxide, a component in their formulation. This has had have a positive impact on waste to landfill with 6 MT diverted in FY17 of Barry site based product and >20MT from older Barry stock supplied from external storage in Antwerp.

We currently exploring another opportunity with a key customer to use off spec (black spec count) material which would otherwise be destined for landfill. Trials are ongoing and if successful would have a have a positive impact on total waste to landfill.

Waste recycle rates have further improved in CY17 with incremental improvements year on year:

YR	Total (MT) Waste	Grand Tot Recycle %
2017	318	54
2016	692	38
2015	390	34

An energy saving initiative 'Boiler Banking Project' (MOC BA-1494) has also proven to be successful. When B4 burner is online and generating 'excess' steam, the steam is now fed back/injected to B Boiler which results in a lower requirement of natural gas requirement to keep the boiler warm/at temp. Combined with the decommissioning of the a dehumidifier, the annual natural gas use reduced by 19% (1662 tonnes CO₂).

I hope that this report satisfies the annual Objectives and Targets reporting requirements of section 4.1.5 of our environmental permit BU2110IS. If you should have any further questions arising from the report, then please do not hesitate to contact me.

Yours sincerely,



Paula Lloyd


SHEQ Manager

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Date of Initial Review: 16/10/16

Final Review Date:

14/10/2017

Environmental Objectives & Targets and Improvement Plans FY17							CABOT 
Ref	Objective	Target/KPI	Action Plan	Responsibilities	Timescales	Status	Environmental Objectives and Targets
FY17/1	Maintain compliance with our Environmental Permit.	100% compliance and no ENC's with our Environmental Permit.	Execute Compliance Calendar actions, Fulfil permit requirements (Quarterly/Annual Reporting, CAR response, IP actions). Base Data Provision -Simon Melksham, Kate Case (Waste)	Quality & Environmental Manager	End of FY17	Ref reports and metrics, CAR reports from NRW. No ENC's: full compliance across all areas	
FY17/2	Control and reduce Off Quality (OQ) material produced.	<0.6% of hydrophilic silica, <1.5% treated silica produced in FY17. Establish quality KPIs (e.g. %OQ by Grade, Unit, Cause, Disposition).	Monitor via monthly/YTD %OQ and KPIs	Operations Manager	End of FY17	Hydrophobic year end above Target but significant improvement on FY16 (3.76%) 1.89% (Target = 1.5%). Hydrophilic year is currently 0.24% (Target = 0.6%)	
FY17/3	Reduce waste to landfill	Divert OQ Silica from Landfill	Establish an alternative outlet for landfill waste silica by working with external companies to identify one or more opportunities to prevent silica otherwise being sent to landfill	Quality & Environmental Manager	End of FY17	Contract agreed with Pegasus. 6MT diverted from landfill in FY17 and ~22MT from external storage (older stock previously destined for landfill).	
FY17/4	To fulfil obligations under the Climate Change Agreement and initiate a number of site wide energy improvement activities	Maintain SEC ratio < 0.742 Electricity Demand Reduction	Monitor Monthly SEC Ratio and YTD performance	Quality & Environmental Manager	Q2 FY17	Target met: Target unit is in compliance with its CCA 2015-16 target and continues to be below annualised target. Ref Boiler Banking & Dehumidifier decommission (reduction in NG use)	

Review Log: 04/12/2016
28/02/2017
25/04/2017
31/05/2017
10/08/2017
14/10/2017

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