Compliance Assessment Report

Report ID: CAR_NRW0000044

This form will report compliance with your permit as determined by an NRW officer					
Site	Barry CHP EPR/JP3632ZH	Permit Ref	JP3632ZH		
Operator/Permit holder	Cofely Industrial Energy Services Limited				
Regime	Installations				
Date of assessment	08/03/2016	Time in	10:00	Out	13:30
Assessment type	Audit				
Parts of the permit assessed	As detailed in report				
Lead officer's name	Griffiths, Toby				
Accompanied by					
Recipient's name/position	Andrew Sanderson/ Operations Manager	Date issued	23/03/2016		

Section 1 – Compliance Assessment Summary

This is based on the requirements of the permit under the Environmental Permitting Regulations. 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**
A1 - Specified by permit	X	
B1 - Infrastructure - Engineering for prevention and control of emissions	X	
	X	
G4 - Monitoring and Records, Maintenance and Reporting - Reporting and notification to the Environment Agency	X	

KEY: See Section 4 for breach categories, suspended scores will be indicated as such.
A = Assessed or assessed in part (no evidence of non-compliance), **N** = Not Assessed, **X**= Action only

Number of breaches recorded	**0**	**Total compliance score** (see section 5 for scoring scheme)	0

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

Engie (was Cofely) Visit 8th March 2016

Present: Paul Gardner (PG), Andrew Sanderson (AS)

1. Business update

The Cofely business name has been dropped and Engie is now the term used for the business area running the site. However, the legal entity name for the permit will be "Industrial Energy Services Ltd." The companies house number was reported to have remained the same. [Action #1]

Engie remain as the O & M contractors running the site on behalf of Dow Corning, who own the asset. The contract is in year 4 of 6. AS noted that as Dow own the asset, they are attempting to align many of the maintenance functions, including the drainage surveys. This alignment may be at odds with pre-agreed timescales discussed with NRW. In view of this, NRW will look to view the Dow site as a whole and agree consistent frequencies of surveys. NRW will respond in due course. [Action – NRW 1.]

2. Last visit actions

- *Application of C736 to bund review. Joints should be shielded from fire*

Further work has been undertaken to review the construction standards of the DFO tank bund. A diagram was shown which indicated that water-stops were present in each joint. What was unclear, was whether these were fire resistant i.e. metal, or not. It was considered likely that they were of the "dumbbell" type which are usually plastic/rubber. [Action #2]

- *Fired boiler low load firing project.*

This project has been completed. It included the fitting of a variable speed drive on the boiler air fan and allows the boiler to run in low fire mode, enabling the more efficient gas turbines to produce the additional steam and power. In addition, emissions of CO are reduced. This project is considered a success and is commended by NRW.

3. Monitoring

- Status of the AST (PC 3.6.3)

The AST was carried out late 2015, however the report has not yet been received by NRW. [Action #3]

- CEMS

AS reported that the FGA 950 CEMS are no longer MCERTS due to their age. NRW confirmed that as the units were MCERTS until recently, provided that they meet the requirements of EN 14181 (i.e. the QAL checks) then there would be no requirement to replace them.

4. IED update

NEW explained that sites within the TNP will have their QAL2 and AST reports audited. We will also conduct an OMA audit once "OMA version 5" is released. Part of these audits may focus on the new aspects of the permit such as verifying the start-up and shut down periods. A standard TNP reporting form has been sent to Engie for completion. NRW will clarify the reporting deadline and some of the queries raised [Action NRW 2].

5. New permit run through

The new IED permit was briefly run through, highlighting where regular reports are required. In addition, Engie had a number of queries relating to the reporting of data and some potential discrepancies in the reporting forms. These are not listed here, but NRW will issue answers to all the queried raised in due course. [Action NRW 3]

a. Improvement Conditions IC4, IC5 and IC6 (PC 2.4)

Following the issue of the new IED permit, progress with new improvement conditions was reviewed. These related to the monitoring arrangements for compliance with the IED.

- IC6 part 1 has been received. Part B was stated to be on schedule for 31/03/2016.
- Progress with IC4 and IC5. These were reported to be on target for the June deadline.

6. Site Tour

A brief tour was undertaken, including the control room and external plant areas. Air emissions during the visit were seen to be within permit limits.

A temporary storage tank and bund was noted near to the chemical storage area. This is a recent arrangement due to the failure of the GRP tank which was used to store HCl for boiler water treatment. AS noted that a minor leak had been noted during a routine refill, and that a very small amount of liquid had entered the bunded area, though had not extended beyond the tank plinth. There was no escape of liquid and no pollution caused. The failure was thought to have occurred due to age related delamination of the lining of the tank. This allowed liquid to percolate into the GRP and eventually pool underneath the tank.

NRW queried the reasons for the failure and whether the issue had been detected during routine inspections and maintenance. The last internal tank inspection was reported to have been in 2010, where presumably no issues were found. It is understood that GRP tanks have a limited life, and many of this age (20+ years) will be due for replacement. Engie had already identified the need for a new tank in 2013 when Dow took ownership of the plant. Dow has been approached for funding to replace it with a more modern type. It was considered unfortunate that the tank failed while waiting for this process to be completed.

The temporary storage included a road tanker and temporary bund arrangement, consisting of scaffolding and heavy duty liner material. This was considered to be acid resistant and capable of holding the tank contents. During the inspection, this bund was seen to be holding water effectively, though it was unclear how well it would contain a complete tank failure.

In order for NRW to assess compliance, a number of questions need to be asked of Engie:

a. **<u>In relation to the temporary storage:</u>**

- What is the specification of the road tanker, including any limitations of content type and construction?
- What is the total volume of acid stored and is the bund capable of containing the total volume plus 10%.
- Is the temporary bund resistant to acid?
- Please confirm the risk assessment and change management procedure for the temporary storage.
- What best practise guidance was used to decide upon the temporary storage?

a. **<u>In relation to the GRP tank failure</u>**

- Please confirm the tank inspection frequency prior to the failure and forward the most recent inspection and maintenance records for the GRP HCl tank, particularly relating to degradation of tank condition.
- What was the design life of the tank?
- What is the recommended inspection frequency for the tank?
- Please confirm the inspection frequencies and type of check for all tanks on site including the DFO tank.
- Please confirm the proposals to replace the faulty tank, including the specification of the new tank and any associated bund.

Action 1: Please apply for permit variation for the change of name.
Action 2: Please forward on the design diagrams for the DFO tank and consider whether the water-stops require additional shielding against fire. Reference should be made to CIRIA C736.
Action 3: Please forward the AST report.
Action 4: Please provide a response to the questions in section 6(a) and b).

Please respond to the actions by **21st April 2016.**

NRW Actions for feedback:
NRW 1: to discuss survey frequencies with Dow Corning to ensure consistent approach.
NRW 2: to confirm TNP reporting details.
NRW 3: to clarify new permit reporting requirements.

END

	EPR Compliance Assessment Report	Report ID: CAR_NRW0000044

Cyfoeth Naturiol Cymru
Natural Resources Wales

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

Site	Barry CHP EPR/JP3632ZH	Permit Ref	JP3632ZH
Operator/Permit holder	Cofely Industrial Energy Services Limited	Date	08/03/2016

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.

Other than the provision of advice and guidance, at present we do not intend to take further enforcement action in respect of the non-compliance identified above. This does not preclude us from taking enforcement action if further relevant information comes to light or advice isn't followed.

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			
B1	X	Action 4: Please provide a response to the questions in section 6(a) and b).	21/04/2016
G4	X	Action 3: Please forward the AST report.	21/04/2016
B1	X	Action 2: Please forward on the design diagrams for the DFO tank and consider whether the water-stops require additional shielding against fire. Reference should be made to CIRIA C736.	21/04/2016
A1	X	Action 1: Please apply for permit variation for the change of name.	21/04/2016

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 reports should not be released to the public register(s) on the grounds of commercial confidentiality, you must write to your local area office within twenty 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. 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.