

## Compliance Assessment Report

**Report ID:**  
**CAR\_NRW0035091**

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

|                              |                                |             |            |     |       |
|------------------------------|--------------------------------|-------------|------------|-----|-------|
| Site                         | Mona Anaerobic Digestion Plant | Permit Ref  | AP3033HY   |     |       |
| Operator/Permit holder       | Optimal Biogas Ltd             |             |            |     |       |
| Regime                       | Installations                  |             |            |     |       |
| Date of assessment           | 24/04/2019                     | Time in     | 10:30      | Out | 14:00 |
| Assessment type              | Site Inspection                |             |            |     |       |
| Parts of the permit assessed | Various                        |             |            |     |       |
| Lead officer's name          | Ross, Stuart                   |             |            |     |       |
| Accompanied by               |                                |             |            |     |       |
| Recipient's name/position    | Andy Bateman/ Director         | Date issued | 09/05/2019 |     |       |

### 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 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------------------|
| A1 - Specified by permit                                                                                                                                                                                                                           | A            |                       |
| B4 - Infrastructure - Containment of stored materials                                                                                                                                                                                              | A            |                       |
| F1 - Amenity - Odour                                                                                                                                                                                                                               | A            |                       |
| F4 - Amenity - Pests/birds and scavengers                                                                                                                                                                                                          | A            |                       |
| <b>KEY:</b> See Section 5 for breach categories, suspended scores will be indicated as such.<br><b>A</b> = Assessed or assessed in part (no evidence of non-compliance), <b>X</b> = Action only,<br><b>O</b> = Ongoing non-compliance, not scored. |              |                       |

|                                    |          |                                                                     |          |
|------------------------------------|----------|---------------------------------------------------------------------|----------|
| <b>Number of breaches recorded</b> | <b>0</b> | <b>Total compliance score</b><br>(see section 5 for scoring scheme) | <b>0</b> |
|------------------------------------|----------|---------------------------------------------------------------------|----------|

**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

This Compliance Assessment Report follows a site inspection and site meeting held 24/04/19. Present at the meeting were Andy Bateman (Director - Optimal Biogas Ltd), Ed Bastow (Managing Director - Material Change) and Lucinda Hall (Director - Environmental Compliance Consultancy).

It was confirmed during the meeting that Grays Biogas Ltd has terminated Optimal Biogas Ltd.'s contract to operate the installation as of 1st April 2019.

### **Permit Holder / Operator**

Following the termination of contract and subsequent dialogue between the interested parties, NRW considers that Optimal Biogas Ltd is no longer "in control" of the installation and therefore is no longer the "operator" in accordance with the requirements of Regulation 7 of the Environmental Permitting Regulations, unless you can provide evidence to the contrary.

Any prospective operator of the activities must obtain an appropriate Environmental Permit, either by transfer of the existing permit, or by making a new application.

**Action** - NRW therefore seeks formal clarification as to Optimal Biogas Ltd.'s intention to either transfer the permit to a willing and suitable transferee or to make an application for surrender – please do so by 17/05/19.

Please note that failure to transfer or surrender the permit could result in its revocation.

We would like to take this opportunity to remind you that Optimal Biogas Ltd remains legally liable for compliance with the permit conditions until such time as the permit is transferred or surrendered.

### **Current Operations**

Material Change Ltd have been appointed by Grays Biogas Ltd to "ramp down" the anaerobic digestion process and ancillary equipment to maintain the site in a safe condition pending the sale of the plant. We understand that Material Change Ltd's involvement covers the supply of labour and technical advice with financial control remaining with Grays Biogas / Oxford Capital Partners.

It was confirmed that no feed stocks remain on site and there is no intention to import any material. The final stock of silage was fed into the digesters March 2019 with biogas being intermittently utilised by the CHP as yields diminish which will then be diverted to the enclosed flare as appropriate. When the CHP ceases to operate the heating of the digesters will also cease.

Both digesters are effectively full with some limited capacity remaining within the post digester and digestate holding tank. It was estimated that approximately 1500 m<sup>3</sup> of capacity remains available for surface water storage should it be required which reportedly equates to a months worth of moderately wet weather.

Surface water from yard areas continues to be diverted to the foul drainage system and retained within the process tanks. Only surface water that has accumulated directly from rainfall into the lagoon is being released to the environment following testing in accordance with established procedure.

Material Change Ltd are in the process of cleaning down the site to remove any remaining feed stock residues / biodegradable materials from the silage clamp, yard and banded area with a view to maximising the volumes of surface water that is free from contamination and therefore can be discharged to surface water via the authorised emission point.

The site manager and another experienced employee have been transferred from Optimal Biogas Ltd to Material Change Ltd and maintain an on site presence 5 days per week and respond to out of hours system alarms etc. Employees continue to follow the site's Environmental Management System.

It was agreed that the priority aspects to be controlled during the 'ramp down' / decommissioning period relate to the control and containment of stored liquids (primarily digestate), control and utilisation of biogas and the containment of any potentially contaminated surface waters (arising from the clamps / apron / site roads / containment area) given the limited on site storage capacity.

**Action** - It was therefore further agreed that Optimal Biogas Ltd and Material Change Ltd develop risk assessments for the decommissioning period to demonstrate that adequate control measures are in place to ensure permit compliance is maintained, particularly for the issues as detailed in the paragraph above. Please provide the risk assessments to NRW by 17/05/19.

### **Site Inspection Observations**

- The silage clamps are empty and relatively clean - no obvious defects noted. The ACO channel lids had been removed and the drain cleaned. Prior to the acceptance of feed stocks to the silage clamps by a future operator the ACO drain requires removal and replacement with a concrete 'dish drain' as proposed by Optimal Biogas Ltd to prevent suspected leakage of leachate to ground.

- The excavated inspection pit adjacent to the silage clamp was dry and the adjacent historic drainage system remains blocked.

- Feedstock residues remain within the bunded area and some organic matter is present on the apron - to be cleaned up as part of the plant 'ramp down'.

- The leachate sump pump has a broken belt and as a temporary arrangement leachate is being pumped to the "blue apron tank" and then tankered back into the process.

**Action** - whilst this tank is located within the foul drainage area it does not have any secondary containment and should be decommissioned as soon as practicable.

- No birds/pests noted on site (following previous complaint from local resident).

- No odours noted on or offsite.

- Digestate shall not be screened other than via Phase 2 as authorised by the permit.

- Phase 2 is not operational (not currently capable of operation).

- The CHP is operating intermittently based on biogas yield.

- The surface water lagoon was clean and empty.

## EPR Compliance Assessment Report

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|                        |                                |            |            |
|------------------------|--------------------------------|------------|------------|
| Site                   | Mona Anaerobic Digestion Plant | Permit Ref | AP3033HY   |
| Operator/Permit holder | Optimal Biogas Ltd             | Date       | 24/04/2019 |

### 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.