

Compliance Assessment Report CAR_NRW0039689

Permit being assessed: BL9941IC.

For: Pwllheli Creamery EPR/BL9941IC, held by SOUTH CAERNARFON CREAMERIES LTD

At: Rhyd-y-Gwistl, Chwillog, PWLLHELI, Gwynedd, LL53 6SB.

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

On 06/04/2022 between 10:00 and 12:00.

Parts of permit assessed: 1, Management. 3, Emissions, IC 25 IC 26 BRef

NRW Lead Officer: Anthony Roberts.

Report sent to: Elwyn Jones, Compliance Manager on 08/04/2022.

1. Summary of our findings (full details in section 4)

Part of permitted activity assessed (criteria)	Assessment result	Permit condition
B1 - Infrastructure - Engineering for prevention and control of emissions	Assessed (A)	
C2 - General Management - Management system and operating procedures	Assessed (A)	
E4 - Emissions - Sewer	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.

At this time, we do not intend to take any further action.

This statement does not stop us from taking additional enforcement action if further relevant information comes to light or offences continue.

4. Details of our assessment

South Caernarfon Creameries Site Meeting and ETP Update BRef. Compliance and Whey Plant Development

05/04/2022

Permit Number: EPR/BL9941IC

Attendees: Elwyn Jones, (Compliance Manager), Gwyn Jones (Quality Assurance Manager), Brian Eddy, (ETP Project Manager). Tony Roberts, (NRW Lead Regulator)

Improvement Conditions (IC)- Improvement Programme BRef Requirements

IC 25 – Deadline – 1 year from date of issue of permit version 004

The operator shall submit a written 'secondary and tertiary containment plan' for the upgraded Effluent Treatment Plant and shall obtain the Natural Resources Wales written approval to it. The plan shall contain the results of a review conducted, by a competent person, in accordance with the risk assessment methodology detailed within CIRIA C736 (2014) guidance, of the condition and extent of secondary and tertiary containment systems where all potentially polluting liquids and relevant solids are being stored, treated, and/or handled within the Effluent Treatment Plant. The review shall consider, but not limited to, the effluent storage and treatment vessels, chemical reagent storage vessels, bunds and transfer pipework/pumps. The plan must contain dates for the implementation of individual improvement measures necessary for the secondary and tertiary containment systems to adhere to the standards detailed/referenced within CIRIA C736 (2014) guidance and How to comply with your environmental permit (2014) guidance, or equivalent. The plan shall be implemented in accordance with the Natural Resources Wales written approval.

Issues regarding the timescale and delivery of the report were discussed with site management during the meeting. It was agreed that the report would be commissioned within the next few months to allow time to explore options and recommendations before the permit deadline.

Improvement condition states that CIRIA guidance must be followed, and a report must be submitted as per the requirements of the CIRIA qualified engineer. Full site bunding may be prohibitively expensive and not be feasible in the current timeframe. The report must cover the mitigation and utilise expertise to show the risk assessment and solutions will cover issues highlighted.

IC 26 – Deadline - 4th June 2023

The Operator shall submit to Natural Resources Wales an updated written procedure following additional investigatory work describing how they intend to meet the following BAT requirements in accordance with the requirements specified within:

- *BAT Conclusion 9 of the Food, Drink and Milk Industries BRef Document (EU 2019) – In order to prevent emissions of ozone depleting substances and of substances with a high global warming potential from cooling and freezing, BAT is to use refrigerants without ozone depletion potential and with a low global warming potential*

The report should include but not limited to

- *a review of the use of the current refrigerant(s) as to whether it meets the BAT requirements as specified above and;*
- *a feasibility study regarding the replacement of the current refrigerant(s) with one with a lower global*

warming potential and no ozone depletion potential. Suitable alternatives include but not limited to ammonia, water and carbon dioxide.

The report shall be submitted to Natural Resources Wales by the date specified for review. Natural Resources Wales will review the report to determine if the above BAT requirements have been achieved.

Site management are Looking at a new refrigeration system for the site and a plan will be submitted prior to the deadline for review by NRW. Multiple options are under consideration, with the possibility of one central system being installed. All actions will be delivered within the required timeframe.

Effluent Treatment Plant Compliance

Transition to the new ETP is complete and the site is running solely through the new plant. There have been challenges with varying biological loads into the plant and then moving to low biological loads on plant shutdowns etc. Management and contractors now feel they understand the issues and the plant is fully operational with 24 hour remote monitoring. The contractor and the site staff can see how the plant is running in real time and a bi-weekly update report is submitted by the contractor. There is 24hr access to the plant performance and weekly and monthly trends etc. Alarms are in place for all determinands which allows 24/7 coverage of the effluent condition. Resets can be done remotely.

The main issues are phosphate and aluminium balancing. This needs consistency and developing plant stability. Understanding how the complex interactions of the biological systems and checks and balances work is developing and understanding of plant processes is improving rapidly. Site maintenance shutdown caused a difficulty with the effluent treatment plant as there was not enough substrate to support the biological population. During the next plant shut down technical staff will deliberately feed it with whey concentrate, which keeps the aeration plant going. The DAFF chemical process is easier to maintain steady conditions as it is a chemical process. Contactor and site staff now understand dosing and fine adjustments enough to come up with an operational guide in the event of any circumstance. Site employ a microbiologist to check on the status of the microbial load, trimming air and chemical consumption to improve resource usage. Very fine adjustments are required which makes compliance difficult but should be more consistent now. Plant is now fully operational, and commissioning is now largely complete. The handover to operations will continue through the service and support contract.

Commissioning Completion

Site commissioning of the new ETP is now considered complete by NRW and all permit conditions apply as per the newly issued permit V005.

New Whey Plant Development – Site Expansion

The initial application 2018 included £5K for a flood survey of the site and insurers also did an extra flood survey. Site stated that NRW would not accept this, so they have had to repeat the survey increasing expenditure by another £5K to update it again.

Whey plant development has a timeline for completion in 15 months. The new permit has the new maximum volumes specified and the whey plant will be moved to the cheese production side of the river and will allow increased volume of cheese production. The permeate will be more polished and reduce

water usage.

Forward Look Next 10 Years

- Refrigeration system replacement will be part of the whey plant expansion
- One single system is being considered to meet the F gas BRef improvement.
- Eventually plans to move most activities to the production side of the river.
- New cheese maturing cold store planned which will be one of the last things to be completed.
- Milk reception will also be moved to the operational side of the river will be one of the last things to be completed
- New farming members will be joining the cooperative
- Some additional storage and other equipment to be installed
- The BAFF tank is being repurposed to remove sludge water for resource efficiency purposes. Also allows some flexibility in sludge storage. Gravity water removal saves on energy.
- ETP will be finished and landscaped at the end of April. A full audit will be conducted by NRW within the next 2 months following official completion of the ETP

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.