

# Natural Resources Wales permitting decisions

## Review of an Environmental Permit under the Environmental Permitting (England & Wales) Regulations 2010 (as amended)

### Variation and consolidation of a bespoke permit

We have decided to issue the variation for Liberty Steel Newport Limited operated by Liberty Steel Newport Ltd.

The variation and consolidation number is EPR/EP3830GH/V006.

We consider in reaching that decision we have taken into account all relevant considerations and legal requirements and that the permit will ensure that the appropriate level of environmental protection is provided.

### Purpose of this document

This is a decision document, which accompanies a variation notice being issued following a review of the permit.

It explains:

- **how** we have carried out our statutory review of the Operator's Permit;
- **why** we have decided to vary the Permit as a result of that review; and
- **why** we have included the specific conditions in the revised Permit through the variation notice we are issuing.

It is our record of our decision-making process, to show how we have taken into account all relevant factors in reaching our position.

This is a more complex variation than the norm, because it is doing three different things at the same time:

- **First**, it gives effect to our decisions following the statutory review of the existing Permit, following the implementation of the Industrial Emissions Directive (IED) and the publication of Best Available Technique (BAT) Conclusions covering the production of coke, iron & steel. That is what this variation is principally about.
- **Second**, it takes the opportunity to bring earlier variations into an up-to-date, consolidated Permit. These changes have already taken place and we are not re-explaining them, but the consolidated Permit should be easier to understand and use.
- **Third**, it modernises the entire Permit to reflect our current template. The template reflects our modern regulatory permitting philosophy and was introduced because of a change in the governing legislation. This took place when the Pollution Prevention and Control (England and Wales) Regulations 2000 were replaced in 2008 by a new statutory regime under

the Environmental Permitting Regulations 2010 (as amended in 2010) to effectively introduce the IED.

The introduction of new template conditions makes the Permit consistent with our current general approach and philosophy. Although the wording of some conditions has changed, while others have disappeared because of the new regulatory approach, it does not affect the level of environmental protection achieved by the Permit in any way. We therefore explain only the statutory review in this document.

### **Structure of this document**

- Key issues
- Annex 1 the decision checklist
- Annex 2 Regulation 60 response received (available on the public register)

## Key issues of the decision

BAT Conclusions for the manufacture of Iron and Steel, which includes electric arc furnace (EAF) steelmaking, were published as a Commission Implementing Decision (2012/135/EU) in the Official Journal of the European Union (OJEU) on 8<sup>th</sup> March 2012. There are 95 BAT Conclusions for the manufacture of iron and steel; however, not all are relevant to EAF steelmaking: those that are relevant are BAT Conclusions 1 to 18 and 87 to 95. The remaining BAT Conclusions are applicable to other forms of steelmaking.

Compliance with BAT Conclusions must be achieved within four years of their publication in the OJEU, which means that for the manufacture of iron and steel, compliance must be achieved by 8<sup>th</sup> March 2016. Where operators are unable to demonstrate compliance by this date, they need to justify the use of alternative techniques that are comparable to the specified BAT conclusions. However where BAT Associated Emission Levels (AELs) are specified, operators need to demonstrate that they can meet these AELs, or provide sufficient technical and commercial information that allows the determination of a derogation.

On 3<sup>rd</sup> September 2013 Natural Resources Wales issued MIR Steel Ltd. (hereafter referred to as 'the Operator') with a Regulation 60 information notice. The permit was transferred to Liberty Steel Newport Limited on 11<sup>th</sup> November 2015. Liberty Steel Newport Limited are now the sole operator of the site. This notice required them to demonstrate compliance with the BAT Conclusions for the manufacture of iron and steel relevant to EAF steelmaking. Natural Resources Wales received a response from the Operator on 28<sup>th</sup> March 2014. The response is available for request on the public register.

Natural Resources Wales has reviewed this response. The operator did not give a detailed response highlighting how they can adhere to BAT standards. The site currently does not have any furnaces in operation and melting hasn't taken place at the site for a number of years. It has been acknowledged by the operator and NRW that the EAF's would need major refurbishment to bring them up to BAT standards. A BAT gap analysis has been carried out by NRW which was then used as the basis of this review. The results from the BAT gap analysis have been drafted and formed into both pre-operational conditions and improvement conditions.

**General BAT Conclusions 1 - 18:**

**Reason(s) for not being considered to be BAT compliant**

The site hasn't operated a melt shop for some years now – the melting operations ceased many years ago – this included the furnaces and any ancillary equipment such as the dust extraction system and other pollution abatement systems. Technology and best practice have moved on since the site was last operated and therefore the systems in place are not to BAT standard and the management systems will need to be reviewed when/if melting operations are to be resumed.

**How NRW has addressed these BAT conclusions**

The Operator will carry out a detailed review of management systems and consult with NRW prior to the operation of melting activities. This is highlighted in the pre-operational conditions included in the permit.

**BAT Conclusions specific to Electric Arc Furnace Steelmaking 87 - 95:**

**Reason(s) for not being considered to be BAT compliant**

The site hasn't operated a melt shop for some years now – the melting operations ceased many years ago – this included the furnaces and any ancillary equipment such as the dust extraction system and other pollution abatement systems. Technology and best practice have moved on since the site was last operated and therefore the systems in place are not to BAT standard and the management systems will need to be reviewed when/if melting operations are to be resumed.

**How NRW has addressed these BAT conclusions**

The Operator will carry out a detailed review of management systems and consult with NRW prior to the operation of melting activities. This is highlighted in the pre-operational conditions included in the permit.

## **Sector Review Application**

Pre-operational conditions will need to be met prior to the commencement of any melting activities on-site. Improvement conditions will need to be adhered to and completed within the agreed timeframe.

Liberty Steel currently have no furnaces running. Should that change in the future it is necessary to impose pre-operational conditions in relation to the Sector review application. The operator will need to comply with these conditions before melting activities can recommence.

The pre-operational conditions that we have included in the permit are as follows:

Prior to the operator resuming melting operations on-site, the operator shall submit a report to NRW showing compliance with the following BAT conclusions:

BAT 1, BAT 2, BAT 5, BAT 6, BAT 8, BAT 9, BAT 10, BAT 11, BAT 12, BAT 13, BAT 14, BAT 15, BAT 16, BAT 88, BAT 89, BAT 95, BAT 7.6 1.3, BAT 7.6 1.4

As the melting shop at Liberty Steel has not been operational for a number of years now and technology has moved on, along with numerous BAT conclusions for steel making, it has been necessary to impose improvement conditions on Liberty Steel, these are summarised below;

1. EAF Furnace 1 & 2 (BAT ref 7.6 1.1)  
A reduction in the concentration of combustible gas leaving the furnace is required under BAT. A report will be submitted to NRW within 6 months of activity commencing to demonstrate BAT is being achieved.
2. EAF Furnace 1 & 2 (BAT ref 7.6 1.2)  
Within 6 months after activity has commenced the operator will submit a report to NRW detailing the pollutant present after post combustion in order to achieve BAT
3. EAF Furnace 1 & 2 (BAT ref 90)  
The reduction of dust emissions from on-site slag processing. Practices will need to demonstrate BAT upon recommencement of melting operations. A report will be submitted to NRW within 6 months to demonstrate that all practices achieve BAT.

4. Storage and Blending area (BAT ref 7.1.4)

When melting activities commence it is necessary to monitor the surface run-off in the re-en system on site. Active treatment of surface water may be needed to achieve BAT. A report will be submitted within 6 months to NRW to demonstrate BAT compliance in relation to the surface water run-off within the re-en system

Emission limits to both water and air have been imposed to fall in-line with BAT standards.

### **Application to vary the permit to allow the storage of new waste types**

As part of the IED sector review, Liberty Steel applied to vary their permit, this allow the operator to store various types of waste on-site. The waste will either be recovered on-site or exported off-site.

The operator requested to store on site up to 10,000 tonnes of SRF, 50,000 tonnes of a mixture of RDF, ASR, End of life tyres and 40,000 tonnes of scrap metal. In determining this variation Liberty demonstrated through operating techniques their ability to carry out this operation effectively. On site there are designated storage areas for this waste where it can be segregated from other operations. These storage areas are for the storage of waste only and all waste will be stored on concrete pads with bunding to prevent anything from leaking onto un-made ground.

The waste will arrive triple packed and it has also been stated that waste may only be stored on-site for a maximum of 90 days for scrap metal and 9 months for all other waste types. Storage weight limits apply.

We are satisfied that the operator can accept these wastes for the following reasons:

- They have the facilities required to process the materials; and
- Pre-operational conditions have been put in place that needs to be satisfied in writing with NRW before any waste can be stored in that area.

As the operator plans to store waste on site for recovery, we have included a pre-operational condition to ensure environmental protection, the pre-operational condition is as follows:

1. Prior to accepting any of the wastes listed in Schedule 2 of the permit the operator will ensure that there is a concrete pad on which the waste will be stored. This will be communicated to NRW prior to the acceptance of any waste.

## Annex 1: decision checklist

This document should be read in conjunction with the application and supporting information and permit.

Aspect considered	Justification / Detail
<b>European Directives</b>	
Applicable directives	<p>All applicable European directives have been considered in the determination of the application.</p> <p>The Industrial Emissions Directive (IED) came into force on the 6<sup>th</sup> January 2011, and was transposed in England and Wales law by an amendment to the Environmental Permitting Regulations in 2013.</p> <p>The purpose of the Directive is to achieve a high level of protection for the environment, taken as a whole, from the harmful effects of industrial activities. It does so by requiring each of the industrial installations listed in the Directive to comply with the Best Available Techniques (BAT) and associated emission levels (AELs). Each sector will eventually have a BAT reference documents (BRef) published setting BAT and the AELs.</p> <p>An operator has four years from publication in the official journal to ensure they meet BAT and the AELs. However, Article 15(4) of the Directive does allow competent authorities to set less strict emission limit values providing certain criteria are met.</p> <p>The Bref for the Iron and Steel Industry was published in the Official Journal of the European Union in March 2012. The industry now has until March 2016 to achieve BAT and the appropriate AELs. In order to facilitate this process Natural Resources Wales served an EPR regulation 60 notice on Liberty Steel Newport Limited that required the company to provide us with information on how they aim to achieve the new requirements.</p>
<b>The permit conditions</b>	
Updating permit conditions during consolidation.	<p>We have updated previous permit conditions to those in the new generic permit template as part of permit consolidation. The new conditions have the same meaning as those in the previous permit(s).</p> <p>The operator has agreed that the new conditions are acceptable.</p>
Waste Types	<p>We have specified the permitted waste types, descriptions and quantities, which can be accepted at the regulated facility.</p> <p>They have suitable best available techniques in place to ensure the waste does not pollute the environment.</p> <p>See Key Issues section for full details.</p>

<b>Aspect considered</b>	<b>Justification / Detail</b>
Pre-operational conditions	<p>Based on the information in the Sector Review application, we consider that we need to impose pre-operational conditions.</p> <p>See Key Issues section for full details.</p>
Improvement conditions	<p>Based on the information in the application, we consider that we need to impose improvement conditions.</p> <p>We have imposed an improvement condition to ensure that the requirements of the BAT Conclusions discussed above are met.</p> <p>See Key Issues section for full details.</p>
Incorporating the application	<p>We have specified that the applicant must operate the permit in accordance with descriptions in the application, including all additional information received as part of the determination process.</p> <p>These descriptions are specified in the Operating Techniques table in the permit.</p>
Emission limits	<p>We have decided that emission limits should be set for the parameters listed in the permit. These are in line with the relevant BAT Conclusion AELs and associated IED requirements.</p>
Monitoring	<p>We have decided that monitoring should be carried out for the parameters listed in the permit, using the methods detailed and to the frequencies specified.</p> <p>These monitoring requirements have been imposed in order to be compliant with the requirements of the BAT Conclusions.</p> <p>Based on the information in the application we are satisfied that the operator's techniques, personnel and equipment have either MCERTS certification or MCERTS accreditation as appropriate.</p>
Reporting	<p>We have specified reporting in the permit.</p>
<b>Operator Competence</b>	
Environment management system	<p>There is no known reason to consider that the operator will not have the management systems to enable it to comply with the permit conditions. The decision was taken in accordance with RGN 5 on Operator Competence.</p>

**Annex 2: Regulation 60 response from Liberty Steel Newport Ltd – available on the public register**



