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Ministry of the Environment and Climate Change
Ministère de l'Environnement et de l'Action en matière de changement
climatique

AMENDED ENVIRONMENTAL COMPLIANCE APPROVAL

NUMBER 5953-AHJKB6

Issue Date: January 17, 2017

Parrish & Heimbecker Limited
1060 Fountain Street North
Cambridge, Ontario
N3E 0A1

Site Location: P & H Hamilton
231 Burlington Street East
Hamilton City
L8L 4H2

You have applied under section 20.2 of Part II.1 of the Environmental Protection Act, R.S.O. 1990, c. E. 19 (Environmental Protection Act) for approval of:

Description Section

An intermodal grain hub and flour mill facility, consisting of the following processes and support units:

- receiving pre-cleaned and pre-dried various types of grain (soybean, corn and wheat);
- shipping various types of grain (soybean, corn and wheat);
- flour milling operations;
- grain and by-products transfer operations;

including the *Equipment* and any other ancillary and support processes and activities, operating at a *Facility Production Limit up to 5.26 million tonnes of received grain per year, according to the limits included in the operating scenarios (Scenario 1, Scenario 2, Scenario 3 and Scenario 4) listed in the Section 1.2.3 of the ESDM Report*, discharging to the air as described in the *Original ESDM Report*.

For the purpose of this environmental compliance approval, the following definitions apply:

1. " *Acceptable Point of Impingement Concentration*" means a concentration accepted by the *Ministry* as not likely to cause an adverse effect for a *Compound of Concern* that,

- (a) has no *Ministry Point of Impingement Limit* and no *Jurisdictional Screening Level*, or
- (b) has a concentration at a *Point of Impingement* that exceeds the *Jurisdictional Screening Level*.

With respect to the *Original ESDM Report*, the *Acceptable Point of Impingement Concentration* for a

- Compound of Concern* mentioned above is the concentration set out in the *Original ESDM Report*.
2. "*Acoustic Assessment Report*" means the report, prepared in accordance with *Publication NPC-233* and Appendix A of the *Basic Comprehensive User Guide*, by Anthony Amarra, Sam Du and Vic Schroter, Valcoustics Canada Ltd. and dated January 12, 2017, submitted in support of the application, that documents all sources of noise emissions and *Noise Control Measures* present at the *Facility*, as updated in accordance with Condition 5 of this *Approval*.
 3. "*Acoustic Assessment Summary Table*" means a table prepared in accordance with the *Basic Comprehensive User Guide* summarising the results of the *Acoustic Assessment Report*, as updated in accordance with Condition 5 of this *Approval*.
 4. "*Acoustic Audit*" means an investigative procedure consisting of measurements and/or acoustic modelling of all sources of noise emissions due to the operation of the *Facility*, assessed to determine compliance with the *Performance Limits* for the *Facility* regarding noise emissions, completed in accordance with the procedures set in *Publication NPC-103* and reported in accordance with *Publication NPC-233*
 5. "*Acoustic Audit Report*" means a report presenting the results of an *Acoustic Audit*, prepared in accordance with *Publication NPC-233*.
 6. "*Acoustical Consultant*" means a person currently active in the field of environmental acoustics and noise/vibration control, who is familiar with *Ministry noise guidelines* and procedures and has a combination of formal university education, training and experience necessary to assess noise emissions from a *Facility*.
 7. "*Approval*" means this entire Environmental Compliance Approval and any *Schedules* to it.
 8. "*Basic Comprehensive User Guide*" means the *Ministry* document titled "Basic Comprehensive Certificates of Approval (Air) User Guide" dated March 2011, as amended.
 9. "*BMPP*" means the document entitled "Management Practice Plan for Fugitive Dust Control", Version 3.1 dated January 16, 2017, prepared by Airzone One Ltd. and signed by Lucas Neil and Franco DiGiovanni, included in the *ESDM Report*.
 10. "*Company*" means Parrish & Heimbecker Limited operating as Parrish & Heimbecker Limited that is responsible for the construction or operation of the *Facility* and includes any successors and assigns in accordance with section 19 of the *EPA*.
 11. "*Compound of Concern*" means a contaminant described in paragraph 4 subsection 26 (1) of *O. Reg. 419/05*, namely, a contaminant that is discharged from the *Facility* in an amount that is not negligible.
 12. "*Description Section*" means the section on page one of this *Approval* describing the *Company's* operations and the *Equipment* located at the *Facility* and specifying the *Facility Production Limit* for the *Facility*.
 13. "*Director*" means a person appointed for the purpose of section 20.3 of the *EPA* by the *Minister* pursuant to section 5 of the *EPA*.
 14. "*District Manager*" means the District Manager of the appropriate local district office of the *Ministry*, where the *Facility* is geographically located.
 15. "*Emission Summary Table*" means a table described in paragraph 14 of subsection 26 (1) of *O. Reg. 419/05*; namely a table in the *ESDM Report* that compares the *Point of Impingement* concentration for each *Compound of Concern* to the corresponding *Ministry Point of Impingement Limit*, *Acceptable Point of Impingement Concentration*, or *Jurisdictional Screening Level*.
 16. "*Environmental Assessment Act*" means the Environmental Assessment Act, R.S.O. 1990, c.E.18,

as amended.

17. "*EPA*" means the Environmental Protection Act, R.S.O. 1990, c.E.19, as amended.

18. "*Equipment*" means equipment or processes described in the *ESDM Report*, the *Acoustic Assessment Report*, this *Approval* and in the *Schedules* referred to herein and any other equipment or processes.

19. "*Equipment with Specific Operational Limits*" means any *Equipment* related to the thermal oxidation of waste or waste derived fuels, fume incinerators or any other *Equipment* that is specifically referenced in any published *Ministry* document that outlines specific operational guidance that must be considered by the *Director* in issuing an *Approval*.

20. "*ESDM Report*" means the most current Emission Summary and Dispersion Modelling Report that describes the *Facility*. The *ESDM Report* is based on the *Original ESDM Report* and is updated after the issuance of this *Approval* in accordance with section 26 of *O. Reg. 419/05* and the *Procedure Document*.

21. "*Facility*" means the entire operation located on the property where the *Equipment* is located.

22. "*Facility Production Limit*" means the production limit placed by the *Director* on the main product(s) or raw materials used by the *Facility*.

23. "*Independent Acoustical Consultant*" means an *Acoustical Consultant* not representing the *Company*, and not involved in the noise impact assessment or the design/implementation of *Noise Control Measures* for the *Facility/Equipment*. The *Independent Acoustical Consultant* shall not be retained by the consultant involved in the noise/vibration impact assessment or the design/implementation of noise/vibration control measures for the *Facility/Equipment*.

24. "*Jurisdictional Screening Level*" means a screening level for a *Compound of Concern* that is listed in the *Ministry* publication titled "Jurisdictional Screening Level (JSL) List, A Screening Tool for Ontario Regulation 419: Air Pollution - Local Air Quality", dated February 2008, as amended.

25. "*Log*" means a document that contains a record of each change that is required to be made to the *ESDM Report* and *Acoustic Assessment Report*, including the date on which the change occurred. For example, a record would have to be made of a more accurate emission rate for a source of contaminant, more accurate meteorological data, a more accurate value of a parameter that is related to a source of contaminant, a change to a *Point of Impingement* and all changes to information associated with a *Modification* to the *Facility* that satisfies Condition 2.

26. "*Manager*" means the Manager, Technology Standards Section, Standards Development Branch, or any other person who represents and carries out the duties of the Manager, Technology Standards Section, Standards Development Branch, as those duties relate to the conditions of this *Approval*.

27. "*Minister*" means the Minister of the Environment and Climate Change or such other member of the Executive Council as may be assigned the administration of the *EPA* under the Executive Council Act.

28. "*Ministry*" means the ministry of the *Minister*.

29. "*Ministry Point of Impingement Limit*" means the applicable Standard set out in Schedule 2 or 3 of *O. Reg. 419/05* or a limit set out in the *Ministry* publication titled "Summary of Standards and Guidelines to support Ontario Regulation 419/05: Air Pollution - Local Air Quality (including Schedule 6 of *O. Reg. 419/05* on Upper Risk Thresholds", dated April 2012, as amended.

30. "*Modification*" means any construction, alteration, extension or replacement of any plant, structure, equipment, apparatus, mechanism or thing, or alteration of a process or rate of production at the *Facility* that may discharge or alter the rate or manner of discharge of a *Compound of Concern* to the

air or discharge or alter noise or vibration emissions from the *Facility*.

31. "*Noise Control Measures*" means measures to reduce the noise emissions from the *Facility* and/or *Equipment* including, but not limited to, silencers, acoustic louvers, enclosures, absorptive treatment, plenums and barriers. It also means the *Noise Control Measures* as outlined within the *Acoustic Assessment Report* and detailed in *Schedule "C"* of this *Approval*.

32. "*O. Reg. 419/05*" means Ontario Regulation 419/05, Air Pollution – Local Air Quality, as amended.

33. "*Original ESDM Report*" means the Emission Summary and Dispersion Modelling Report which was prepared in accordance with section 26 of *O. Reg. 419/05* and the *Procedure Document* by Lucas Neil (Airzone One Ltd.) and dated May 20, 2016 submitted in support of the application, and includes any changes to the report made up to the date of issuance of this *Approval*.

34. "*Point of Impingement*" has the same meaning as in section 2 of *O. Reg. 419/05*.

35. "*Point of Reception*" means Point of Reception as defined by *Publication NPC-300*.

36. "*Pre-Test Plan*" means a plan for the *Source Testing* including the information required in Section 5 of the *Source Testing Code*.

37. "*Procedure Document*" means *Ministry* guidance document titled "Procedure for Preparing an Emission Summary and Dispersion Modelling Report" dated March 2009, as amended.

38. "*Processes with Significant Environmental Aspects*" means the *Equipment* which, during regular operation, would discharge one or more contaminants into the air in an amount which is not considered as negligible in accordance with section 26 (1) 4 of *O. Reg. 419/05* and the *Procedure Document*.

39. "*Publication NPC-103*" means the *Ministry* Publication NPC-103, Procedures, August 1978.

40. "*Publication NPC-207*" means the *Ministry* draft technical publication "Impulse Vibration in Residential Buildings", November 1983, supplementing the Model Municipal Noise Control By-Law, Final Report, August 1978, published by the *Ministry*.

41. "*Publication NPC-233*" means the *Ministry* Publication NPC-233, "Information to be Submitted for Approval of Stationary Sources of Sound", October, 1995 as amended.

42. "*Publication NPC-300*" means the *Ministry* Publication NPC-300, "Environmental Noise Guideline, Stationary and Transportation Sources – Approval and Planning, Publication NPC-300", August 2013, as amended.

43. "*Schedules*" means the following schedules attached to this *Approval* and forming part of this *Approval* namely:

Schedule A - Supporting Documentation

Schedule B - *Source Testing* Procedures

Schedule C - *Noise Control Measures*

44. "*Source Testing*" means sampling and testing to measure emissions resulting from operating the *Targeted Sources* under conditions which yield the worst case emissions within the approved operating range of the *Targeted Sources* which satisfies paragraph 1 of subsection 11(1) of *O. Reg. 419/05*.

45. "*Source Testing Code*" means the Ontario Source Testing Code, dated June 2010, prepared by the *Ministry*, as amended.

46. "*Targeted Sources*" means the sources described in the letter from Derek Jamieson, President & C.O.O. (P&H Milling Group) dated January 16, 2017.

47. "Test Contaminants" means the Suspended Particulate Matter of diameter equal or less than 44 micrometer (SPM); Particulate Matter of diameter equal or less than 2.5 micrometer (PM2.5) and Particulate Matter of diameter equal or less than 10 micrometer (PM10).

48. "Toxicologist" means a qualified professional currently active in the field of risk assessment and toxicology that has a combination of formal university education, training and experience necessary to assess contaminants.

49. "Trucks" means the grain delivery trucks and the flour tanker trucks.

50. "Written Summary Form" means the electronic questionnaire form, available on the Ministry website, and supporting documentation, that documents the activities undertaken at the Facility in the previous calendar year.

You are hereby notified that this environmental compliance approval is issued to you subject to the terms and conditions outlined below:

TERMS AND CONDITIONS

1. GENERAL

1.1 Except as otherwise provided by this *Approval*, the *Facility* shall be designed, developed, built, operated and maintained in accordance with the terms and conditions of this *Approval* and in accordance with the following *Schedules* attached hereto:

Schedule A - Supporting Documentation
Schedule B - *Source Testing Procedures*
Schedule C - *Noise Control Measures*

2. LIMITED OPERATIONAL FLEXIBILITY

2.1 Pursuant to section 20.6 (1) of the *EPA* and subject to Conditions 2.2 and 2.3 of this *Approval*, future construction, alterations, extensions or replacements are approved in this *Approval* if the future construction, alterations, extensions or replacements are *Modifications* to the *Facility* that:

(a) are within the scope of the operations of the *Facility* as described in the *Description Section* of this *Approval*;

(b) do not result in an increase of the *Facility Production Limit* above the level specified in the *Description Section* of this *Approval*; and

(c) result in compliance with the performance limits as specified in Condition 4.

2.2 Condition 2.1 does not apply to,

(a) the addition of any new *Equipment with Specific Operational Limits* or to the *Modification* of any existing *Equipment with Specific Operational Limits* at the *Facility*; or

(b) *Modifications* to the *Facility* that would be subject to the *Environmental Assessment Act*.

2.3 Condition 2.1 of this *Approval* shall expire ten (10) years from the date of this *Approval*, unless this *Approval* is revoked prior to the expiry date. The *Company* may apply for renewal of Condition 2.1 of

this *Approval* by including an *ESDM Report* and an *Acoustic Assessment Report* that describes the *Facility* as of the date of the renewal application.

3. REQUIREMENT TO REQUEST AN ACCEPTABLE POINT OF IMPINGEMENT CONCENTRATION

3.1 Prior to making a *Modification* to the *Facility* that satisfies Condition 2.1 (a) and (b), the *Company* shall prepare a proposed update to the *ESDM Report* to reflect the proposed *Modification*.

3.2 The *Company* shall request approval of an *Acceptable Point of Impingement Concentration* for a *Compound of Concern* if the *Compound of Concern* does not have a *Ministry Point of Impingement Limit* and a proposed update to an *ESDM Report* indicates that one of the following changes with respect to the concentration of the *Compound of Concern* may occur:

(a) The *Compound of Concern* was not a *Compound of Concern* in the previous version of the *ESDM Report* and

(i) the concentration of the *Compound of Concern* is higher than the *Jurisdictional Screening Level* for the contaminant; or

(ii) there is no *Jurisdictional Screening Level* for the contaminant .

(b) The concentration of the *Compound of Concern* in the updated *ESDM Report* is higher than:

(i) the most recent *Acceptable Point of Impingement Concentration*, and

(ii) the *Jurisdictional Screening Level* if a *Jurisdictional Screening Level* exists.

3.3 The request required by Condition 3.2 shall propose a concentration for the *Compound of Concern* and shall contain an assessment, performed by a *Toxicologist*, of the likelihood of the proposed concentration causing an adverse effect at *Points of Impingement*.

3.4 If the request required by Condition 3.2 is a result of a proposed *Modification* described in Condition 3.1, the *Company* shall submit the request, in writing, to the *Director* at least 30 days prior to commencing to make the *Modification*. The *Director* shall provide written confirmation of receipt of this request to the *Company*.

3.5 If a request is required to be made under Condition 3.2 in respect of a proposed *Modification* described in Condition 3.1, the *Company* shall not make the *Modification* mentioned in Condition 3.1 unless the request is approved in writing by the *Director*.

3.6 If the *Director* notifies the *Company* in writing that the *Director* does not approve the request, the *Company* shall,

(a) revise and resubmit the request; or

(b) notify the *Director* that it will not be making the *Modification*.

3.7 The re-submission mentioned in Condition 3.6 shall be deemed a new submission under Condition 3.2.

3.8 If the *Director* approves the request, the *Company* shall update the *ESDM Report* to reflect the *Modification*.

3.9 Condition 3 does not apply if Condition 2.1 has expired.

4. PERFORMANCE LIMITS

4.1. Subject to Condition 4.2, the *Company* shall not discharge or cause or permit the discharge of a *Compound of Concern* into the air if,

(a) the *Compound of Concern* has a *Ministry Point of Impingement Limit* and the discharge results in the concentration at a *Point of Impingement* exceeding the *Ministry Point of Impingement Limit*; or

(b) the *Compound of Concern* does not have a *Ministry Point of Impingement Limit* and the discharge results in the concentration at a *Point of Impingement* exceeding the higher of,

(i) if an *Acceptable Point of Impingement Concentration* exists the most recent *Acceptable Point of Impingement Concentration*, and

(ii) the *Jurisdictional Screening Level* if a *Jurisdictional Screening Level* exists.

4.2 Condition 4.1 does not apply if the *Ministry Point of Impingement Limit* has a 10-minute averaging period and no ambient monitor indicates an exceedance at a *Point of Impingement* where human activities regularly occur at a time when those activities regularly occur.

4.3 The *Company* shall:

(a) implement and operate the *Equipment* as outlined in the *Acoustic Assessment Report* dated January 12, 2017 and signed by Anthony Amarra, Sam Du and Vic Schroter, Valcoustics Canada Ltd.;

(b) implement the *Noise Control Measures* as outlined in the *Acoustic Assessment Report* and detailed in Schedule C of this *Approval*;

(c) ensure, subsequent to the implementation of the proposed *Noise Control Measures*, that the noise emissions from the *Facility* comply with the limits set out in *Ministry Publication NPC-300*; and

(d) ensure that only one (1) ship can be loaded/unloaded at a time;

(e) restrict the trommel operation, to the location at the north-east side of the storage domes, as depicted in Figure 2 of the Valcoustics Canada Ltd. *Acoustic Assessment Report* dated January 12, 2017;

(f) limit number of the *Trucks* arrivals and departures, during any per sixty (60) minute period, in accordance with the following:

(i) a maximum of fifty (50) *Trucks* per sixty (60) minute period during the day-time hours of 7 a.m. to 7 p.m.;

(ii) a maximum of twenty five (25) *Trucks* per sixty (60) minute period during during the evening-time hours of 7 p.m to 11 p.m.; and

(iii) a maximum of ten (10) *Trucks* per sixty (60) minute period during the night-time hours of 11 p.m. to 7 a.m..

(g) ensure that the *Noise Control Measures* are properly maintained and continue to provide the acoustical performances outlined in the *Acoustic Assessment Report*.

4.4 The *Company* shall ensure that the vibration emissions from the *Facility* comply with the limits set out in *Ministry Publication NPC-207*.

4.5 The *Company* shall operate any *Equipment with Specific Operational Limits* approved by this *Approval* in accordance with the *Original ESDM Report*.

4.6 The *Company* shall implement proposed *BMPP*. The *BMPP* shall be updated/revised as per *District Manager* request.

5. DOCUMENTATION REQUIREMENTS

5.1. The *Company* shall maintain an up-to-date *Log*.

5.2. No later than June 30 in each year, the *Company* shall update the *Acoustic Assessment Report* and shall update the *ESDM Report* in accordance with section 26 of *O. Reg. 419/05* so that the information in the reports is accurate as of December 31 in the previous year.

5.3. The *Company* shall make the *Emission Summary Table* (see section 27 of *O. Reg. 419/05*) and *Acoustic Assessment Summary Table* available for examination by any person, without charge, by posting it on the Internet or by making it available during regular business hours at the *Facility*.

5.4 The *Company* shall, within three (3) months after the expiry of Condition 2.1 of this *Approval*, update the *ESDM Report* and the *Acoustic Assessment Report* such that the information in the reports is accurate as of the date that Condition 2.1 of this *Approval* expired.

5.5. Conditions 5.1 and 5.2 do not apply if Condition 2.1 has expired.

6. REPORTING REQUIREMENTS

6.1 Subject to Condition 6.2, the *Company* shall provide the *Director* no later than August 31 of each year, a *Written Summary Form* to be submitted through the *Ministry's* website that shall include the following:

(a) a declaration of whether the *Facility* was in compliance with section 9 of the *EPA, O. Reg. 419/05* and the conditions of this *Approval*;

(b) a summary of each *Modification* satisfying Condition 2.1 (a) and (b) that took place in the previous calendar year that resulted in a change in the previously calculated concentration at a *Point of Impingement* for any *Compound of Concern* or resulted in a change in the sound levels reported in the *Acoustic Assessment Summary Table* at any *Point of Reception*.

6.2 Condition 6.1 does not apply if Condition 2.1 has expired.

7. OPERATION AND MAINTENANCE

7.1 The *Company* shall prepare and implement, not later than three (3) months from the date of this *Approval*, operating procedures and maintenance programs for all *Processes with Significant Environmental Aspects*, which shall specify as a minimum:

(a) frequency of inspections and scheduled preventative maintenance;

(b) procedures to prevent upset conditions;

(c) procedures to minimize all fugitive emissions;

(d) procedures to prevent and/or minimize odorous emissions;

(e) procedures to prevent and/or minimize noise emissions; and

(f) procedures for record keeping activities relating to the operation and maintenance programs.

7.2 The *Company* shall ensure that all *Processes with Significant Environmental Aspects* are operated and maintained in accordance with this *Approval*, the operating procedures and maintenance programs.

8. COMPLAINTS RECORDING AND REPORTING

8.1 If at any time, the *Company* receives an environmental complaint from the public regarding the operation of the *Equipment* approved by this *Approval*, the *Company* shall take the following steps:

- (a) Record and number each complaint, either electronically or in a log book. The record shall include the following information: the time and date of the complaint and incident to which the complaint relates, the nature of the complaint, wind direction at the time and date of the incident to which the complaint relates and, if known, the address of the complainant.
- (b) Notify the *District Manager* of the complaint within two (2) business days after the complaint is received, or in a manner acceptable to the *District Manager*.
- (c) Initiate appropriate steps to determine all possible causes of the complaint, and take the necessary actions to appropriately deal with the cause of the subject matter of the complaint.
- (d) Complete and retain on-site a report written within one (1) week of the complaint date. The report shall list the actions taken to appropriately deal with the cause of the complaint and set out steps to be taken to avoid the recurrence of similar incidents.

9. RECORD KEEPING REQUIREMENTS

9.1 Any information requested by any employee in or agent of the *Ministry* concerning the *Facility* and its operation under this *Approval*, including, but not limited to, any records required to be kept by this *Approval*, shall be provided to the employee in or agent of the *Ministry*, upon request, in a timely manner.

9.2 Unless otherwise specified in this *Approval*, the *Company* shall retain, for a minimum of five (5) years from the date of their creation all reports, records and information described in this *Approval*, including,

- (a) a copy of the *Original ESDM Report* and each updated version;
- (b) a copy of each version of the *Acoustic Assessment Report*;
- (c) supporting information used in the emission rate calculations performed in the *ESDM Reports* and *Acoustic Assessment Reports*;
- (d) the records in the *Log*;
- (e) copies of each *Written Summary Form* provided to the *Ministry* under Condition 6.1 of this *Approval*;
- (f) records of maintenance, repair and inspection of *Equipment* related to all *Processes with Significant Environmental Aspects*; and
- (g) all records related to environmental complaints made by the public as required by Condition 8 of this *Approval*.

10. REVOCATION OF PREVIOUS APPROVALS

This *Approval* replaces and revokes all Certificates of Approval (Air) issued under section 9 *EPA* and Environmental Compliance Approvals issued under Part II.1 *EPA* to the *Facility* in regards to the activities mentioned in subsection 9(1) of the *EPA* and dated prior to the date of this *Approval*.

11. SOURCE TESTING

The *Company* shall perform *Source Testing* in accordance with the procedures in Schedule C to determine the rates of emissions of the *Test Contaminants* from the *Targeted Sources* listed in Schedule B.

12. ACOUSTIC AUDIT

12.1 The *Company* shall carry out *Acoustic Audit* measurements on the actual noise emissions due to the operation of the *Facility*, following the implementation of the *Noise Control Measures*. The *Company*:

(a) shall carry out *Acoustic Audit* measurements in accordance with the procedures in *Publication NPC-103*; and

(b) shall submit an *Acoustic Audit Report* on the results of the *Acoustic Audit*, prepared by an *Independent Acoustical Consultant*, in accordance with the requirements of *Publication NPC-233*, to the *District Manager* and the *Director*, not later than three (3) months after the commencement of operation of the new *Equipment*.

12.2 The *Director*:

(a) may not accept the results of the *Acoustic Audit* if the requirements of *Publication NPC-233* were not followed; and

(b) may require the *Company* to repeat the *Acoustic Audit* if the results of the *Acoustic Audit* are found

unacceptable to the *Director*.

SCHEDULE A

Supporting Documentation

(a) Environmental Compliance Approval Application, dated May 9, 2016, signed by Derek Jamieson, President and C.O.O., P&H Milling Group and submitted by the *Company*;

(b) Emission Summary and Dispersion Modelling Report, prepared by Lucas Neil (Airzone One Ltd.) and dated May 20, 2016;

(c) *Acoustic Assessment Report*, prepared by Anthony Amarra, Sam Du and Vic Schroter, Valcoustics Canada Ltd., and dated January 12, 2017.

(d) The letters (e-mails) dated July 7 and 13, August 15, 22, 25 and 31, September 7, October 17, December 29, 2016 and January 6, 11, 12, 13 and 16, 2017, all provided by Anthony Amarra, Sam Du and Vic Schroter, Valcoustics Canada Ltd., and the letters (e-mails) dated January 17, 2017 provided by Franco DiGiovanni, Airzone One Ltd.

(e) Revised RESDM Report prepared by Airzone One Ltd., and dated January 17, 2017 and signed by Lucas Neil and Franco DiGiovanni.

(f) The letter from Derek Jamieson, President & C.O.O. (P&H Milling Group) dated January 13, 2017;

(g) The letter from Derek Jamieson, President & C.O.O. (P&H Milling Group) dated January 16, 2017.

SCHEDULE B

Source Testing Procedures

1. The *Company* shall submit, not later than three (3) months after the date of this Approval to the *Manager* a *Pre-Test Plan* for the *Source Testing* required under this *Approval*. The *Company* shall finalize the *Pre-Test Plan* in consultation with the *Manager*.
2. The *Company* shall not commence the *Source Testing* required under this *Approval* until the *Manager* has approved the *Pre-Test Plan*.
3. The *Company* shall complete the *Source Testing* not later than three (3) months after the *Manager* has approved the *Pre-Test Plan* or three (3) months after commencement of operation of the *Targeted Sources*, whichever occurs later, or within a period as directed or agreed to in writing by the *Manager*, the *District Manager*, and the Director.
4. The *Company* shall notify the *Manager*, the *District Manager* and the *Director* in writing of the location, date and time of any impending *Source Testing* required by this *Approval*, at least fifteen (15) days prior to the *Source Testing*.
5. The *Company* shall submit a report (hardcopy and electronic format) on the *Source Testing* to the *Manager*, the *District Manager* and the *Director* not later than three (3) months after completing the *Source Testing*. The report shall be in the format described in the *Source Testing Code*, and shall also include, but not be limited to:
 - (1) an executive summary;
 - (2) an identification of the applicable North American Industry Classification System code (NAICS) for the *Facility*;
 - (3) records of operating conditions at the time of *Source Testing*, including but not limited to the following:
 - production data;
 - *Facility* /process information related to the operation of the *Targeted Sources*;
 - description of the emission sources controlled by the *Targeted Sources* at the time of testing;
 - and
 - operational description of the general building ventilation at the time of testing;
- (4) results of *Source Testing*, including the emission rate, emission concentration, and relevant emission factor of the *Test Contaminants* from the *Targeted Sources*; and
- (5) a tabular comparison of *Source Testing* results for the *Targeted Sources* and *Test Contaminants* to original emission estimates described in the *Company's* application and the *ESDM Report*.
6. The *Director* may not accept the results of the *Source Testing* if:
 - (1) the *Source Testing Code* or the requirements of the *Manager* were not followed;
 - (2) the *Company* did not notify the *Manager*, the *District Manager* and *Director* of the *Source Testing*; or
 - (3) the *Company* failed to provide a complete report on the *Source Testing*.
7. If the *Director* does not accept the results of the *Source Testing*, the *Director* may require re-testing. If re-testing is required, the *Pre-Test Plan* strategies need to be revised and submitted to the *Manager* for approval. The actions taken to minimize the possibility of the *Source Testing* results not being accepted by the *Director* must be noted in the revision.
8. If the *Source Testing* results are higher than the emission estimates in the *Company's* E *SDM*

Report, the Company shall update their ESDM Report in accordance with Section 26 of O. Reg. 419/05 with the results from the Source Testing report and make these records available for review by staff of the Ministry upon request. The updated Emission Summary Table from the updated ESDM Report shall be submitted with the report on the Source Testing.

SCHEDULE C
Noise Control Measures

1. Silencer for the Receiving Pits 4 & 5 Dust Collector (BH2) Exhaust

The dust collector exhaust (BH2) for two new receiving pits shall be equipped with a silencer. The proposed silencer shall have at least the following minimum acoustical performance specifications in terms of sound insertion loss (IL in dB) throughout the octave bands:

| Source ID | Source name and description | Octave Band Centre Frequency [Hz] | | | | | | | |
|-----------|---|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|
| | | 63 | 125 | 250 | 500 | 1 k | 2 k | 4 k | 8 k |
| BH2 | Receiving Pits 4 & 5 Dust Collector Exhaust | 4 | 6 | 13 | 21 | 29 | 28 | 18 | 12 |

2. Silencer for the New Grain Silos Dust Collector (BH3) Exhaust

The dust collector exhaust (BH3) for three new grain silos shall be equipped with a silencer. The proposed silencer shall have at least the following minimum acoustical performance specifications in terms of sound insertion loss (IL in dB) throughout the octave bands:

| Source ID | Source name and description | Octave Band Centre Frequency [Hz] | | | | | | | |
|-----------|------------------------------------|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|
| | | 63 | 125 | 250 | 500 | 1 k | 2 k | 4 k | 8 k |
| BH3 | Grain Silos Dust Collector Exhaust | 4 | 8 | 16 | 23 | 29 | 24 | 12 | 9 |

3. Silencers for the Mill Pneumatic Fans (A4140 & A4146)

Each new mill pneumatic fan (A4140 & A4146) shall be equipped with a silencer (2 silencers in total). Each proposed silencer shall have at least the following minimum acoustical performance specifications in terms of sound insertion loss (IL in dB) throughout the octave bands:

| Source ID | Source name and description | Octave Band Centre Frequency [Hz] | | | | | | | |
|---------------|-----------------------------|-----------------------------------|-----|-----|-----|------|------|------|------|
| | | 63 | 125 | 250 | 500 | 1 k | 2 k | 4 k | 8 k |
| A4140 & A4146 | Mill Pneumatic Fans | 6.5 | 12 | 21 | 23 | 32.5 | 27.5 | 18.5 | 12.5 |

4. Silencer for the Mill Aspiration Exhaust Fan (A4134)

The new mill aspiration exhaust fan (A4134) shall be equipped with a silencer. The proposed silencer shall have at least the following minimum acoustical performance specifications in terms of sound insertion loss (IL in dB) throughout the octave bands:

| Source ID | Source name and description | Octave Band Centre Frequency [Hz] | | | | | | | |
|-----------|-----------------------------|-----------------------------------|-----|-----|-----|------|------|------|------|
| | | 63 | 125 | 250 | 500 | 1 k | 2 k | 4 k | 8 k |
| A4134 | Mill Aspiration Exhaust Fan | 6.5 | 12 | 21 | 23 | 32.5 | 27.5 | 18.5 | 12.5 |

5. Clearing Aspiration Exhaust Fan (A2098)

The new clearing aspiration exhaust fan (A2098) shall be equipped with the silencer. The proposed silencer shall have at least the following minimum acoustical performance specifications in terms of sound insertion loss (IL in dB) throughout the octave bands:

| Source ID | Source name and description | Octave Band Centre Frequency [Hz] | | | | | | | |
|-----------|---------------------------------|-----------------------------------|-----|-----|-----|------|------|------|------|
| | | 63 | 125 | 250 | 500 | 1 k | 2 k | 4 k | 8 k |
| A2098 | Clearing Aspiration Exhaust Fan | 6.5 | 12 | 21 | 23 | 32.5 | 27.5 | 18.5 | 12.5 |

6. Silencer for the Spot Filter Exhaust Fan (A6115)

The new mill spot filter exhaust fan (A6115) shall be equipped with the silencer. The proposed silencer shall have at least the following minimum acoustical performance specifications in terms of sound insertion loss (IL in dB) throughout the octave bands:

| Source ID | Source name and description | Octave Band Centre Frequency [Hz] | | | | | | | |
|-----------|----------------------------------|-----------------------------------|------|-----|-----|-----|-----|------|-----|
| | | 63 | 125 | 250 | 500 | 1 k | 2 k | 4 k | 8 k |
| A6115 | New Mill Spot Filter Exhaust Fan | 7.5 | 13.5 | 24 | 39 | 50 | 50 | 37.5 | 25 |

7. White and Brown Flour Blending Filter Exhaust Fans (A5097 & A5105)

The white and brown flour blending filter exhaust fans (A5097 & A5105) will be equipped with the silencers (2 silencers in total). Each of the proposed silencers shall have at least the following minimum acoustical performance specifications in terms of sound insertion loss (IL in dB) throughout the octave bands:

| Source ID | Source name and description | Octave Band Centre Frequency [Hz] | | | | | | | |
|---------------|--|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|
| | | 63 | 125 | 250 | 500 | 1 k | 2 k | 4 k | 8 k |
| A5097 & A5105 | White and Brown Flour Blending Filter Exhaust Fans | 7 | 12 | 20 | 25 | 28 | 18 | 12 | 10 |

8. Intake Building Exhaust (A1103)

The intake building rooftop exhaust (A1103) shall be equipped with a silencer. The proposed silencer shall have at least the following minimum acoustical performance specifications in terms of sound insertion loss (IL in dB) throughout the octave bands:

| Source ID | Source name and description | Octave Band Centre Frequency [Hz] | | | | | | | |
|-----------|---------------------------------|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|
| | | 63 | 125 | 250 | 500 | 1 k | 2 k | 4 k | 8 k |
| A1103 | Intake Building rooftop Exhaust | 7 | 12 | 20 | 25 | 28 | 18 | 12 | 10 |

9. Silencers for the Bin Filter Exhaust (ISF)

The three (3) exhaust stacks serving the bin filters (ISF) shall be equipped with one silencer each (3 silencers in total). Each of the proposed silencers shall have at least the following minimum acoustical performance specifications in terms of sound insertion loss (IL in dB) throughout the octave bands:

| Source ID | Source name and description | Octave Band Centre Frequency [Hz] | | | | | | | |
|-----------|-----------------------------|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|
| | | 63 | 125 | 250 | 500 | 1 k | 2 k | 4 k | 8 k |

| | | | | | | | | | |
|-----|--------------------------|---|----|----|----|----|----|----|----|
| ISF | Bin Filter Exhaust (ISF) | 7 | 12 | 20 | 25 | 28 | 18 | 12 | 10 |
|-----|--------------------------|---|----|----|----|----|----|----|----|

10. Silencers for the New Grain Silos Intake Fans (NGS1_INT1/2, NGS2_INT1/2, NGS3_INT1/2)

The Facility shall install the intake fans (NGS1_INT1/2, NGS2_INT1/2, NGS3_INT1/2) for three new grain silos, with the manufacturer's prescribed silencers (6 silencers in total), in order to ensure that each intake fan sound power level not exceeds 88 dBA, and/or the intake fan sound pressure level not exceeds 44 dBA (including 5 dBA tonal penalty) at 60 metres at any time.

The Company shall implement above noted Noise Control Measures prior to commencement of operation of the new Equipment.

The reasons for the imposition of these terms and conditions are as follows:

GENERAL

1. Condition No. 1 is included to require the *Approval* holder to build, operate and maintain the *Facility* in accordance with the Supporting Documentation in Schedule A considered by the *Director* in issuing this *Approval*.

LIMITED OPERATIONAL FLEXIBILITY, REQUIREMENT TO REQUEST AN ACCEPTABLE POINT OF IMPINGEMENT CONCENTRATION AND PERFORMANCE LIMITS

2. Conditions No. 2, 3 and 4 are included to limit and define the *Modifications* permitted by this *Approval*, and to set out the circumstances in which the *Company* shall request approval of an *Acceptable Point of Impingement Concentration* prior to making *Modifications*. The holder of the *Approval* is approved for operational flexibility for the *Facility* that is consistent with the description of the operations included with the application up to the *Facility Production Limit*. In return for the operational flexibility, the *Approval* places performance based limits that cannot be exceeded under the terms of this *Approval*. *Approval* holders will still have to obtain other relevant approvals required to operate the *Facility*, including requirements under other environmental legislation such as the *Environmental Assessment Act*.

DOCUMENTATION REQUIREMENTS

3. Condition No. 5 is included to require the *Company* to maintain ongoing documentation that demonstrates compliance with the performance limits as specified in Condition 4 of this *Approval* and allows the *Ministry* to monitor on-going compliance with these performance limits. The *Company* is required to have an up to date *ESDM Report* and *Acoustic Assessment Report* that describe the *Facility* at all times and make the *Emission Summary Table* and *Acoustic Assessment Summary Table* from these reports available to the public on an ongoing basis in order to maintain public communication with regard to the emissions from the *Facility*.

REPORTING REQUIREMENTS

4. Condition No. 6 is included to require the *Company* to provide a yearly *Written Summary Form* to the *Ministry*, to assist the *Ministry* with the review of the site's compliance with the *EPA*, the regulations and this *Approval*.

OPERATION AND MAINTENANCE

5. Condition No. 7 is included to require the *Company* to properly operate and maintain the *Processes with Significant Environmental Aspects* to minimize the impact to the environment from these processes.

COMPLAINTS RECORDING AND REPORTING PROCEDURE

6. Condition No. 8 is included to require the *Company* to respond to any environmental complaints regarding the operation of the *Equipment*, according to a procedure that includes methods for preventing recurrence of similar incidents and a requirement to prepare and retain a written report.

RECORD KEEPING REQUIREMENTS

7. Condition No. 9 is included to require the *Company* to retain all documentation related to this *Approval* and provide access to employees in or agents of the *Ministry*, upon request, so that the *Ministry* can determine if a more detailed review of compliance with the performance limits as specified in Condition 4 of this *Approval* is necessary.

REVOCAION OF PREVIOUS APPROVALS

8. Condition No. 10 is included to identify that this *Approval* replaces all Section 9 Certificate(s) of Approval and Part II.1 Approvals in regards to the activities mentioned in subsection 9(1) of the *EPA* and dated prior to the date of this *Approval*.

SOURCE TESTING

9. Condition No. 11 is included to require the *Company* to gather accurate information so that compliance with the *EPA*, the regulations and this *Approval* can be verified.

ACOUSTIC AUDIT

10. Condition No. 12.1 is included to require the *Company* to gather accurate information so that the environmental impact and subsequent compliance with the *EPA*, the regulations and this *Approval* can be verified.

11. Condition No. 12.2 is included to ensure that the Acoustic Audit is carried out in accordance with procedures set in the *Ministry's Noise Guidelines*.

Upon issuance of the environmental compliance approval, I hereby revoke Approval No(s). 2789-8S7LUW issued on March 21, 2012.

In accordance with Section 139 of the Environmental Protection Act, you may by written Notice served upon me, the Environmental Review Tribunal and in accordance with Section 47 of the Environmental Bill of Rights, 1993, S.O. 1993, c. 28 (Environmental Bill of Rights), the Environmental Commissioner, within 15 days after receipt of this Notice, require a hearing by the Tribunal. The Environmental Commissioner will place notice of your appeal on the Environmental Registry. Section 142 of the Environmental Protection Act provides that the Notice requiring the hearing shall state:

1. The portions of the environmental compliance approval or each term or condition in the environmental compliance approval in respect of which the hearing is required, and;
2. The grounds on which you intend to rely at the hearing in relation to each portion appealed.

Pursuant to subsection 139(3) of the Environmental Protection Act, a hearing may not be required with

respect to any terms and conditions in this environmental compliance approval, if the terms and conditions are substantially the same as those contained in an approval that is amended or revoked by this environmental compliance approval.

The Notice should also include:

3. The name of the appellant;
4. The address of the appellant;
5. The environmental compliance approval number;
6. The date of the environmental compliance approval;
7. The name of the Director, and;
8. The municipality or municipalities within which the project is to be engaged in.

And the Notice should be signed and dated by the appellant.

This Notice must be served upon:

| | | | | |
|--|-----|---|-----|---|
| The Secretary* Environmental Review Tribunal 655 Bay Street, Suite 1500 Toronto, Ontario M5G 1E5 | AND | The Environmental Commissioner 1075 Bay Street, Suite 605 Toronto, Ontario M5S 2B1 | AND | The Director appointed for the purposes of Part II.1 of the Environmental Protection Act Ministry of the Environment and Climate Change 135 St. Clair Avenue West, 1st Floor Toronto, Ontario M4V 1P5 |
|--|-----|---|-----|---|

*** Further information on the Environmental Review Tribunal's requirements for an appeal can be obtained directly from the Tribunal at: Tel: (416) 212-6349, Fax: (416) 326-5370 or www.ert.gov.on.ca**

This instrument is subject to Section 38 of the Environmental Bill of Rights, 1993, that allows residents of Ontario to seek leave to appeal the decision on this instrument. Residents of Ontario may seek leave to appeal within 15 days from the date this decision is placed on the Environmental Registry. By accessing the Environmental Registry at www.ebr.gov.on.ca, you can determine when the leave to appeal period ends.

The above noted activity is approved under s.20.3 of Part II.1 of the Environmental Protection Act.

DATED AT TORONTO this 17th day of January, 2017

Rudolf Wan, P.Eng.
Director
appointed for the purposes of Part II.1 of
the *Environmental Protection Act*

JK /
c: District Manager, MOECC Hamilton - District
Lucas Neil, Airzone One Ltd.