

**AMENDED ENVIRONMENTAL COMPLIANCE APPROVAL**

NUMBER 3891-BS2QG2

Issue Date: November 23, 2020

2776034 Ontario Inc. as general partner for and on behalf of  
Lumber Assets Holdings LP  
222 Bay Street, Suite 3000  
Toronto, Ontario  
M5K 1E7

**Site Location:** 1060 Lakeview Drive  
Kenora City, District of Kenora  
P9N 3X8

*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:*

- one (1) pulse jet baghouse dust collector, to collect wood dust from the planer mill and stud mill, equipped with singed polyester felt filter bags having a net filtration area of 333 square metres and discharges filtered air to the atmosphere at a maximum volumetric flowrate of 10.38 actual cubic metres per second through a stack having an exit diameter of 0.3 metre at an elevation of approximately 10.2 metres above grade;
- one (1) 1.1 metre diameter cyclone separator, serving the high pressure pneumatic conveyor system transporting green wood chips produced in the stud mill to a chip bin. The cyclone removes wood chips from the transport airstream prior to discharging the air to the atmosphere at a maximum volumetric flowrate of 3.72 actual cubic metres per second through a stack having an exit diameter of 0.58 metre at an elevation of approximately 25.5 metres above grade;
- one (1) 1.3 metre diameter cyclone separator, designated as Source 3, serving the low pressure pneumatic conveyor system transporting kiln dried planer chips produced in the planer mill to a chip bin. The cyclone removes wood chips from the transport airstream prior to discharging the air into the atmosphere at a maximum volumetric flowrate of 2.83 actual cubic metres per second through a stack having an exit diameter of 0.61 metre at an elevation of approximately 25.5 metres above grade;
- one (1) drying kiln, using heated air from a dedicated natural gas fired combustion chamber rated at 12.7 million kilojoules per hour to dry lumber from the stud mill. Combustion gasses and kiln emissions are discharged into the air from the drying kiln by natural ventilation through 20 vents, each approximately 0.5 metre by 0.5 metre, at an elevation of approximately 9 metres above grade;

- one (1) continuous kiln, using heated air from a dedicated natural gas fired combustion chamber rated at 15.8 million kilojoules per hour to dry lumber from the stud mill. Combustion gasses and kiln emissions are discharged into the air from the continuous kiln by natural ventilation through 12 vents each approximately 0.5 metre by 0.5 metre, extending 7.9 metres above ground and two (2) stacks each having an exit diameter of 0.6 metre, at an elevation of approximately 9.5 metres above grade;

all in accordance with the Application for Approval (Air & Noise) and all supporting information associated with the application listed under Schedule B of this *Approval* .

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

1. "*Acoustic Assessment Report*" means the report, prepared in accordance with *Publication NPC-233* submitted in support of the application, that documents all sources of noise emissions and *Noise Control Measures* present at the *Facility*. "*Acoustic Assessment Report*" also means the Acoustic Assessment Report prepared by Dillon Consulting Limited, dated June 17, 2020 and signed by Amir A. Iravani, Ph.D., P.Eng.;
2. "*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*;
3. "*Acoustic Audit Report*" means a report presenting the results of an *Acoustic Audit* , prepared in accordance with *Publication NPC-233*;
4. "*Acoustic Barrier*" means a barrier or berm positioned such that it completely interrupts the line of sight between the *Equipment* and the noise sensitive *Points of Reception* continuous without holes, gaps and other penetrations, and having surface mass of at least 20 kilograms per square metre;
5. "*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*;
6. "*Approval*" means this Environmental Compliance Approval, including the application and supporting documentation listed above;

7. "*Best Management Practices Plan*" means a document or a set of documents which describe measures to minimize dust emissions from the *Facility* and/or *Equipment*;
8. "*Company*" means 2776034 Ontario Inc. as general partner for and on behalf of Lumber Assets Holdings LP that is responsible for the construction or operation of the *Facility* and includes any successors and assigns;
9. "*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*;
10. "*District Manager*" means the District Manager of the appropriate local district office of the *Ministry*, where the *Facility* is geographically located;
11. "*EPA*" means the Environmental Protection Act, R.S.O. 1990, c.E.19, as amended;
12. "*Equipment*" means the equipment and processes described in the *Company's* application, the *Technical Standard(s)* for which the *Company* is registered on the *Technical Standards Registry*, this *Approval* and in the supporting documentation submitted with the application, to the extent approved by this *Approval*;
13. "*Facility*" means the entire operation located on the property where the *Equipment* is located;
14. "*Independent Acoustical Consultant*" means an *Acoustical Consultant* who is not representing the *Company* and was not involved in preparing the *Acoustic Assessment Report* or the design/implementation of *Noise Control Measures* for the *Facility* and/or *Equipment*. The Independent Acoustical Consultant shall not be retained by the *Acoustical Consultant* involved in the noise impact assessment or the design/implementation of *Noise Control Measures* for the *Facility* and/or *Equipment*;
15. "*Manual*" means a document or a set of documents that provide written instructions to staff of the *Company*;
16. "*Minister*" means the Minister of the Environment, Conservation and Parks or such other member of the Executive Council as may be assigned the administration of the *EPA* under the Executive Council Act;
17. "*Ministry*" means the ministry of the government of Ontario responsible for the *EPA* and includes all officials, employees or other persons acting on its behalf;
18. "*Noise Control Measures*" means measures to reduce the noise emission from the *Facility* including, but not limited to silencers, acoustic louvres, enclosures, absorptive treatment, plenums and barriers. It also means the noise control measures detailed in the *Acoustic Assessment Report*;
19. "*Point of Reception*" means Point of Reception as defined by *Publication NPC-*

300;

20. "*Publication NPC-103*" means the *Ministry* Publication NPC-103 of the Model Municipal Noise Control By-Law, Final Report, August 1978, published by the *Ministry*, as amended;
21. "*Publication NPC-233*" means the *Ministry* Publication NPC-233, "Information to be Submitted for Approval of Stationary Sources of Sound", October, 1995 as amended;
22. "*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;
23. "*Technical Bulletin: Management Approaches for Industrial Fugitive Dust Sources*" means the *Ministry* publication "Technical Bulletin: management approaches for industrial fugitive dust sources", March 8, 2017, as amended;
24. "*Technical Standard*" has the same meaning as in section 1 of *O. Reg. 419/05*;
25. "*Technical Standards Registry*" means the *Ministry's* Technical Standards Registry – Air Pollution for *Technical Standard* registrations described in section 39 of *O. Reg. 419/05* made under the *EPA*.

*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. OPERATION AND MAINTENANCE

1. The *Company* shall ensure that the *Equipment* is properly operated and maintained at all times. The *Company* shall:
  - a. prepare, not later than three (3) months after the date of this *Approval*, and update, as necessary, a *Manual* outlining the operating procedures and a maintenance program for the *Equipment*, including:
    - i. routine operating and maintenance procedures in accordance with good engineering practices and as recommended by the *Equipment* suppliers;
    - ii. emergency procedures, including spill clean-up procedures;
    - iii. procedures for any record keeping activities relating to operation and maintenance of the *Equipment*;
    - iv. all appropriate measures to minimize noise, odorous and dust

emissions including saw dust from all potential sources; and  
v. the frequency of inspection and replacement of the filter material in the *Equipment*;

b. implement the recommendations of the *Manual*.

## 2. FUGITIVE DUST CONTROL

1. The *Company* shall develop in consultation with the *District Manager*, a *Best Management Practices Plan* for the control of fugitive dust emissions including saw dust. This *Best Management Practices Plan* shall:
  - a. at minimum, be prepared in accordance with *Ministry Technical Bulletin: Management Approaches for Industrial Fugitive Dust Sources*; and
  - b. include a list of all *Ministry* comments received, if any, on the development of the *Best Management Practices Plan*, and a description of how each *Ministry* comment was addressed in the *Best Management Practices Plan*.
2. The *Company* shall submit the *Best Management Practices Plan* to the *District Manager* not later than three (3) months after the date of this *Approval* or as otherwise indicated by the *District Manager*.
3. Upon acceptance of the *Best Management Practices Plan* by the *District Manager*, the *Company* shall immediately implement the *Best Management Practices Plan* for the control of fugitive dust emissions to provide effective dust suppression measures to any potential sources of fugitive dust emissions resulting from the operation of the *Facility*.
4. The *Company* shall update the *Best Management Practices Plan* as necessary or at the direction of the *District Manager*.

## 3. RECORD RETENTION

1. The *Company* shall retain, for a minimum of two (2) years from the date of their creation, all records and information related to or resulting from the recording activities required by this *Approval*, and make these records available for review by staff of the *Ministry* upon request. The *Company* shall retain:
  - a. all records on the maintenance, repair and inspection of the *Equipment*;  
and
  - b. all records of any environmental complaints, including:
    - i. a description, time and date of each incident to which the complaint relates;

- ii. wind direction at the time of the incident to which the complaint relates; and
- iii. a description of the measures taken to address the cause of the incident to which the complaint relates and to prevent a similar occurrence in the future.

#### 4. NOTIFICATION OF COMPLAINTS

1. The *Company* shall notify the *District Manager*, in writing, of each environmental complaint within two (2) business days of the complaint. The notification shall include:
  - a. a description of the nature of the complaint; and
  - b. the time and date of the incident to which the complaint relates.
2. Condition 4.1 does not apply with respect to *Equipment* which has requirements under a *Technical Standard* for which the *Company* is registered that are equivalent to the complaints recording and response procedures set out in Condition 4.1.
3. Condition 4.2 does not apply with respect to complaints recording and response procedures pertaining to noise emissions.

#### 5. NOISE

1. The *Company* shall:
  - a. implement, prior to the commencement of operation of the *Facility*, the *Noise Control Measures* as outlined in the *Acoustic Assessment Report*;
  - b. ensure, at all times, that the noise emissions from the *Facility* comply with the limits set in *Ministry Publication NPC-300*; and
  - c. ensure that the *Noise Control Measures* are properly maintained and continue to provide the acoustical performance outlined in the *Acoustic Assessment Report*.
2. The *Company* shall:
  - a. maintain *Acoustic Barriers* as depicted in Figure 2 of the *Acoustic Assessment Report* at all times that the *Facility* is operating;
  - b. ensure that the *Acoustic Barrier* specified as the "Earth Berm" in Figure 2 of the *Acoustic Assessment Report* is made to be non-combustible, so that its integrity as an *Acoustic Barrier* is maintained at all times.
3. The *Company* shall restrict the operation of the *Equipment* used to maintain the *Acoustic Barriers* and/or remove/replace the logs comprising the log wall *Acoustic Barrier* to the day-time hours of 7 a.m. to 7 p.m. if operating to the

west or north of the *Acoustic Barrier(s)*, as outlined in Section 2.2 of the *Acoustic Assessment Report*.

4. The *Company* shall ensure that impulse noises from the rail shunting and the step feeder do not occur during the same sixty (60) minute period.

## 6. ACOUSTIC AUDIT

1. The *Company* shall carry out *Acoustic Audit measurements* on the actual noise emissions due to the operation of the *Facility*. The *Company*:
  - a. shall carry out *Acoustic Audit measurements* in accordance with the procedures in *Publication NPC-103*;
  - 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 nine (9) months after the commencement of operation of the *Facility* or as required or accepted by the *District Manager*;
  - c. 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 nine (9) months after the commencement of operation of the rail spur line at the *Facility* or as required or accepted by the *District Manager*.
2. The *Director*:
  - a. may not accept the results of the *Acoustic Audit* if the requirements of *Publication NPC-233* were not followed;
  - 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

### Technical Standards for which the Company is Registered

- Technical Standards Registry - Forest Products for acrolein, MOECC registration number 501-17-393-rv0 approved on September 20, 2017.

## SCHEDULE B

### Supporting Documentation

1. Environmental Compliance Approval Application, dated December 13, 2018, signed by Dale Munro and submitted by the *Company*;
2. Emission Summary and Dispersion Modelling Report, prepared by KGS Group, dated December 10, 2018;
3. Application for registration on the *Technical Standards Registry*, including all notifications to the *Ministry* after the registration on the *Technical Standards Registry* was granted to the *Facility*;
4. *Acoustic Assessment Report* prepared by Dillon Consulting Limited, dated June 17, 2020 and signed by Amir A. Iravani, Ph.D., P.Eng.; and,
5. The additional information provided by Amir A. Iravani, Ph.D., P.Eng. of Dillon Consulting Limited in the emails dated January 30, 2020, April 15, 2020, May 11, 2020, May 15, 2020, June 17, 2020, August 27, 2020 and August 28, 2020.

## **SCHEDULE C**

### ***Acoustic Audit***

- In addition to the requirements of Condition 6.1, the *Company* must ensure that the *Acoustic Audit* includes the following:
  1. Determination of *Facility* sound levels at all *Points of Reception* that must be:
    - a. completed by sound level measurement(s) where possible, in which case the wind speed and direction during each measurement must be reported;
    - b. representative of the *Facility* operating conditions stated in the *Acoustic Assessment Report* for the day, evening and night time periods; and
    - c. at the height above grade stated in the *Acoustic Assessment Report* for each *Point of Reception*.
  2. Measurements to determine sound power levels of all significant noise sources.
  3. Verification of the applicable sound level limits at each *Point of Reception*.
  4. Verification that all *Noise Control Measures* specified in the *Acoustic Assessment Report* are present.

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

1. Condition No. 1 is included to emphasize that the *Equipment* must be maintained



and operated according to a procedure that will result in compliance with the *EPA*, the Regulations and this *Approval*.

2. Condition No. 2 is included to emphasize that the *Equipment* must be maintained and operated according to a procedure that will result in compliance with the *EPA*, the Regulations and this *Approval*.
3. Condition No. 3 is included to require the *Company* to keep records and to provide information to staff of the *Ministry* so that compliance with the *EPA*, the Regulations and this *Approval* can be verified.
4. Condition No. 4 is included to require the *Company* to notify staff of the *Ministry* so as to assist the *Ministry* with the review of the site's compliance.
5. Condition No. 5 is included to provide the minimum performance requirements considered necessary to prevent an adverse effect resulting from the operation of the *Facility*.
6. Condition No. 6 is included to require the *Company* to gather accurate information and submit an *Acoustic Audit Report* in accordance with procedures set in the *Ministry's* noise guidelines, so that the environmental impact and subsequent compliance with this *Approval* can be verified.

**Upon issuance of the environmental compliance approval, I hereby revoke Approval No(s). 8021-AQXRLZ issued on April 10, 2018.**

*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, the Minister of the Environment, Conservation and Parks, within 15 days after receipt of this Notice, require a hearing by the Tribunal. The Minister of the Environment, Conservation and Parks 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:*

- a. 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;
- b. 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:*

1. The name of the appellant;
2. The address of the appellant;
3. The environmental compliance approval number;
4. The date of the environmental compliance approval;
5. The name of the Director, and;
6. 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*		The Minister of the Environment,		The Director appointed for the purposes of
Environmental Review Tribunal		Conservation and Parks		Part II.1 of the Environmental Protection Act
655 Bay Street, Suite 1500	AND	777 Bay Street, 5th Floor	AND	Ministry of the Environment, Conservation
Toronto, Ontario		Toronto, Ontario		and Parks
M5G 1E5		M7A 2J3		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](http://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 <https://ero.ontario.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 23rd day of November,  
2020

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

BA/  
c: Area Manager, MECP Kenora Area Office  
c: District Manager, MECP Thunder Bay District Office  
Amir A. Iravani, P.Eng., Dillon Consulting