

AMENDED ENVIRONMENTAL COMPLIANCE APPROVAL

NUMBER 6032-BWCMWW

Issue Date: March 2, 2021

Westex Coatings Inc.
639 Colby Drive
Waterloo, Ontario
N2V 1B4

Site Location: 639 Colby Drive
Waterloo City, Regional Municipality of Waterloo

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:

- the equipment and associated exhaust systems listed in Schedule A;

all in accordance with the Application for Approval (Air) submitted by Westex Coatings Inc., dated September 30, 2019 and signed by Peter Hattle, Owner; the supporting information, including the Emission Summary and Dispersion Modelling Report, dated October 22, 2019; the Acoustic Assessment Report prepared by GHD Limited, dated December 9, 2020 and signed by Michael Masschaele; email updates provided by Matthew Griffin of GHD Limited on October 30 and December 8, 2020; and email updates provided by Erin Ivens of GHD Limited on January 13 and January 18, 2021.

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

1. "*Approval*" means this Environmental Compliance Approval, including the application and supporting documentation listed above;
2. "*Company*" means **Westex Coatings Inc.**, that is responsible for the construction or operation of the *Facility* and includes any successors and assigns;
3. "*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*;
4. "*District Manager*" means the District Manager of the appropriate local district office of the *Ministry*, where the *Facility* is geographically located;
5. "*EPA*" means the Environmental Protection Act, R.S.O. 1990, c.E.19, as amended;

6. "*Equipment*" means the equipment described in the *Company's* application, this *Approval* and in the supporting documentation submitted with the application, to the extent approved by this *Approval*;
7. "*Facility*" means the entire operation located on the property where the *Equipment* is located;
8. "*Manager*" means the Manager, Technology Standards Section, Technical Assessment and Standards Development Branch, or any other person who represents and carries out the duties of the Manager, Technology Standards Section, Technical Assessment and Standards Development Branch, as those duties relate to the conditions of this *Approval*;
9. "*Manual*" means a document or a set of documents that provide written instructions to staff of the *Company*;
10. "*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;
11. "*Pre-Test Plan*" means a plan for the *Source Testing* including the information required in Section 5 of the *Source Testing Code*;
12. "*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;
13. "*Source Testing*" means site-specific sampling and testing to measure emissions resulting from operating the *Targeted Source* under operating conditions that will derive an emission rate that, for the relevant averaging period of the contaminant, is at least as high as the maximum emission rate that the source of contaminant is reasonably capable of, within the approved operating range of the *Targeted Source* which satisfies paragraph 1 of subsection 11(1) of O. Reg. 419/05;
14. "*Source Testing Code*" means the Ontario Source Testing Code, dated June 2010, prepared by the *Ministry*, as amended;
15. "*Targeted Source*" means the 50 kilowatt natural gas fired combined heat and power unit described in the *Company's* application, this *Approval* and in the supporting documentation submitted with the application, to the extent approved by this *Approval*;
16. "*Test Contaminants*" means the contaminants listed in Schedule B; and
17. "*Truck(s)*" means the trucks for shipping of raw materials and/or finished goods to and from the *Facility*.

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 and odorous emissions 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. 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.

3. 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.

4. NOISE

1. The *Company* shall, at all times, ensure that the noise emissions from the *Facility* comply with the limits set out in *Ministry Publication NPC-300*.
2. The *Company* shall limit *Truck* arrivals and departures during the hours of 7 a.m. to 7 p.m. in accordance with the following:
 - a. a maximum of three (3) *Trucks* per sixty (60) minute period.
3. The *Company* shall limit *Truck* arrivals and departures during the hours of 7 p.m. to 7 a.m. in accordance with the following:
 - a. a maximum of one (1) *Truck* per sixty (60) minute period.

5. SOURCE TESTING

1. The *Company* shall perform *Source Testing*, initially and every two (2) calendar years thereafter in accordance with the procedures in Schedule C, to determine the rate of emission of the *Test Contaminant* from the *Targeted Source*.
2. The *Company* shall ensure that the emissions of the *Test Contaminant* in the undiluted gases emitted from the *Targeted Source* shall not be greater than the emission limit specified in Schedule B of this *Approval*.

SCHEDULE A

Sources

Source ID	Description	Flow rate (cubic metres per second)	Temperature (degrees Celsius)	Stack Diameter (metre)	Stack Height Above Grade (metres)	Stack Height Above Roof (metres)
2	Small Batch Oven	0.04	65	0.13	9.70	2.50
5	Large Batch Oven	0.47	90	0.20	9.50	2.30
6	Large Batch Oven Hood Exhaust	0.47	90	0.20	9.50	2.30
12	Bake Oven	0.57	65	0.30	9.80	2.60
14	Dry Off Oven	0.80	65	0.41	10.00	2.80

18	Parts Washer Exhaust	0.06	25	0.15	8.70	1.50
19	Wash Tank Heater - Stage 3	0.06	25	0.15	8.70	1.50
20	Dry Off Oven	0.80	90	0.46	8.50	1.30
21	Wash Tank Heater - Stage 1	0.06	25	0.15	8.50	1.30
22	Parts Washer Exhaust	0.06	25	0.46	9.60	2.40
23	Wash Tank Heater - Stage 1	0.04	25	0.15	9.10	1.90
24	Parts Washer Exhaust	0.04	25	0.46	8.80	1.60
27	Bake Oven	0.57	90	0.40	8.50	1.30
33	MIG Welding on Steel	1.18	ambient	0.30	10.30	3.10
38	50 kilowatt Combined Heat and Power Unit	0.04	85	0.08	2.06	-

SCHEDULE B

Test Contaminants and Maximum Limits

Test Contaminants	Maximum Limit
Nitrogen Oxides	0.4 kilogram/megawatt-hour

SCHEDULE C

Source Testing Procedures

1. The *Company* shall, for the initial *Source Testing*, submit not later than two (2) months after the installation of the *Targeted Source* a *Pre-Test Plan* to the *Manager* 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 initial *Source Testing* required under this *Approval* until the *Manager* has approved the *Pre-Test Plan*.
3. The *Company* shall perform the initial *Source Testing* within three (3) months after the *Pre-Test Plan* is approved.
4. For subsequent *Source Testing*:
 1. The *Company* shall submit either a written notification of intent to use a previously approved *Pre-Test Plan* (with version reference if there were more than one (1) previously approved *Pre-Test Plan*), or a new *Pre-Test Plan*, to the *Manager* not later than two (2) months of the planned date of the *Source*

Testing for approval.

2. If the *Company* submitted a written notification of intent to use a previously approved *Pre-Test Plan*, the *Manager* may either accept the use of a previously approved *Pre-Test Plan*, or request the submission of a new *Pre-Test Plan* for approval. The *Company* shall submit the requested new *Pre-Test Plan* within two (2) months after the *Manager* requested the submission.
3. The *Company* shall complete the subsequent *Source Testing* no later than three (3) months after the *Manager* has either agreed with the written notification or approved the new *Pre-Test Plan*.
5. 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*.
6. The *Company* shall submit a report (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 of the *Targeted Source* at the time of *Source Testing*;
 4. results of *Source Testing*, including the emission rate, emission concentration, and relevant emission factor of the *Test Contaminants* from the *Targeted Source*; and
 5. a tabular comparison of calculated emission rates and emission factors based on *Source Testing* results for the *Test Contaminants* to relevant estimates described in the *ESDM Report*.
7. The *Director* may not accept the results of the *Source Testing* if:
 1. the *Source Testing Code* or the requirement 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*.
8. If the *Director* does not accept the result 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.

9. The *Company* shall update their *ESDM Report* in accordance with Section 26 of *O. Reg. 419/05* and the *Procedure Document* with the results from the *Source Testing* if any of the calculated emission factors or calculated emission rates are higher than the predicted rates in the *ESDM report*, not later than three (3) months after the submission of the *Source Testing* report and make these records available for review by staff of the *Ministry* upon request.
10. The *District Manager* may not require subsequent *Source Testing* or relax the frequency of subsequent *Source Testing* if the results of the *Source Testing* indicate that the environmental impact from the *Test Contaminant* are insignificant.

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 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.
3. Condition No. 3 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.
4. Condition No. 4 is included to provide the minimum performance requirements considered necessary to prevent an adverse effect resulting from the operation of the *Facility*.
5. Condition No. 5 is included to require the *Company* to gather accurate information so that compliance with the *EPA*, the *regulations* and this *Approval* can be verified.

Upon issuance of the environmental compliance approval, I hereby revoke Approval No(s). 7726-8RJR6F issued on July 16, 2014.

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*
Environmental Review Tribunal
655 Bay Street, Suite 1500
Toronto, Ontario
M5G 1E5

AND

The Minister of the Environment,
Conservation and Parks
777 Bay Street, 5th Floor
Toronto, Ontario
M7A 2J3

AND

The Director appointed for the purposes of
Part II.1 of the Environmental Protection Act
Ministry of the Environment, Conservation
and Parks
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 <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 2nd day of March,
2021

Rudolf Wan, P.Eng.

Director
appointed for the purposes of Part
II.1 of the *Environmental Protection
Act*

EC/

c: District Manager, MECP Guelph District Office
Matthew Griffin, GHD Ltd.