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Ministry of the Environment, Conservation and Parks
Ministère de l'Environnement, de la Protection de la nature et des Parcs

AMENDED ENVIRONMENTAL COMPLIANCE APPROVAL

NUMBER 4641-CKAPMW

Issue Date: July 17, 2023

Autoliv Canada Inc.
20 Autoliv Drive
Chatham-Kent, Ontario
N0P 2L0

Site Location: 20 Autoliv Drive, Chatham-Kent, Ontario.

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:

A facility manufacturing automotive safety air bags, consisting of the following processes and support units:

- one (1) Coating Line 2 exhaust (EX-2);
- one (1) exhaust (EX-4) for two (2) laser cutting units, equipped with a pulse jet type dust collector;
- one (1) natural gas fired coating boiler 1 (EX-5), having a maximum heat input of 3,481,500 kilojoules per hour;
- one (1) natural gas fired coating boiler 2 (EX-6), having a maximum heat input of 3,481,500 kilojoules per hour;
- one (1) natural gas fired coating boiler 3 (EX-7), having a maximum heat input of 5,275,000 kilojoules per hour;
- two (2) natural gas fired scouring boilers exhaust (EX-8), having a maximum combined heat input of 25,585,860 kilojoules per hour;
- one (1) scouring dryer steam exhaust (EX-9);
- maintenance welding and spray booth exhaust (EX-10);
- one (1) 140 hp diesel engine driven emergency fire pump, fitted with a silencer (EX-11);
- one (1) laboratory fume hood exhaust (EX-12);
- one (1) Coating Line 3 exhaust (EX-16), equipped with one (1) natural gas fired regenerative thermal oxidizer, having a maximum heat input of 4,010,000 kilojoules per hour;
- one (1) natural gas fired coating boiler 4 (EX-17), having a maximum heat input of 8,438,945 kilojoules per hour;

- one (1) natural gas fired coating boiler 5 (EX-18), having a maximum heat input of 8,438,945 kilojoules per hour;
- one (1) exhaust (EX-19) for two (2) laser cutting units, equipped with a pulse jet type dust collector;
- one (1) exhaust (EX-20) for two (2) laser cutting units, equipped with a pulse jet type dust collector;
- two (2) scouring steam exhausts (EX-21 and EX-22);

discharging into the air via applicable exhaust systems, as described in the ESDM Report.

All in accordance with the Application for an Environmental Compliance Approval (Air and Noise) and all supporting information dated July 25, 2022, signed by Mark Donais; the ESDM Report and the Acoustic Assessment Report.

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 Pinchin Ltd., June 22, 2022 and signed by Weidong Li, P.Eng.;
2. "Approval" means this Environmental Compliance Approval, including the application and supporting documentation listed above;
3. "Coating Line 3" means Coating Line 3 for the coating of air bag fabric, equipped with the Regenerative Thermal Oxidizer described in the Company's application, this Approval and in the supporting documentation submitted with the application, to the extent approved by this Approval;
4. "Company" means Autoliv Canada Inc., that is responsible for the construction or operation of the Facility and includes any successors and assigns;
5. "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;
6. "District Manager" means the District Manager of the appropriate local district office of the Ministry, where the Facility is geographically located;
7. "ESDM Report" means the Emission Summary and Dispersion Modelling Report,

Version 4.0 which was prepared in accordance with section 26 of O. Reg. 419/05 and the Ministry guidance document titled "Procedure for Preparing an Emission Summary and Dispersion Modelling Report", as amended, prepared by Pinchin Ltd. and dated June 29, 2022, submitted in support of the application, and includes any changes to the report made up to the date of issuance of this Approval;

8. "EPA" means the Environmental Protection Act, R.S.O. 1990, c.E.19, as amended ;
9. "Equipment" means all the equipment, including all 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;
10. "Facility" means the entire operation located on the property where the Equipment is located;
11. "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;
12. "Manual" means a document or a set of documents that provide written instructions to staff of the Company;
13. "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;
14. "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 outlined in section 6 of the Acoustic Assessment Report;
15. "O. Reg. 419" means the Ontario Regulation 419/05, Air Pollution – Local Air Quality, as amended;
16. "Point of Impingement" has the same meaning as in section 2 of O. Reg. 419/05;
17. "Pre-Test Plan" means a plan for the Source Testing including the information required in Section 5 of the Source Testing Code;
18. "Publication NPC-233" means the Ministry Publication NPC-233, "Information to be Submitted for Approval of Stationary Sources of Sound", October, 1995, as amended;
19. "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;

20. "Regenerative Thermal Oxidizer" means the natural gas fired regenerative thermal oxidizer, used to control emissions from the exhaust system serving Coating Line 3, as described in the Company's application, this Approval and in the supporting documentation submitted with the application, to the extent approved by this Approval;
21. "Sensitive Receptor" means any location where routine or normal activities occurring at reasonably expected times would experience adverse effect(s) from odour discharges from the Facility, including one or a combination of:
- a. private residences or public facilities where people sleep (eg: single and multi-unit dwellings, nursing homes, hospitals, trailer parks, camping grounds, etc.),
 - b. institutional facilities (eg: schools, churches, community centres, day care centres, recreational centres, etc.),
 - c. outdoor public recreational areas (eg: trailer parks, play grounds, picnic areas, etc.), and
 - d. commercial areas where there are continuous public activities (eg: commercial plazas and office buildings);
22. "Source Testing" means site-specific sampling and testing to measure emissions resulting from operating the Coating Line 3 without the Regenerative Thermal Oxidizer in operation, 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, or a rate approved by the Manager within the approved operating range of the Coating Line 3, which satisfies paragraph 1 of subsection 11(1) of O. Reg. 419/05; and
23. "Source Testing Code" means the Ontario Source Testing Code, dated June 2010, prepared by the Ministry, as amended;

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/Facility is properly operated and maintained at all times. The Company shall:
 - a. prepare, before commencement of operation of the Equipment 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 particulate matter, noise and odorous emissions from all potential sources;

b. implement the recommendations of the Manual.

2. The Company shall maintain the operating temperature in the combustion chamber of the Regenerative Thermal Oxidizer at a minimum temperature of 815 degrees Celsius, as measured by the continuous temperature monitor at all times when the exhaust gases from Coating Line 3 are directed to the Regenerative Thermal Oxidizer.

2. CONTINUOUS MONITORING

1. The Company shall continuously monitor and record the temperature at the exit of the combustion chamber of the Regenerative Thermal Oxidizer. The continuous temperature monitoring and recording system shall comply with the requirements in Schedule "A" of this Approval.

3. NOISE

1. The Company shall:

- a. implement by not later than eighteen (18) months from the date of this Approval, the Noise Control Measures outlined in section 6 of the Acoustic Assessment Report;
- b. ensure, subsequent to the implementation of the Noise Control Measures 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.

4. 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;
- b. all records produced by the continuous temperature monitoring and recording equipment;
- c. all records of any upset conditions associated with the operation of the Equipment; and
- d. 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.

5. 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;
 - b. the time and date of the incident to which the complaint relates; and
 - c. 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.

6. ODOUR ASSESSMENT

1. For the purposes of conducting an odour assessment on Coating Line 3, the Company shall perform Source Testing in accordance with the procedures in Schedule B to determine the rates of emissions of Odour from Coating Line 3 exhaust while the Regenerative Thermal Oxidizer is not operation.
2. The Regenerative Thermal Oxidizer shall be shut down only during the Source Testing process.

SCHEDULE "A"

Continuous Temperature Monitoring System

PARAMETER:

Temperature

LOCATION:

The sample point for the continuous temperature monitoring and recording system shall be at a location where the measurements are representative of the minimum temperature of the gases leaving the combustion chamber of the Regenerative Thermal Oxidizer.

PERFORMANCE:

The Continuous Temperature Monitor shall meet the following minimum performance specifications for the following parameters:

PARAMETERS	SPECIFICATION
Type	shielded "K" type thermocouple, or equivalent
Accuracy	5 degrees Celsius or less.

DATA RECORDER:

The data recorder must be capable of registering continuously the measurement of the monitor without a significant loss of accuracy and with a time resolution of 5 minutes or better.

RELIABILITY:

The monitor shall be operated and maintained so that accurate data is obtained during a minimum of 90 percent of the time, on a monthly basis, when the Equipment is in operation.

SCHEDULE B

Source Testing Procedures

1. The Company shall submit, at least one (1) month prior to the scheduled Source Testing dates, to the Manager, a Pre-Test Plan for the Source Testing required under this Approval.
2. The Company shall finalize the Pre-Test Plan in consultation with the Manager.
3. The Company shall not commence the Source Testing required under this Approval until the Manager has accepted the Pre-Test Plan.
4. The Company shall complete the Source Testing, no later than three (3) months after the Manager has approved the Pre-Test Plan or a date agreed upon in consultation with the District Manager.

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. all records of the operating conditions at the time of Source Testing;
 3. the results of Source Testing, including the emission rate and emission concentration of Odour;
 4. results of dispersion calculations for the 10-minute average concentration of Odour at the Point of Impingement and the most impacted Sensitive Receptor, as outlined in Schedule "C" of this Approval;
7. 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; or
 2. the Company did not notify the Manager, the District Manager and the 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 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.

SCHEDULE "C"

Procedure to calculate and record the 10-minute average concentration of odour at the Point of Impingement and at the most impacted Sensitive Receptor.

1. Calculate and record one-hour average concentration of odour at the Point of

Impingement and at the most impacted Sensitive Receptor, employing the AERMOD atmospheric dispersion model or any other model acceptable to the Director, that employs at least five (5) years of hourly site specific meteorological data and that can provide results reported as individual one-hour average odour concentrations;

2. Convert and record each of the one-hour average concentrations predicted over the five (5) years of hourly local meteorological data at the Point of Impingement and at the most impacted Sensitive Receptor to 10-minute average concentrations using the One-hour Average to 10-Minute Average Conversion described below; and
3. Record and present the 10-Minute Average concentrations predicted to occur over a five (5) year period at the Point of Impingement and at the most impacted Sensitive Receptor in a histogram. The histogram shall identify all predicted 10-minute average odour concentration occurrences in terms of frequency, identifying the number of occurrences over the entire range of predicted odour concentration in increments of not more than 1/10 of one odour unit. The maximum 10-minute average concentration of odour at the Sensitive Receptor will be considered to be the maximum odour concentration at the most impacted Sensitive Receptor that occurs and is represented in the histogram, disregarding outlying data points on the histogram as agreed to by the Director.
 - a. Use the following formula to convert and record one-hour average concentrations at the Point of Impingement and at the most impacted Sensitive Receptor to 10-minute average concentrations:

$$X_{10min} = X_{60min} * 1.65$$

where X_{10min} = 10-minute average concentration

X_{60min} = one-hour average concentration

(Equation: X Subscript 10min Baseline equals X Subscript 60min Baseline times 1.65, where X Subscript 10min Baseline equals 10-minute average concentration and X Subscript 60min Baseline equals one-hour average concentration.)

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 gather information on a

continuous basis so that compliance with the EPA, the Regulations and this Approval can be verified.

3. Condition No. 3 is included to provide the minimum performance requirement considered necessary to prevent an adverse effect resulting from the operation of the Facility.
4. Condition No. 4 is included to require the Company to keep records and to provide information to the Ministry so that compliance with the EPA, the regulations and this Approval can be verified.
5. Condition No. 5 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.
6. Condition No. 6 is included to require the Company to gather accurate information so that compliance with the Act, the regulations and this Approval can be verified.

Upon issuance of the environmental compliance approval, I hereby revoke Approval No(s). 6351-BD4PF7 issued on June 13, 2019.

In accordance with Section 139 of the *Environmental Protection Act*, you may by written notice served upon me, the Ontario Land 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 ("the Notice") 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:

Registrar*
Ontario Land Tribunal
655 Bay Street, Suite 1500
Toronto, Ontario
M5G 1E5
OLT.Registrar@ontario.ca

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 Ontario Land Tribunal's requirements for an appeal can be obtained directly from the Tribunal at: Tel: (416) 212-6349 or 1 (866) 448-2248, or www.olt.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 17th day of July, 2023



Nancy E Orpana, P.Eng.
Director
appointed for the purposes of Part
II.1 of the *Environmental Protection Act*

QN/
c: Area Manager, MECP Windsor
c: District Manager, MECP Sarnia
Kris Mask, Pinchin Ltd.