

AMENDMENT TO RENEWABLE ENERGY APPROVAL
NUMBER 8541-9HSGG3
Issue Date: July 26, 2019

Grimsby Energy Incorporated
231 Roberts Rd
Grimsby, Ontario
L3M 5N2

Site Location: Grimsby Energy Inc. Anaerobic Digester
424 Sobie Rd
Grimsby Town, Regional Municipality of Niagara
L3M 4E7

You are hereby notified that I have amended Approval No. 8541-9HSGG3 issued on October 1, 2014 for a Class 3 anaerobic digestion facility , as follows:

A. The definitions of "Application" and "Processed Material" of the Approval are deleted and replaced with the following:

(6) "Application" means the application for a Renewable Energy Approval dated February 26, 2013, signed by James Detenbeck, President, Grimsby Energy Inc., and all supporting documentation submitted with the application, including amended documentation submitted up to September 2, 2014; and as further amended by the application for an amendment to the Renewable Energy Approval dated June 26, 2017, signed by Gerhard Klammer, CEO, PurEnergy Resources Inc., and all supporting documentation submitted with the application, including amended documentation submitted up to November 17, 2017;

(33) "Processed Material" means Biomass that has undergone processing as approved under this Approval but has not met the criteria to be considered a Fertilizer and therefore is considered Processed Organic Waste or NASM;

B. Definition (47) of the Approval is deleted.

C. Conditions 38(2) and 38(3) of the Approval are deleted and replaced with the following:

38. (2) The operation of this Facility is limited to receipt and processing of the following types of liquid and solid Biomass, including pre-processed liquid SSO and Biosolids:

Tier 1 Biomass:

Swine manure; poultry manure; cattle manure; pre-processed source separated organics (SSO); grape pomace; corn silage; silage of all types of grasses; organic waste from grocery stores and bakeries, dairies and facilities that process dairy products; fruit and vegetable wastes; wastes from cereal and grain processing facilities, oil seed processing facilities, breweries and distillers grain; glycerin; and herbaceous plant material from greenhouse, nurseries, garden centres and flower shops.

Tier 2 Biomass:

Paunch manure; FOG; and DAF.

38. (3) The Company shall not accept at the Facility any waste that is classified as SRM and/or hazardous waste as per Reg. 347. Pre-processed SSO and sewage biosolids may be received in liquid state and processed at the Facility, only after an Activated Carbon Adsorption Unit has been installed and become operational at the Facility to manage odour impacts.

D. Conditions 44(1) and 44(2) of the Approval are deleted and replaced with the following:

44. (1) Processed Material that is not offered for sale or sold as Fertilizer in accordance with the Fertilizers Act shall be managed as either Processed Organic Waste in accordance with Part V of the Act and Reg. 347, and/or NASM in accordance with the NMA and O. Reg. 267/03.

44. (2) If Processed Material is to be managed as Processed Organic Waste and/or NASM, the Company shall ensure that the sampling and analysis of the material, prior to leaving the Facility, is conducted in accordance with the methods specified in the Sampling and Analysis Protocol for O. Reg. 267/03.

E. Condition 45(3) of the Approval is deleted and replaced with the following:

45. (3) (a) If the Processed Material is not offered for sale or sold as Fertilizer in accordance with the Fertilizers Act, it shall be managed as Processed Organic Waste and/or NASM in accordance with the requirements of the Act, the OWRA, the NMA and any other relevant Ministry legislation and guidelines.

(b) Processed Material managed as Processed Organic Waste and/or NASM shall only be removed from the Facility by a hauler approved by the Ministry to transport processed organic waste and/or NASM.

(c) Processed Material managed as Processed Organic Waste shall be disposed of at a Ministry approved site or a site approved to accept such waste by an equivalent jurisdiction.

(d) If Processed Material that is managed as Processed Organic Waste is destined for application on non-agricultural land, for beneficial use, the Company shall ensure the land application meets the conditions of the Environmental Compliance Approval for the site where Processed Organic Waste is to be applied on non-agricultural land.

(e) If Processed Material that is managed as NASM is destined for application on agricultural land, the Company shall ensure the land application of NASM meets the regulatory requirements of the NMA and O. Reg. 267/03.

(f) If the Processed Material is not offered for sale, sold as Fertilizer in accordance with the Fertilizers Act, or managed as Processed Organic Waste and/or NASM, it may be delivered to a waste disposal site approved to receive this type of waste, where it will be used for

processing (composting), all in accordance with the Environmental Compliance Approval of the site.

F. Condition 51(1)(e) of the Approval is deleted and replaced with the following:

51. (1) (e) amount of Processed Organic Waste and/or NASM shipped from the Facility;

G. Condition 51(10) of the Approval is deleted and replaced with the following:

51. (10) By March 31st following the end of each operating year, the Company shall prepare and submit to the District Manager an annual report summarizing the operation of the Facility covering the previous calendar year. The annual report shall include, as a minimum, the following information:

- (a) a signed statement that the Facility was operated and maintained in compliance with this Approval;
- (b) a monthly summary of the quality and the quantity of all incoming Biomass and outgoing Processed Organic Waste, NASM, Residual Waste and Rejected Waste, including analytical data required to characterize the waste;
- (c) material balance for each month documenting the amount of Biomass stored at the Facility;
- (d) a monthly summary of the quality and the quantity of the Fertilizer shipped from the Facility;
- (e) a monthly summary of the quality and the quantity of the Processed Organic Waste and/or NASM, managed in accordance with the requirements of the EPA and/or the NMA, shipped from the Facility;

- (f) any environmental and operational problems, that could negatively impact the environment, encountered during the operation of the Facility or during Facility inspections, and any mitigative actions taken;
- (g) any recommendations to minimize environmental impacts from the operation of the Facility and to improve Facility operation and monitoring programs in this regard;
- (h) a summary of any complaints received and follow up actions taken;
- (i) a summary of any emergency situations that have occurred at the Facility and how they were handled;
- (j) an update on the amount of Financial Assurance which has been provided to the Director;
- (k) a summary of all inspections and maintenance carried out at the Facility; and
- (l) any other information the District Manager requires from time to time.

H. Condition 51(11) of the Approval is deleted.

The reason(s) for this amendment to the Approval are as follows:

The Approval has been reverted back to previous versions as the Ministry determined that based on the Facility operation the Company cannot treat digestate as agricultural source material (ASM).

All other Terms and Conditions of the Approval remain the same.

This Notice shall constitute part of the approval issued under Approval No. 8541-9HSGG3 dated October 1, 2014.

In accordance with Section 139 of the Environmental Protection Act, within 15 days

after the service of this notice, you may by further written notice served upon the Director, the Environmental Review Tribunal and the Minister of the Environment, Conservation and Parks, require a hearing by the Tribunal.

In accordance with Section 47 of the Environmental Bill of Rights, 1993, the Minister of the Environment, Conservation and Parks will place notice of your request for a hearing 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 renewable energy approval or each term or condition in the renewable energy 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.

The signed and dated notice requiring the hearing should also include:

1. The name of the appellant;
2. The address of the appellant;
3. The renewable energy approval number;
4. The date of the renewable energy approval;
5. The name of the Director;
6. The municipality or municipalities within which the project is to be engaged in;

This notice must be served upon:

The Secretary*
**Environmental Review
Tribunal**
655 Bay Street, 15th Floor
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
**Section 47.5, *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**

Under Section 142.1 of the Environmental Protection Act, residents of Ontario may require a hearing by the Environmental Review Tribunal within 15 days after the day on which notice of this decision is published in the Environmental Registry. By accessing the Environmental Registry at www.ebr.gov.on.ca, you can determine when this period ends.

Approval for the above noted renewable energy project is issued to you under Section 47.5 of the Environmental Protection Act subject to the terms and conditions outlined above.

DATED AT TORONTO this 26th day of July,
2019

Mohsen Keyvani, P.Eng.
Director
Section 47.5, *Environmental
Protection Act*

SR/
c: District Manager, MECP Niagara
Brian Hughes, Site Engineer, Grimsby Energy Incorporated