

AMENDMENT TO RENEWABLE ENERGY APPROVALNUMBER 8541-9HSGG3
Issue Date: October 31, 2018

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, as amended for a Class 3 anaerobic digestion facility , as follows:

A. The description of the Site Location Address on the Approval has changed

From: Grimsby Energy Inc. Anaerobic Digester
442 Sobie Road
Grimsby Town, Regional Municipality of Niagara
L3M 4E7

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

B. DEFINITIONS

The definitions of the "Application" and "Processed Material" are hereby revoked and replaced with new definitions as follows:

- (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; and as further amended by the application for an amendment to the Renewable Energy Approval dated July 24, 2018, signed by Gerhard Klammer, CEO, PurEnergy Resources Inc., and all supporting documentation submitted with the application, including amended documentation submitted up to October 31, 2018;

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

C. The following definition is hereby added to the Approval as follows:

- (47) "ASM" or "agricultural source materials" has the same meaning as in O. Reg. 267/03;

TERMS AND CONDITIONS

D. Conditions 38(2) and 38(3) are hereby revoked and replaced with the following:

Waste Types

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

Tier 1 Biomass:

Swine manure; poultry manure; cattle manure; preprocessed 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.

- (3) The Company shall not accept at the Facility any waste that is classified as SRM and/or hazardous waste as per Reg. 347. Preprocessed SSO 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.

- E. **Conditions 44(1) and 44(2) are hereby revoked and replaced with new Conditions 44(1) and 44(2) as follows:**

Quality Control Monitoring of Processed Material

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 and/or ASM in accordance with the NMA and O. Reg. 267/03.
- (2) If Processed Material is to be managed as Processed Organic Waste or NASM or ASM, 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.

F. **END-USE OF PROCESSED MATERIAL**

Condition 45(3) is hereby revoked and replaced with new Condition 45(3) as follows:

45. (3) (a) If the Processed Material is not offered for sale or sold as Fertilizer in accordance with the Fertilizers Act, and is destined for application on agricultural land it shall be managed as a NASM or ASM, in accordance with the requirements of the NMA and O. Reg. 267/03.
- (b) Processed Material managed as NASM shall only be removed from the Facility by a hauler approved by the Ministry to transport NASM.
- (c) Processed Material that is managed as ASM may be used for application on agricultural land as nutrient only if the Processed Material is made up of anaerobic digestion materials, as defined in O.Reg. 267/03 that did not contain sewage biosolids or human body waste and at least 50 per cent, by volume, of the total amount of the anaerobic digestion materials were on-farm anaerobic digestion materials, as defined in O. Reg. 267/03.
- (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) Processed Material managed as Processed Organic Waste destined for application on non-agricultural land shall only be removed from the Facility by a hauler approved by the Ministry to transport Processed Organic Waste.

- (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 or NASM or ASM, it may be delivered to a waste disposal site approved to receive this type of waste, all in accordance with the Environmental Compliance Approval of the receiving site.

G. RECORD KEEPING AND RETENTION

Daily Activities

Sub-clause (e) of Condition 51(1) is hereby revoked and replaced with new Condition 51(1) as follows:

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

H. Condition 51(10) is hereby revoked and replaced with new Condition 51(10) as follows:

Annual Reporting

- 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 quantity of all incoming Biomass and outgoing Processed Organic Waste, NASM, ASM, 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 quantity of Fertilizer shipped from the Facility;
 - (e) a monthly summary of the quality and quantity of Processed Organic Waste and/or NASM and/or ASM, 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 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 may require from time to time.

I. Condition 51(11) is hereby added to the Approval as follows:

Monthly/Batching Report

51. (11) Immediately following the issuance of this amendment, the Company shall prepare and maintain on-site a monthly report covering the previous month's operations. The monthly report shall include, as a minimum, the following information:
- (a) a signed statement that any Processed Material that was intended to be used for application on agricultural land as nutrient was in fact made up of anaerobic digestion materials, as defined in Reg. 347, did not contain sewage biosolids or human body waste and at least 50 per cent, by volume of the total amount of the anaerobic digestion materials were on-farm anaerobic digestion materials, as defined in Reg. 347;
 - (b) relevant supporting records and documents which unequivocally demonstrates that any Processed Material that was intended to be used for application on agricultural land as nutrient was in fact made up of anaerobic digestion materials, as defined in Reg. 347, did not contain sewage biosolids or human body waste and at least 50 per cent, by volume, of the total amount of the anaerobic digestion materials were on-farm anaerobic digestion materials, as defined in Reg. 347;
 - (c) any other information the District Manager may require from time to time.
- (12) (a) a confirmation of the daily feedstock records shall be based on previous six (6) months of scheduled digestate removal to determine whether the Processed Material is NASM or ASM.
- (b) within 24 hours prior to removal of Processed Material (digestate) from the Facility, the Company shall submit a written notification to the District Manager, containing a statement of how the digestate is being handled: whether as NASM or ASM, and the destination: address and farm operator's name.

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

The reasons for these modifications to the existing facility as proposed in this Notice are all in accordance with the application for approval dated July 24, 2018, and supporting information and documentation prepared by Pureenergy Resources Inc.

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

October 1, 2014, as amended.

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 Environmental Commissioner, require a hearing by the Tribunal.

In accordance with Section 47 of the Environmental Bill of Rights, 1993, the Environmental Commissioner 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 Environmental Commissioner
1075 Bay Street, 6th Floor
Suite 605
Toronto, Ontario
M5S 2B1

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 31st day of October, 2018



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

MK/

c: District Manager, MECP Niagara

Gerhard Klammer, Pureenergy Resources Inc.