

ENVIRONMENTAL COMPLIANCE APPROVAL

NUMBER 3300-DN5R78
Issue Date: February 17, 2026

Lake Nipigon Forest Management Inc.
3134 Kam Current Rd
Nipigon, Ontario
P0T 1X0

Site Location: 0 Lofty Davies Road
0 Lofty Davies Rd
Lyon Unorganized Township, District of Thunder Bay
P0T 1K0

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:

Description Section

A milling yard, consisting of the following processes and support units:

- log handling and storage;
- log loading and processing;
- wood chipping;
- final product handling and storage

Non-production operations include:

- industrial stormwater management Works

including the Equipment and any other ancillary and support processes and activities, operating at a Facility Production Limit of up to **450,000 cubic metres of wood fibre per year** discharging to the air as described in the Original ESDM Report.

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

1. "ACB list" means the document entitled "Air Contaminants Benchmarks (ACB) List: Standards, guidelines and screening levels for assessing point of impingement concentrations of air contaminants", as amended from time to time and published by the Ministry and available on a Government website;
2. "Acceptable Point of Impingement Concentration" means a concentration accepted by the Ministry as not likely to cause an adverse effect for a Compound of Concern that,
 - a. is not identified in the ACB list, or
 - b. is identified in the ACB list as belonging to the category "Benchmark 2" and has a concentration at a Point of Impingement that exceeds the concentration set out for the contaminant in that document.

With respect to the Original ESDM Report, the Acceptable Point of Impingement Concentration for a Compound of Concern mentioned above is the concentration set out in the Original ESDM Report;

3. "Acoustic Assessment Report" means the report, prepared in accordance with Publication NPC-233 and Appendix A of the Basic Comprehensive User Guide, prepared by Stephen Kuchma and Chris Scullion / Northern Applied Sciences Inc. and dated August 2025, submitted in support of the application, that documents all sources of noise emissions and Noise Control Measures present at the Facility, as updated in accordance with Condition 5 of this Approval;
4. "Acoustic Assessment Summary Table" means a table prepared in accordance with the Basic Comprehensive User Guide summarising the results of the Acoustic Assessment Report, as updated in accordance with Condition 5 of this Approval;
5. "Adjacent Facility" means the Lake Nipigon Forest Sustainable Energy Solutions Inc. facility located at 0 Lofty Davies Rd, Dorion Township, District of Thunder Bay, P0T 1K0;
6. "Approval" means this entire Environmental Compliance Approval and any Schedules to it;
7. "Basic Comprehensive User Guide" means the Ministry document titled "Basic Comprehensive Certificates of Approval (Air) User Guide" dated March 2011, as amended;
8. "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;
9. "Company" means Lake Nipigon Forest Management Inc. that is responsible for the construction or operation of the Facility and includes any successors and assigns in accordance with section 19 of the EPA;

10. "Compound of Concern" means a contaminant described in paragraph 4 subsection 26 (1) of O. Reg. 419/05, namely, a contaminant that is discharged from the Facility in an amount that is not negligible;
11. "Description Section" means the section on page one of this Approval describing the Company's operations and the Equipment located at the Facility and specifying the Facility Production Limit for the Facility;
12. "Director" means a person appointed by the Minister pursuant to section 5 of the EPA for the purposes of Part II.1 of the EPA;
13. "District **Manager**" means the District **Manager** of the appropriate local district office of the Ministry, where the Facility is geographically located;
14. "Emission Summary Table" means a table described in paragraph 14 of subsection 26 (1) of O. Reg. 419/05;
15. "Environmental Assessment Act" means the *Environmental Assessment Act*, R.S.O. 1990, c.E.18;
16. "EPA" means the *Environmental Protection Act*, R.S.O. 1990, c.E.19;
17. "Equipment" means equipment or processes described in the ESDM Report, this Approval and in the Schedules referred to herein and any other equipment or processes;
18. "Equipment with Specific Operational Limits" means any Equipment related to the thermal oxidation of waste or waste derived fuels, fume incinerators or any other Equipment that is specifically referenced in any published Ministry document that outlines specific operational guidance that must be considered by the Director in issuing an Approval;
19. "ESDM Report" means the most current Emission Summary and Dispersion Modelling Report that describes the Facility. The ESDM Report is based on the Original ESDM Report and is updated after the issuance of this Approval in accordance with section 26 of O. Reg. 419/05 and the Procedure Document;
20. "Facility" means the entire operation located on the property where the Equipment is located;
21. "Facility Production Limit" means the production limit placed by the Director on the main product(s) or raw materials used by the Facility;
22. "Highest Ranking Person" means the highest ranking person regularly present at the Facility who has **management** responsibilities relating to the Facility;
23. "Limited Operational Flexibility" (LOF) means the conditions that the Company shall follow in order to undertake any modification to the Works that is pre-authorized as part of this Approval;

24. "Log" means a document that contains a record of each change that is required to be made to the ESDM Report and Acoustic Assessment Report, including the date on which the change occurred. For example, a record would have to be made of a more accurate emission rate for a source of contaminant, more accurate meteorological data, a more accurate value of a parameter that is related to a source of contaminant, a change to a Point of Impingement and all changes to information associated with a Modification to the Facility that satisfies Condition 2;
25. "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;
26. "Ministry" means the ministry of the government of Ontario responsible for the EPA and OWRA and includes all officials, employees or other persons acting on its behalf;
27. "Modification" means any construction, alteration, extension or replacement of any plant, structure, equipment, apparatus, mechanism or thing, or alteration of a process or rate of production at the Facility that may discharge or alter the rate or manner of discharge of a Compound of Concern to the air or discharge or alter noise or vibration emissions from the Facility;
28. "Noise Control Measures" means measures to reduce the noise emissions from the Facility and/or Equipment including, but not limited to, silencers, acoustic louvres, enclosures, absorptive treatment, plenums and barriers;
29. "O. Reg. 419/05" means Ontario Regulation 419/05: Air Pollution – Local Air Quality, made under the EPA;
30. "Original ESDM Report" means the Emission Summary and Dispersion Modelling Report which was prepared in accordance with section 26 of O. Reg. 419/05 and the Procedure Document by Cambium **Inc.** and dated May 5, 2025 submitted in support of the application, and includes any changes to the report made up to the date of issuance of this Approval;
31. "OWRA" means the *Ontario Water Resources Act* , R.S.O. 1990, c. O.40, as amended;
32. "Point of Impingement" has the same meaning as in section 2 of O. Reg. 419/05;
33. "Point of Reception" means Point of Reception as defined by Publication NPC-300;
34. "Procedure Document" means Ministry guidance document titled "Procedure for Preparing an Emission Summary and Dispersion Modelling Report" dated March 2018, as amended;
35. "Processes with Significant Environmental Aspects" means the Equipment which, during regular operation, would discharge one or more contaminants into the air in an amount which is not considered as negligible in accordance with section 26 (1) 4 of O. Reg. 419/05 and the Procedure Document;

36. "Property" means, in accordance with s.4, O. Reg. 419, the single property occupied by Lake Nipigon Forest Management Inc., and Lake Nipigon Forest Sustainable Energy Solutions Inc., 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;
37. "Publication NPC-207" means the Ministry draft technical publication "Impulse Vibration in Residential Buildings", November 1983, supplementing the Model Municipal Noise Control By-Law, Final Report, published by the Ministry, August 1978, as amended;
38. "Publication NPC-233" means the Ministry Publication NPC-233, "Information to be Submitted for Approval of Stationary Sources of Sound", October, 1995, as amended;
39. "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;
40. "Schedules" means the following schedules attached to this Approval and forming part of this Approval namely:
- Schedule A - Supporting Documentation
 - Schedule B - Sewage Works
 - Schedule C - Limited Operational Flexibility Criteria for Modifications to Works
41. "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.
42. "Toxicologist" means a qualified professional currently active in the field of risk assessment and toxicology that has a combination of formal university education, training and experience necessary to assess contaminants; and
43. "Works" means the approved industrial stormwater management works, and includes modifications made under Limited Operational Flexibility as outlined in Schedule B - Sewage Works of this Approval.
44. "Written Summary Form" means the electronic questionnaire form, available on the Ministry website, that documents whether Modifications were undertaken at the Facility and compliance with the Approval, in the previous calendar year.

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. GENERAL

1. Except as otherwise provided by this Approval, the Facility shall be designed, developed, built, operated and maintained in accordance with the terms and conditions of this Approval and in accordance with the following Schedules attached hereto:
 - Schedule A - Supporting Documentation
 - Schedule B - Sewage Works
 - Schedule C - Limited Operational Flexibility Criteria for Modifications to Works

2. OPERATIONAL FLEXIBILITY

1. Pursuant to section 20.6 (1) of the EPA and subject to Conditions 2.2 and 2.3 of this Approval, future construction, alterations, extensions or replacements are approved in this Approval if the future construction, alterations, extensions or replacements are Modifications to the Facility that:
 - a. are within the scope of the operations of the Facility as described in the Description Section of this Approval;
 - b. do not result in an increase of the Facility Production Limit above the level specified in the Description Section of this Approval; and
 - c. result in compliance with the performance limits as specified in Condition 4.
2. Condition 2.1 does not apply to,
 - a. the addition of any new Equipment with Specific Operational Limits or to the Modification of any existing Equipment with Specific Operational Limits at the Facility; and
 - b. Modifications to the Facility that would be subject to the Environmental Assessment Act.
3. Condition 2.1 of this Approval shall expire ten (10) years from the date of this Approval, unless this Approval is revoked prior to the expiry date. The Company may apply for renewal of Condition 2.1 of this Approval by including an ESDM Report and an Acoustic Assessment Report that describes the Facility as of the date of the renewal application.

3. REQUIREMENT TO REQUEST AN ACCEPTABLE POINT OF IMPINGEMENT CONCENTRATION

1. Prior to making a Modification to the Facility that satisfies Condition 2.1.a. and 2.1.b., the Company shall prepare a proposed update to the ESDM Report to reflect the proposed Modification.
2. While preparing, or proposing to update or updating the ESDM Report the Company shall consider the most current information from the Adjacent Facility.

3. The Company shall request approval of an Acceptable Point of Impingement Concentration for a Compound of Concern if the Compound of Concern is not identified in the ACB list as belonging to the category “Benchmark 1” and a proposed update to an ESDM Report indicates that one of the following changes with respect to the concentration of the Compound of Concern may occur:
 - a. The Compound of Concern was not a Compound of Concern in the previous version of the ESDM Report and
 - i. the concentration of the Compound of Concern exceeds the concentration set out for the contaminant in the ACB list; or
 - ii. the Compound of Concern is not identified in the ACB list; or
 - b. The concentration of the Compound of Concern in the updated ESDM Report exceeds the higher of,
 - i. the most recent Acceptable Point of Impingement Concentration, and
 - ii. the concentration set out for the contaminant in the ACB list, if the contaminant is identified in that document.
4. The request required by Condition 3.2 shall propose a concentration for the Compound of Concern and shall contain an assessment, performed by a Toxicologist, of the likelihood of the proposed concentration causing an adverse effect at Points of Impingement.
5. If the request required by Condition 3.2 is a result of a proposed Modification described in Condition 3.1, the Company shall submit the request, in writing, to the Director at least 30 days prior to commencing to make the Modification. The Director shall provide written confirmation of receipt of this request to the Company.
6. If a request is required to be made under Condition 3.2 in respect of a proposed Modification described in Condition 3.1, the Company shall not make the Modification mentioned in Condition 3.1 unless the request is approved in writing by the Director.
7. If the Director notifies the Company in writing that the Director does not approve the request, the Company shall,
 - a. revise and resubmit the request; or
 - b. notify the Director that it will not be making the Modification.
8. The re-submission mentioned in Condition 3.6 shall be deemed a new submission under Condition 3.2.

9. If the Director approves the request, the Company shall update the ESDM Report to reflect the Modification.
10. Condition 3 does not apply if Condition 2.1 has expired.

4. PERFORMANCE LIMITS

1. Subject to Condition 4.2, the Company shall not discharge or cause or permit the discharge of a Compound of Concern into the air if,
 - a. the Compound of Concern is identified in the ACB list as belonging to the category "Benchmark 1" and the discharge results in the concentration at a Point of Impingement exceeding the Benchmark 1 concentration; or
 - b. the Compound of Concern is not identified in the ACB list as belonging to the category "Benchmark 1" and the discharge results in the concentration at a Point of Impingement exceeding the higher of,
 - i. if an Acceptable Point of Impingement Concentration exists, the most recent Acceptable Point of Impingement Concentration, and
 - ii. the concentration set out for the contaminant in the ACB list, if the contaminant is identified in that document.
2. Condition 4.1 does not apply if the benchmark set out in the ACB list has a 10-minute averaging period and no ambient monitor indicates an exceedance at a Point of Impingement where human activities regularly occur at a time when those activities regularly occur.
3. 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.
4. The Company shall, at all times, ensure that the vibration emissions from the Facility comply with the limits set out in Ministry Publication NPC-207.
5. The Company shall operate any Equipment with Specific Operational Limits approved by this Approval in accordance with the Original ESDM Report.

5. DOCUMENTATION REQUIREMENTS

1. The Company shall maintain an up-to-date Log.
2. No later than June 30 in each year, the Company shall update the Acoustic Assessment Report and shall update the ESDM Report in accordance with section 26 of O. Reg. 419/05 so that the information in the reports is accurate as of December 31 in the previous year.

3. While preparing, or proposing to update or updating the ESDM Report and the Acoustic Assessment Report, the Company shall consider the most current information from the Adjacent Facility.
4. The Company shall make the Emission Summary Table (see section 27 of O. Reg. 419/05) and Acoustic Assessment Summary Table available for examination by any person, without charge, by posting it on the Internet or by making it available during regular business hours at the Facility.
5. The Company shall, within three (3) months after the expiry of Condition 2.1 of this Approval, update the ESDM Report and the Acoustic Assessment Report such that the information in the reports is accurate as of the date that Condition 2.1 of this Approval expired.
6. Conditions 5.1 and 5.2 do not apply if Condition 2.1 has expired.

6. WRITTEN SUMMARY FORM

1. Subject to Condition 6.2, the Company shall prepare, and make available to the Ministry upon request, no later than August 31 of each year, a Written Summary Form signed by the Highest Ranking Person.
2. Condition 6.1 does not apply if:
 - a. Condition 2.1 has expired; and
 - b. the Written Summary Form has been completed for the year in which Condition 2.1 expired.

7. OPERATION AND MAINTENANCE

1. The Company shall prepare and implement, not later than three (3) months from the date of this Approval, operating procedures and maintenance programs for all Processes with Significant Environmental Aspects, which shall specify as a minimum:
 - a. frequency of inspections and scheduled preventative maintenance;
 - b. procedures to prevent upset conditions;
 - c. procedures to minimize all fugitive emissions;
 - d. procedures to prevent and/or minimize odorous emissions;
 - e. procedures to prevent and/or minimize noise emissions; and
 - f. procedures for record keeping activities relating to the operation and maintenance programs.

2. The Company shall ensure that all Processes with Significant Environmental Aspects are operated and maintained in accordance with this Approval, the operating procedures and maintenance programs.

8. COMPLAINTS RECORDING AND REPORTING

1. If at any time, the Company receives an environmental complaint from the public regarding the operation of the Equipment approved by this Approval, the Company shall take the following steps:
 - a. Record and number each complaint, either electronically or in a log book. The record shall include the following information: the time and date of the complaint and incident to which the complaint relates, the nature of the complaint, wind direction at the time and date of the incident to which the complaint relates and, if known, the address of the complainant.
 - b. Notify the District **Manager** of the complaint within two (2) business days after the complaint is received, or in a manner acceptable to the District **Manager**.
 - c. Initiate appropriate steps to determine all possible causes of the complaint, and take the necessary actions to appropriately deal with the cause of the subject matter of the complaint.
 - d. Complete and retain on-site a report written within five (5) business days of the complaint date. The report shall list the actions taken to appropriately deal with the cause of the complaint and set out steps to be taken to avoid the recurrence of similar incidents.

9. RECORD KEEPING REQUIREMENTS

1. Any information requested by any employee in or agent of the Ministry concerning the Facility and its operation under this Approval, including, but not limited to, any records required to be kept by this Approval, shall be provided to the employee in or agent of the Ministry, upon request, in a timely manner.
2. Unless otherwise specified in this Approval, the Company shall retain, for a minimum of five (5) years from the date of their creation all reports, records and information described in this Approval, including,
 - a. a copy of the Original ESDM Report and each updated version;
 - b. a copy of each version of the Acoustic Assessment Report;
 - c. supporting information used in the emission rate calculations performed in the ESDM Reports and Acoustic Assessment Reports;
 - d. the records in the Log;

- e. copies of each Written Summary Form prepared under Condition 6.1 of this Approval;
- f. records of maintenance, repair and inspection of Equipment related to all Processes with Significant Environmental Aspects;
- g. all records related to environmental complaints made by the public as required by Condition 8 of this Approval; and
- h. a copy of each version of the Best Management Practices Plan for the control of fugitive dust emissions.

10. 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. 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 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.
3. The Company shall update the Best Management Practices Plan as necessary or at the direction of the District Manager.

11. GENERAL PROVISIONS

1. The Company shall ensure that any person authorized to carry out work on or operate any aspect of the Works is notified of this Approval and the terms and conditions herein and shall take all reasonable measures to ensure any such person complies with the same.
2. The Company shall design, construct, operate and maintain the Works in accordance with the conditions of this Approval.
3. Where there is a conflict between a provision of any document referred to in this Approval and the conditions of this Approval, the conditions in this Approval shall take precedence.
4. The issuance of, and compliance with the conditions of, this Approval does not:

- a. relieve any person of any obligation to comply with any provision of any applicable statute, regulation or other legal requirement, including, but not limited to, the obligation to obtain approval from the local conservation authority necessary to construct or operate the Works; or
- b. limit in any way the authority of the Ministry to require certain steps be taken to require the Company to furnish any further information related to compliance with this Approval.

12. EXPIRY OF APPROVAL

1. This Approval will cease to apply to those parts of the Works which have not been constructed within **five (5) years** of the date of this Approval.
2. In the event that completion and commissioning of any portion of the Works is anticipated to be more than five (5) years, the Company shall submit an application for extension at least **twelve (12) months** prior to the end of the five (5) years from the day of issuance of this Approval. The application shall include the reason(s) for the delay, whether there is any design change(s) and a review of whether the standards applicable at the time of Approval of the Works are still applicable at the time of request for extension, to ensure the ongoing protection of the environment.

13. CONSTRUCTION OF PROPOSED WORKS

1. Upon the construction of the Works, the Company shall prepare a statement, certified by a Licensed Engineering Practitioner, that the Works are constructed in accordance with this Approval, and upon request, shall make the written statement available for inspection by Ministry personnel.
2. Within **one (1) year** of the construction of the Works, a set of as-built drawings showing the Works “as constructed” shall be prepared. These drawings shall be kept up to date through revisions undertaken from time to time and a copy shall be retained at the Works for the operational life of the Works.

14. WORKS OPERATING PROCEDURES AND MAINTENANCE PROGRAMS

1. The Company shall make all necessary investigations, take all necessary steps and obtain all necessary approvals so as to ensure that the physical structure, siting and operations of the Works do not constitute a safety, health or flooding hazard to the general public.

2. The Company shall undertake an inspection of the condition of the Works, at least once a year, and undertake any necessary cleaning and maintenance to ensure that sediment, debris and excessive decaying vegetation are removed from the Works to prevent the excessive build-up of sediment, oil/grit, debris and/or decaying vegetation, to avoid reduction of the capacity and/or permeability of the Works, as applicable. The Company shall also regularly inspect and clean out the inlet to and outlet from the Works to ensure that these are not obstructed.
3. The Company shall construct, operate and maintain the Works with the objective that the effluent from the Works is essentially free of floating and settleable solids and does not contain oil or any other substance in amounts sufficient to create a visible film, sheen, foam or discoloration on the receiving waters.
4. The Company shall carry out and maintain an inspection and maintenance program on the operation of the manhole oil/grit separator in accordance with the manufacturer's recommendation.
5. The Company shall ensure that the manhole for the oil/grit separator remains accessible year-round to facilitate maintenance access and spill response measures.
6. The Company shall ensure the immediate clean-out of the Works after a fuel or oil spill capture.
7. The Company shall ensure that equipment and material for the containment, clean-up and disposal of fuel and oil and materials contaminated with such, is on hand and in good repair for immediate use in the event of:
 - a. loss of fuel or oil to the Works; or
 - b. a spill within the meaning of Part X of the EPA.
8. The Company shall prepare an operations manual prior to the commencement of operation of the Works that includes, but is not necessarily limited to, the following information:
 - a. operating and maintenance procedures for routine operation of the Works;
 - b. inspection programs, including frequency of inspection, for the Works and the methods or tests employed to detect when maintenance is necessary;
 - c. repair and maintenance programs, including the frequency of repair and maintenance for the Works;
 - d. contingency plans and procedures for dealing with potential abnormal situations and for notifying the District **Manager**; and

- e. procedures for receiving, responding and recording public complaints, including recording any follow-up actions taken.
- 9. The Company shall maintain an up to date operations manual and make the manual readily accessible for reference at the Works for the operational life of the Works. Upon request, the Company shall make the manual available to Ministry staff.
- 10. The Company shall maintain a logbook to record the results of these inspections and any cleaning and maintenance operations undertaken, and shall keep the logbook at the Works for inspection by the Ministry. The logbook shall include the following:
 - a. the name of the Works;
 - b. the date and results of each inspection, maintenance and cleaning, including an estimate of the quantity of any materials removed and method of clean-out of the Works; and
 - c. the date of each spill within the catchment area, including follow-up actions and remedial measures undertaken.
- 11. The Company shall retain for a minimum of **five (5) years** from the date of their creation, all records and information related to or resulting from the operation and maintenance activities required by this Approval.

15. TEMPORARY EROSION AND SEDIMENT CONTROL

- 1. The Company shall install and maintain temporary sediment and erosion control measures during construction and conduct inspections **once every two (2) weeks** and after each significant storm event (a significant storm event is defined as a minimum of 25 millimetres of rain in any 24 hours period). The inspections and maintenance of the temporary sediment and erosion control measures shall continue until they are no longer required and at which time they shall be removed and all disturbed areas reinstated properly.
- 2. The Company shall maintain records of inspections and maintenance which shall be made available for inspection by the Ministry, upon request. The record shall include the name of the inspector, date of inspection, and the remedial measures, if any, undertaken to maintain the temporary sediment and erosion control measures.

16. LIMITED OPERATIONAL FLEXIBILITY

- 1. The Company may make modifications to the Works in accordance with the Terms and Conditions of this Approval and subject to the Ministry's "Limited Operational Flexibility Criteria for Modifications to Works", included under **Schedule C** of this Approval, as amended.

2. Works under Limited Operational Flexibility shall adhere to the design guidelines contained within the Ministry's publication "Design Guidelines for Sewage Works 2008", as amended.
3. The Company shall ensure at all times, that the Works, related equipment and appurtenances which are installed or used to achieve compliance are operated in accordance with all Terms and Conditions of this Approval.
4. For greater certainty, the following are **not** permitted as part of Limited Operational Flexibility:
 - a. Modifications to the Works that result in an increase of the approved capacity of the Works;
 - b. Modifications to the Works that may adversely affect the approved effluent quality criteria or the location of the discharge/outfall;
 - c. Modifications to the treatment process technology of the Works, or modifications that involve construction of new reactors (tanks) or alter the treatment train process design;
 - d. Modifications to the Works approved under s.9 of the EPA, and
 - e. Modifications to the Works pursuant to an order issued by the Ministry.
5. Implementation of Limited Operational Flexibility is not intended to be used for piecemeal measures that result in major alterations or expansions.
6. If the implementation of Limited Operational Flexibility requires changes to be made to the Emergency Response, Spill Reporting and Contingency Plan, the Company shall, provide a revised copy of this plan to the local fire services authority prior to implementing Limited Operational Flexibility.
7. For greater certainty, any modification made under the Limited Operational Flexibility may only be carried out after other legal obligations have been complied with, including those arising from the EPA, *Niagara Escarpment Planning and Development Act* , *Oak Ridges Moraine Conservation Act* , *Lake Simcoe Protection Act* and *Greenbelt Act* .
8. At least **thirty (30) days** prior to implementing Limited Operational Flexibility, the Company shall complete a Notice of Modifications describing any proposed modifications to the Works and submit it to the District **Manager**.
9. The Company shall not proceed with implementation of Limited Operational Flexibility until the District **Manager** has provided written acceptance of the Notice of Modifications or a minimum of **thirty (30) days** have passed since the day the District **Manager** acknowledged the receipt of the Notice of Modifications.

17. SPILL CONTINGENCY PLAN

1. No later than **four (4) weeks** prior to commencement of operation of the Works, the Company shall implement a spill contingency plan - that is a set of procedures describing how to mitigate the impacts of a spill within the area serviced by the Works. The Company shall, upon request, make this plan available to Ministry staff. This plan shall include as a minimum:
 - a. the name, job title and location (address) of the Company, person in charge, **management** or person(s) in control of the facility;
 - b. the name, job title and 24-hour telephone number of the person(s) responsible for activating the spill contingency plan;
 - c. a site plan drawn to scale showing the facility, nearby buildings, streets, catch-basins and manholes, drainage patterns (including direction(s) of flow in storm sewers), any receiving body(ies) of water that could potentially be significantly impacted by a spill and any features which need to be taken into account in terms of potential impacts on access and response (including physical obstructions and location of response and clean-up equipment);
 - d. steps to be taken to report, contain, clean up and dispose of contaminants following a spill;
 - e. a listing of telephone numbers for: local clean-up company(ies) who may be called upon to assist in responding to spills; local emergency responders including health institution(s); and Ministry Spills Action Centre 1-800-268-6060;
 - f. Safety Data Sheets (SDS) for each hazardous material which may be transported or stored within the area serviced by the Works;
 - g. the means (internal corporate procedures) by which the spill contingency plan is activated;
 - h. a description of the spill response training provided to employees assigned to work in the area serviced by the Works, the date(s) on which the training was provided and by whom;
 - i. an inventory of response and clean-up equipment available to implement the spill contingency plan, location and, date of maintenance/replacement if warranted; and
 - j. the date on which the contingency plan was prepared and subsequently, amended.
2. The spill contingency plan shall be kept in a conspicuous, readily accessible location on-site.
3. The spill contingency plan shall be amended from time to time as required by changes in the operation of the facility.

18. CHANGE OF OWNERSHIP

1. The Company shall notify the Director in writing, and forward a copy of the notification to the District **Manager**, within thirty (30) days of the occurrence of any of the following changes to Facility operations:
 - a. the ownership of the Facility;
 - b. the operator of the Facility;
 - c. the address of the Company;
 - d. the partners, where the Company is or any time becomes a partnership and a copy of the most recent declaration filed under the Business Names Act, R.S.O. 1990, c. B.17, shall be included in the notification; or
 - e. the name of the corporation where the Company is or at any time becomes a corporation, other than a municipal corporation, and a copy of the most current information filed under the Corporations Information Act, R.S.O. 1990, c. C.39, shall be included in the notification.
2. In the event of any change in ownership of the Facility, the Company shall notify the successor of the existence of this Approval and provide the successor with a copy of this Approval, and the Company shall provide a copy of the notification to the District **Manager** and the Director.
3. The Company shall ensure that all communications made pursuant to this condition refer to the number of this Approval.

19. REVOCATION OF PREVIOUS APPROVALS

1. This Approval replaces and revokes all Certificates of Approval (Air) issued under section 9 EPA and Environmental Compliance Approvals issued under Part II.1 EPA to the Facility in regards to the activities mentioned in subsection 9(1) of the EPA and dated prior to the date of this Approval.

SCHEDULE A

Supporting Documentation

1. Environmental Compliance Approval Application, dated April 15, 2025, signed by Scot Rubin and submitted by the Company;
2. Emission Summary and Dispersion Modelling Report, prepared by Cambium **Inc.** and dated May 5, 2025;

3. Acoustic Assessment Report, prepared by Stephen Kuchma and Chris Scullion / Northern Applied Sciences Inc. and dated August 2025;
4. Environmental Compliance Approval Application for Industrial Sewage Works submitted by Cambium Inc., dated May 6, 2025, and signed by Lake Nipigon Forest Management Inc., and all supporting documentation and information.

SCHEDULE B

Sewage Works

Industrial stormwater management Works, for the collection, transmission, treatment, and disposal of stormwater runoff from a total catchment area of 24.71 hectares, to provide Enhanced Level water quality protection and erosion control, and to attenuate post-development peak flows to pre-development peak flows for all storm events up to and including the 100-year storm event, consisting of the following:

- **drainage ditches**, draining Lot 9, having a total ditch length of 1698.96 metres, a bottom width of 1 metre, side slopes of 3:1, a maximum depth of 0.3 metres, a maximum flow depth of 0.21 metres (100-year storm event) and a maximum available storage volume of 679 cubic metres, allowing a maximum discharge of 0.262 cubic metre per second under the 100-year storm event to oil/grit separator (SWI 1 Stormpal) and the tertiary stormwater pond;
- **drainage ditches**, draining Lot 6 and Lot 7, having a total length of 301.45 metres, a bottom width of 1 metre, side slopes of 3:1, a maximum depth of 0.3 metres, a maximum flow depth of 0.21 metres (100-year storm event) and a maximum available storage volume of 128 cubic metres, allowing a maximum discharge of 0.302 cubic metre per second under the 100-year storm event to the tertiary stormwater pond;
- **oil/grit separator** (SWI 1 Stormpal 3300), located on Lot 4, receiving stormwater from 17.36 hectares catchment area, having a sediment storage capacity of 746 litres, an oil storage capacity of 916 litres, a total storage volume of approximately 2,035 litres, and a maximum treatment rate of 60 litres per second, discharging via a 200 millimetre diameter outlet pipe equipped with [orifice, etc. if applicable] to SWI 2 Stormpal 3300;
- **oil/grit separator** (SWI 2 Stormpal 3300), located on Lot 4, receiving stormwater from SWI 1 Stormpal 3300, having a sediment storage capacity of 916 litres, an oil storage capacity of 678 litres, a total storage volume of approximately 2,035 litres, and a maximum treatment rate of 60 litres per second, discharging via a 200 millimetre diameter outlet pipe to the Primary Stormwater Pond;

- **retention pond** (Primary Stormwater Pond), located on Lot 4, receiving stormwater from 17.36 hectares catchment area (i.e., Lots 1, 2, 3, 4, and 9), with a surface area of 1130 square metres, depth of 2 metres, having a retention storage volume of 1,508 cubic metres, complete with liner (min 45 MIL) for fire suppression purposes, and storm surcharge overflow ditch outlet to tertiary stormwater pond; and
- **retention pond** (Tertiary Stormwater Pond), located on Lot 5, receiving stormwater from 7.35 hectares catchment area (i.e., Lots 5, 6, 7, 8, and storm surcharge from the primary stormwater pond), with a surface area of 1130 square metres, depth of 2 metres, having a retention storage volume of 1,508 cubic metres, complete with liner (min 45 MIL) for fire suppression purposes, and no discharge outlet.

including erosion/sedimentation control measures and all other appurtenances essential for the proper operation of the aforementioned Works.

all in accordance with supporting documents listed in Schedule A.

SCHEDULE C

Limited Operational Flexibility Criteria for Modifications to Works

1. The modifications to Works approved under an Environmental Compliance Approval (Approval) that are permitted under the Limited Operational Flexibility (LOF), are outlined below and are subject to the LOF conditions in the Approval, and require the submission of the Notice of Modifications. If there is a conflict between the Works listed below and the Terms and Conditions in the Approval, the Terms and Conditions in the Approval shall take precedence.
 - a. Sewage Pumping Stations
 - i. Alter pumping capacity by adding or replacing equipment where new equipment is located within an existing sewage treatment plant site or an existing sewage pumping station site, provided that the modifications do not result in an increase of the sewage treatment plant Rated Capacity and the existing flow process and/or treatment train are maintained, as applicable.
 - ii. Forcemain relining and replacement with similar pipe size where the nominal diameter is not greater than 1,200 mm.
 - b. Sewage Treatment Process
 - i. Installing additional chemical dosage equipment including replacing with alternative chemicals for pH adjustment or coagulants (non-toxic polymers) provided that there are no modifications of treatment processes or other modifications that may alter the intent of operations and may have negative impacts on the effluent quantity and quality.

- ii. Expanding the buffer zone between a sanitary sewage lagoon facility or land treatment area and adjacent uses provided that the buffer zone is entirely on the proponent's land.
 - iii. Optimizing existing sanitary sewage lagoons with the purpose to increase efficiency of treatment operations provided that existing sewage treatment plant rated capacity is not exceeded and where no land acquisition is required.
 - iv. Optimizing existing sewage treatment plant equipment with the purpose to increase the efficiency of the existing treatment operations, provided that there are no modifications to the Works that result in an increase of the approved Rated Capacity, and may have adverse effects to the effluent quality or location of the discharge.
 - v. Replacement, refurbishment of previously approved equipment in whole or in part with Equivalent Equipment, like-for-like of different make and model, provided that the firm capacity, reliability, performance standard, level of quality and redundancy of the group of equipment is kept the same. For clarity purposes, the following equipment can be considered under this provision: pumps, screens, grit separators, blowers, aeration equipment, sludge thickeners, dewatering equipment, UV systems, chlorine contact equipment, bio-disks, and sludge digester systems.
- c. Sewage Treatment Plant Outfall
 - i. Replacement of discharge pipe with similar pipe size provided that the outfall location is not changed.
- d. Stormwater **Management** System
 - i. Modifications of Works to service the existing approved drainage area located within the site, provided that there is no increase in the average impervious area established in the original design and the discharges from the site will not exceed the attenuated flows established in the original design.
 - ii. Installation of new oil grit separators.
- e. Sanitary Sewers
 - i. Pipe relining and replacement with similar pipe size within the Sewage Treatment Plant site, where the nominal diameter is not greater than 1,200mm.
- f. Pilot Systems
 - i. Installation of pilot systems for new or existing technologies provided that:
 - any effluent from the pilot system is discharged to the inlet of the sewage treatment plant or hauled off-site for proper disposal,

- any effluent from the pilot system discharged to the inlet of the sewage treatment plant or sewage conveyance system does not significantly alter the composition/concentration of the influent sewage to be treated in the downstream process; and that it does not add any inhibiting substances to the downstream process, and
 - the pilot system's duration does not exceed a maximum of two years; and a report with results is submitted to the Director and District **Manager** three months after completion of the pilot project.
2. Works that are exempt from section 53 of the OWRA by O. Reg. 525/98 continue to be exempt and are not required to follow the notification process under this Limited Operational Flexibility.
 3. Normal or emergency operational modifications, such as repairs, reconstructions, or other improvements that are part of maintenance activities, including cleaning, renovations to existing approved Works equipment, provided that the modification is made with Equivalent Equipment, are considered pre-approved.
 4. The modifications noted in section (3) above are not required to follow the notification protocols under Limited Operational Flexibility, provided that the number of pieces and description of the equipment as described in the Approval does not change.

Please contact the District **Manager** for a copy of the form entitled "Notice of Modification to Sewage Works".

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

1. GENERAL

Condition No. 1 is included to require the Approval holder to build, operate and maintain the Facility in accordance with the Supporting Documentation in Schedule A considered by the Director in issuing this Approval.

2. OPERATIONAL FLEXIBILITY, REQUIREMENT TO REQUEST AN ACCEPTABLE POINT OF IMPINGEMENT CONCENTRATION AND PERFORMANCE LIMITS

Conditions No. 2, 3 and 4 are included to limit and define the Modifications permitted by this Approval, and to set out the circumstances in which the Company shall request approval of an Acceptable Point of Impingement Concentration prior to making Modifications. The holder of the Approval is approved for operational flexibility for the Facility that is consistent with the description of the operations included with the application up to the Facility Production Limit. In return for the operational flexibility, the Approval places performance based limits that cannot be exceeded under the terms of this Approval. Approval holders will still have to obtain other relevant approvals required to operate the Facility, including requirements under other environmental legislation such as the Environmental Assessment Act.

3. DOCUMENTATION REQUIREMENTS

Condition No. 5 is included to require the Company to maintain ongoing documentation that demonstrates compliance with the performance limits as specified in Condition 4 of this Approval and allows the Ministry to monitor on-going compliance with these performance limits. The Company is required to have an up to date ESDM Report and Acoustic Assessment Report that describe the Facility at all times and make the Emission Summary Table and Acoustic Assessment Summary Table from these reports available to the public on an ongoing basis in order to maintain public communication with regard to the emissions from the Facility.

4. WRITTEN SUMMARY FORM

Condition No. 6 is included to require the Company to prepare, and make available to the Ministry upon request, a yearly Written Summary Form, to assist the Ministry with the review of the site's compliance with the EPA, the regulations and this Approval.

5. OPERATION AND MAINTENANCE

Conditions No. 7 and 10 are included to require the Company to properly operate and maintain the Processes with Significant Environmental Aspects to minimize the impact to the environment from these processes.

6. COMPLAINTS RECORDING AND REPORTING PROCEDURE

Condition No. 8 is included to require the Company to respond to any environmental complaints regarding the operation of the Equipment, according to a procedure that includes methods for preventing recurrence of similar incidents and a requirement to prepare and retain a written report.

7. RECORD KEEPING REQUIREMENTS

Condition No. 9 is included to require the Company to retain all documentation related to this Approval and provide access to employees in or agents of the Ministry, upon request, so that the Ministry can determine if a more detailed review of compliance with the performance limits as specified in Condition 4 of this Approval is necessary.

8. GENERAL PROVISIONS

Condition No. 11 is imposed to ensure that the Works are constructed and operated in the manner in which they were described and upon which approval was granted. This condition is also included to emphasize the precedence of conditions in the Approval and the practice that the Approval is based on the most current document, if several conflicting documents are submitted for review. Condition 1.4 is included to emphasize that the issuance of this Approval does not diminish any other statutory and regulatory obligations to which the Company is subject in the construction, maintenance and operation of the Works. The Condition specifically highlights the need to obtain any necessary conservation authority approvals. The Condition also emphasizes the fact that this Approval doesn't limit the authority of the Ministry to require further information.

9. EXPIRY OF APPROVAL

Condition No. 12 is included to ensure that, when the Works are constructed, the Works will meet the standards that apply at the time of construction to ensure the ongoing protection of the environment

10. CONSTRUCTION OF PROPOSED WORKS

Condition No. 13 is included to ensure that the Works are constructed in accordance with the approval and that record drawings of the Works “as constructed” are maintained for future references.

11. WORKS OPERATING PROCEDURES AND MAINTENANCE PROGRAMS

Condition No. 14 is included as regular inspection and necessary removal of sediment and excessive decaying vegetation from the Works are required to mitigate the impact of sediment, debris and/or decaying vegetation on the treatment capacity of the Works. The Condition also ensures that adequate storage is maintained in the Works at all times as required by the design. Furthermore, this Condition is included to ensure that the Works are operated and maintained to function as designed.

12. TEMPORARY EROSION AND SEDIMENT CONTROL

Condition No. 15 is included as installation, regular inspection and maintenance of the temporary sediment and erosion control measures is required to mitigate the impact on the downstream receiving watercourse during construction until they are no longer required.

13. LIMITED OPERATIONAL FLEXIBILITY

Condition No. 16 is included to ensure that the Works are operated in accordance with the application and supporting documentation submitted by the Company, and not in a manner which the Director has not been asked to consider. These Conditions are also included to ensure that a Professional Engineer has reviewed the proposed modifications and attests that the modifications are in line with that of Limited Operational Flexibility, and provide assurance that the proposed modifications comply with the Ministry's requirements stipulated in the Terms and Conditions of this Approval, Ministry's policies, guidelines, and industry engineering standards and best management practices.

14. SPILL CONTINGENCY PLAN

Condition No. 17 is included to ensure that the Company will implement the Spill Contingency Plan, such that the environment is protected and deterioration, loss, injury or damage to any person(s) or property is prevented.

15. CHANGE OF OWNERSHIP

Condition No. 18 is included to require the Company to notify/report to the Ministry so that compliance with the EPA, the regulations and this Approval can be verified.

16. REVOCATION OF PREVIOUS APPROVALS

Condition No. 19 is included to identify that this Approval replaces all Section 9 Certificate(s) of Approval and Part II.1 Approvals in regards to the activities mentioned in subsection 9(1) of the EPA and dated prior to the date of this Approval.

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.

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 February, 2026



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

SM/

c: District Manager, MECP Thunder Bay - District
Natasha Lewis, Cambium **Inc.**