

Summary of Draft Amended Permit GVA1088

Prepared as of August 31, 2018 by
Harvest Fraser Richmond Organics, Ltd. (dba "Harvest")

Re: *Environmental Management Act* appeal regarding the September 30, 2016 Decision of the District Director's Harvest Fraser Richmond Organics Ltd approval GVA1088 and Group Appeal Files 2016-EMAG08 and 2016-EMA-175.

As explained in the letter dated August 31, 2018 from Gregory Nash, counsel for Metro Vancouver District Director Ray Robb to the Environmental Appeal Board and copied to the other parties in the appeal proceeding, Harvest and the District Director have reached an agreement on the terms of a proposed Amended Permit to be issued in substitution for Harvest's existing air permit GVA1088 by consent, thereby disposing of Harvest's Appeal.

This document summarizes the terms of the proposed Draft Amended Permit. Harvest has stated that it intends to cease operations of its outdoor composting operation and is assessing whether to resume operations at its indoor Energy Garden anaerobic digester. In negotiating the terms of the Draft Amended Permit, Harvest sought to address concerns expressed by the District Director, the Group Appellants, and community members, while retaining sufficient flexibility to wind down its compost operations in an orderly manner that meets the needs of the community, Harvest's customers, and its employees.

In communications with Harvest, various Group Appellants raised concerns that a resumption of activities at the anaerobic digester may expose them to new odour risks. To address those concerns, Harvest agreed to new restrictions, monitoring requirements, and enforcement tools in the Draft Amended Permit. These changes are explained in the Summary Table below/

The District Director will speak to the Permit and the proposed Amended Permit at the hearing on September 4, 2018, following which we understand the facilitation with the Group Appellants and the City of Richmond will proceed as planned.

The Summary below highlights key aspects of the Permit. This is only a summary; any permit ultimately ordered by the Board would be the legally controlling document.

Page numbers refer to the Draft Amended Permit as circulated to the parties.

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Issue Odour Enforcement

Page(s) 17-18

Summary Harvest had previously objected to these provisions, which enable the District Director to order the Facility to stop accepting food waste if he determined that the Facility was the cause of malodours in the community.

Harvest has withdrawn its objections and these provisions remain in the Draft Amended Permit.

The Draft strengthens protections for the community. The previous (2016) Permit applied the “stop-order” only to materials to be placed on the outdoors “CASP” (Covered Aerated Static Pile compost operation) but would not have applied to the “Energy Garden” (the fully-enclosed anaerobic digester facility). The Draft expands the District Director’s authority to issue the “stop-order” also to the Energy Garden so that if the District Director determines that Harvest is emitting malodours in violation of the permit conditions, he may order the entire facility to stop receiving new inbound waste.

Issue Energy Garden (Anaerobic Digester) Operations

Page(s) Primarily pages 2-6, with associated testing and reporting requirements elsewhere in Sections 3A (p. 22) and 3B (p. 12) of the Permit

Summary The “Energy Garden” refers to the first three Emission Sources in the Permit. ES03 is a fully-enclosed building where food and other organic wastes are received and placed into “percolation tunnels” for anaerobic digestion. The building is required to be kept under negative air pressure, with the air exhausted to a biofilter for odour treatment and VOC removal. The anaerobic digester produces biogas which is sent to ES01, a combined heat and power (CHP) unit (an internal combustion engine) where it is converted into electricity. ES02 is an emergency flare. If there is an excess of biogas that cannot be burned in the CHP, it is sent to the flare to be burned rather than vented to the atmosphere.

Harvest Power suspended operations at the anaerobic digester in early 2017. It is currently evaluating whether to resume that activity. Since 2017, Harvest has continued to use the receiving hall in the Energy Garden building for the receipt and pre-processing of certain materials before they are placed on the CASP, and so has maintained the building under negative air pressure, treated at the biofilter.

The Draft Permit significantly strengthens the restrictions on Harvest’s activities to address risks of odourous emissions in the event of a restart of the anaerobic digester.

- Prior to any restart, the District Director will impose limits on emission of a series of Odourous Air Contaminants from the Energy Garden. These requirements are

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enforceable on Day 1 of restart of the digester (p. 4), and Harvest must submit test results within 45 days of a restart (pp. 32-33).

- Before Harvest had suspended Energy Garden operations in 2017, the food and other organic wastes that had been processed in the percolation tunnels (known as “digestate”) were removed at the end of the digestion process and placed on the CASPs for further processing and conversion into compost. Since processing on the CASP is no longer available, Harvest will be required to submit to the District Director for his approval its plan for processing and treatment of the digestate before it can resume operations at the Energy Garden. The Plan submission requirement is found at both p. 5 and p. 48.
- Harvest is also prohibited from placing any of the digestate after removal from the digester outdoors at the Aging Piles (Emission Source 07, p. 12), Screener (Emission Source 08, p. 12), Auxiliary Screener (Emission Source 08A, p. 14-15), or Storage Piles (Emission Sources 09 and 10, pp. 15-16).

The 2016 Permit required Harvest to make certain changes to the Energy Garden Building (ES03) by 2017 to protect against fugitive odour emissions escaping from the building. Those requirements have been met. The Draft Permit adjusts language to reflect that those requirements are ongoing.

Issue	CASP Composting Operation
Page(s)	Primarily pages 7-11, with associated testing and reporting requirements elsewhere in Sections 3A (p. 22) and 3B (p. 41) of the Permit
Summary	Harvest had conducted its composting operations outdoors in two Covered Aerated Static Piles, or “CASPS” (Emission Sources 05 and 06). Under the terms of the 2016 Permit, Harvest was required to replace the “West CASP” (ES05) by June 1, 2018 or cease operations there; and to replace the “East CASP” (ES06) by June 1, 2019 or cease operations there. Harvest ceased all operations at the West CASP prior to June 1, 2018 and has now dismantled the associated infrastructure. Harvest has announced that it would not proceed with replacing either CASP, and so will also wind down operations at the East CASP as mandated by the existing Permit no later than June 1, 2019. That means that no new organic wastes will be placed on the CASP after about April 1, 2019. Since the West CASP (ES05) has been dismantled, the Draft Permit therefore removes it entirely.

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The Draft Permit also removes certain conditions on the East CASP (ES06) that were to come into force in 2019 and 2020, since they will no longer be relevant once Harvest ceases operations at that location in mid-2019.

Issue Monitoring and Reporting Requirements

Page(s) Permit Section 3-A, pp. 22-40

Summary This section requires Harvest to conduct certain tests and keep certain records, which it must then report to the District Director so that the District Director can review and ensure that the permittee has been operating in compliance with all permit conditions.

The Draft Permit includes numerous “housekeeping” changes to remove certain requirements that are no longer applicable given Harvest’s suspension of operations at the CASP.

Additionally, certain deadlines pertaining to the Energy Garden have been adjusted so that they are triggered to occur following the restart, if any, of that operation (Emission Sources 01, 02 and 03).

Issue Information Reporting Requirements

Page(s) Permit Section 3-B, pp. 42-52

Summary This section requires Harvest to perform certain studies and analyses or provide additional information to the District Director. The District Director uses this information for various purposes, including assessment of the effectiveness of controls that the permittee has instituted and gathering data that may inform future regulatory and permitting decisions.

This Draft Permit includes numerous “housekeeping” changes to remove certain requirements that are no longer applicable given Harvest’s suspension of operations at the CASP.

Additionally, certain deadlines pertaining to the Energy Garden have been adjusted so that they are triggered to occur following the restart, if any, of that operation (Emission Sources 01, 02 and 03).

Also, as discussed above in the “Energy Garden Operations” section, the requirements for the Digestate Odour Management Plan have been strengthened and clarified to require Harvest to propose how odours will be managed through the entire lifecycle of its processing and handling until it leaves the Facility site.

Issue **New Receiving Area (Emission Source 11)**

Page(s) Pages 16-17

Summary Harvest had previously created a new area for receiving inbound organic waste, where it installed new equipment so that it could process the material more rapidly and reduce the risk of backlogs that might cause odours. The District Director had previously approved this change on a temporary basis.

The Draft Amended Permit incorporates that approval into the main permit, but specifies that Harvest must restrict its receiving activities either to the new area (Emission Source 11) or the older one (Emission Source 04), but not both.

It should be noted that at both receiving areas, the Draft Amended Permit specifies that any received material must be processed and placed on either the CASP or into the Energy Garden within strict time limits. Since Harvest will be unable to place new material on the CASP past approximately April 1, 2019, the Facility as a whole will not be allowed to accept any new waste material after that time unless the Energy Garden resumes operations.

Following the cessation of the active composting operations at the CASP no later than June 1, 2019, the Draft Amended Permit allows Harvest to continue the final steps in the compost production process, including curing, screening, and blending of compost into final product for sale.