



OCT 26 2009

File: PA-3095

HSPP General Partner Ltd.
100-1700 West 75th AVE
Vancouver, BC V6P 6G2

Dear Permittee:

Re: Variance Order Pursuant to the *Environmental Management Act*

Pursuant to Section 19 of the *Environmental Management Act*, HSPP General Partner Ltd. (HSPP) is hereby granted a Variance from Section 1.2.2 of *Environmental Management Act* Permit PA-03095, dated March 13, 1978, last amended December 21, 2007. This Variance Order is issued to authorize the combustion of construction and demolition waste (C & D waste) supplied by Urban Woodwaste Recyclers, as fuel in the Wood Residue Boiler located at HSPP's pulp and paper mill in Port Mellon, British Columbia. Unless sooner cancelled this Variance Order will be effective for a period of two years commencing October 1, 2009, and is subject to the following conditions:

- 1) The amount of C & D waste authorized is limited to 5,200 m³ per week;
- 2) HSPP shall submit an initial permit amendment application for PA-3095 by December 31, 2009 to request authorization for the use of C & D waste in the wood residue boiler beyond the two year Variance period. Information regarding the application process may be found at: http://www.env.gov.bc.ca/epd/waste_discharge_auth/index.htm;
- 3) HSPP shall submit all supporting documentation as required for the permit amendment application described in condition 2 above, and the associated permit application fees, by December 31, 2010 in accordance with the Public Notification Regulation and the Permit Fees Regulation;

4) The following sampling and monitoring program shall be implemented by HSPP.

a) For the purposes of the monitoring program the following definitions are provided:

“**Quarterly**” refers to a period of three calendar months commencing October 1, 2009. There shall be a total of eight sampling events within the two year variance period, with the first sample to be collected and analyzed by December 31, 2009.

“**Semi-annually**” refers to a period of six calendar months commencing October 1, 2009. There shall be a total of four sampling events within the two year variance period, with the first sample to be collected and analyzed by December 31, 2009.

“**Annually**” refers to a period of twelve calendar months commencing October 1, 2009. There shall be a total of two sampling events within the two year variance period, with the first sample to be collected and analyzed by December 31, 2009.

b) While burning 100% hog fuel (i.e. 0% C & D waste)

i) A representative composite sample of the hog fuel being used at the time of stack testing (described in condition 4(b)(iii) below), shall be collected and analyzed as follows. The composite sample shall consist of no less than three separate samples from the same stockpile.

- Total Metals (class 1, 2 and 3)
- Chloride

ii) Representative samples of grate ash and flyash [which were created by the combustion of hog fuel only, and on a day of stack testing as described in condition 4(b)(iii) below] shall be collected and separately analyzed as follows:

Quarterly

- pH
- Total Metals (class 1, 2 and 3)
- Metals*

* using the modified leachate extraction procedure as outlined in Schedule 4 of the Hazardous Waste Regulation

Annually

- Dioxins and Furans (D&F)

iii) Stack tests shall be conducted for the following parameters (units are mg/m³ unless otherwise indicated):

Quarterly

- Discharge rate (m³/min) *
- Temperature, combustion zone (deg C) (throughout each day of testing)
- Total particulate *
- Oxygen (O₂) *
- Carbon Dioxide (CO₂) *
- Hydrochloric Acid (HCl)
- Hydrofluoric Acid (HF)
- Total Metals (class 1, 2 and 3)
- Total Hydrocarbons
- Continuous emissions (NO_x, SO₂, O₂, CO₂) , [for the day when each stack test is conducted]
- Steam generated from wood residue (t/h) *
- Steam generated from natural gas (t/h) *

*As already specified in Section 3.2 of Permit PA-03095

Annually

- PAHs,
- D&F (pg/m³), *

*As already specified in Section 3.2 of Permit PA-03095

c) While burning 100% C & D waste

- i) Once each quarter, on a day of stack testing as described in condition 4(c)(iv) below, a representative composite sample of the C & D waste shall be collected and analyzed to determine the physical characteristics of the material. This includes a breakdown by oven dry weight of all wood and non-wood components in the material (e.g. wood, plastic, arborite, asphalt, etc.). The composite sample shall consist of no less than three separate samples from the same stockpile.
- ii) A representative composite sample of the C & D waste being used at the time of stack testing (as described in condition 4(c)(iv) below), shall be collected and analyzed as follows. The composite sample shall consist of no less than three separate samples from the same stockpile.

Semi-Annually

- Total Metals (class 1, 2 and 3)
- Chloride

iii) Representative samples of grate ash and flyash [which were created by the combustion of C & D waste only, and on a day of stack testing as described in condition 4(c)(iv) below] shall be collected and separately analyzed as follows:

Quarterly

- pH and Total Metals (class 1, 2 and 3);
- Metals and PAHs*

* using the modified leachate extraction procedure as outlined in Schedule 4 of the Hazardous Waste Regulation

Semi-annually

- D&F

iv) Stack tests shall be conducted for the following parameters (units are mg/m³ unless otherwise indicated):

Quarterly

- Discharge rate (m³/min)
- Temperature, combustion zone (deg C) (throughout each day of testing)
- Total particulate
- O₂
- CO₂
- HCl
- HF
- Total metals (class 1, 2 and 3)
- Total hydrocarbons
- Continuous emissions (NO_x, SO₂, O₂, CO₂)
- (for the day when each stack test is conducted)
- Steam generated from C & D waste (t/h)
- Steam generated from natural gas (t/h)

Semi-annually

- PAHs
- D&F (pg/m³)

- 5) All stack testing shall be conducted as specified in Section 3.1, Operating Conditions, of permit PA-03095;
- 6) All sampling and analysis shall be conducted in accordance with Sections 3.10, Monitoring Procedures, of permit PA-03095. Note that for the purpose of this Variance Order, a laboratory that is registered under the Environmental Data Quality Assurance Regulation is considered to be acceptable;

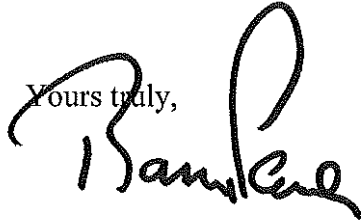
- 7) A report shall be submitted to the Regional Manager, Environmental Protection, 10470 152nd Street, Surrey, BC V3R 0Y3, once each quarter. Each report shall be submitted within 30 days of the end of the reporting period, with the first report being submitted no later than January 31, 2010 and the final report being submitted no later than October 31, 2011. Each report shall include, but is not limited to, the following information:
- a) for each day of the quarter, the specific types (e.g. hog, pine beetle kill wood, C & D waste, natural gas, fuel oil, effluent treatment sludge) and quantities of all materials burned in the wood residue boiler;
 - b) the results of all required monitoring, as described in condition 4 of this Variance Order, suitably tabulated in spreadsheet format, to the satisfaction of the Director, Environmental Management Act;
 - c) the 90th percentile steam generation rate over the 90 days preceding each stack test;
 - d) the 50th percentile steam generation rate over the 90 days preceding each stack test;
 - e) the quantity of each type of fuel burned, relative to the amount of steam generated by each fuel type, during each day of stack testing described in condition 4 of this Variance Order; and
 - f) a comparison of the results obtained from the analysis of the flyash, grate ash, hog fuel and C & D waste.

Pursuant to Section 19(3) of the *Environmental Management Act*, this Variance Order may be cancelled or amended by the Minister of Environment. Reasons for cancellation may include, but are not limited to, the following;

- Permit PA-03095 is amended to authorize the use of C & D waste in the wood residue boiler before the end of the two year period;
- The permit amendment application under condition 2 is denied by the Director
- HSPP withdraws its permit amendment application under condition 2; or
- If, in the opinion of the Minister of Environment, the use of C & D waste is causing pollution, as defined in the *Environmental Management Act*.

In all other respects the requirements of permit PA-3095 remain in full force and effect. This Variance Order shall not be construed as a waiver of any lawful requirement pertaining to any unauthorized discharge of waste to the environment, and is without prejudice to any legal action that the Ministry may take under the *Environmental Management Act*.

If you have any questions regarding this order, please contact Jonn Braman, Regional Manager, Environmental Protection at 604-582-5284.

Yours truly,


Barry Penner
Minister of Environment

pc:

Jonn Braman, Regional Manager, Lower Mainland

Steffanie Warriner, Environmental Management Section Head, Lower Mainland

Jim Standen, Director, Regional Operations Branch, Victoria

Mr. Al Strang, Environmental Superintendent, Howe Sound Pulp & Paper

Dion Whyte, Manager of Sustainable Services, Sunshine Coast Regional District

Steve Olmstead, Director, Planning and Development, Squamish Lillooet Regional District

Roger Quon, Divisional Manager, Air Quality Policy and Management, Metro Vancouver