



19 May 2016

File: UA27607

VIA EMAIL
and
REGISTERED MAIL

Canoe Forest Products Limited
800-1708 Dolphin Avenue
Kelowna, BC V1Y 9S4

Dear Permittee:

Re: Non-compliance Warning Letter

On 8th April 2016, Ministry of Environment, Environmental Protection Division carried out an inspection at the Canoe Plywood Plant. Upon review of the findings of the inspection and subsequent office review of monitoring reports for 2015, the Ministry has determined that Canoe Forest Products Limited is out of compliance with section 6(2) of the *Environmental Management Act* (Unauthorized Discharge). This Warning Letter summarizes the more detailed compliance verification information contained in the Inspection Record #27607, attached for your records and information.

Environmental Management Act

6. Waste Disposal

(2) Subject to subsection (5), a person must not introduce or cause or allow waste to be introduced into the environment in the course of conducting a prescribed industry, trade or business.

Unauthorized discharge of effluent to the environment occurred as a result of the incidents of 7 March and 29 March 2016 (see inspection report #27607 for further details).

Ministry of Environment

Monitoring, Compliance
and Stewardship
Environmental Protection Division

Mailing Address:
400-640 Borland Street
Williams Lake, BC, V2G 4T1

Telephone: 250-490-8200
Facsimile: 250-490-2231
Website: www.gov.bc.ca/env

Unauthorized discharge from the vacuum fan over the Lay-up Line. Wood debris had accumulated on the roof around the stack and particulate matter was observed leaving the stack during the inspection.

Failure to comply with the terms and conditions set out in PA-2573, is unacceptable and is an offence under the *Environmental Management Act* (B.C.). Section 120(7) of the *Environmental Management Act* states as follows:

- 120 (7) A person who, holding a permit or approval issued under this Act to introduce waste into the environment, fails to comply with the requirements of the permit or approval commits an offence and is liable to a penalty not exceeding \$300 000 or imprisonment for not more than 6 months, or both

It should also be noted that, as an alternative to the offence provisions mentioned above, the Administrative Penalties (Environmental Management Act) Regulation (B.C. Reg. 133/2014), was brought into force in 2014. Sections 12(1) and (5) of the Administrative Penalties (Environmental Management Act) Regulation state as follows:

- 12 (1) A person who contravenes section 6 (2), (3) or (4), 7, 8, 9 (1) or (4), 11, 25 (2), 40 (1), (2), (3), (6) or (7), 48 (8), (10) or (15), 55 (1), 72 (1) or (2) or 76.2 of the Act is liable to an administrative penalty not exceeding \$75 000.
- 12 (5) A person who fails to comply with a requirement of a permit or approval issued or given under the Act is liable to an administrative penalty not exceeding \$40 000, unless the requirement the person failed to comply with is also a prescribed provision of the Act or the regulations that is subject to a different maximum administrative penalty.

The Ministry of Environment Compliance and Enforcement Policy and Procedure (C&E Policy) prescribes common requirements and procedures for all Ministry staff to ensure consistent and risk-based assessment and response to non-compliance with management oversight of complex or sensitive investigations. The C&E Policy achieves this through the use of the Non-Compliance Decision Matrix, and by promoting effective communication and collaboration between ministry staff to achieve the best possible outcomes.

Using the Non-Compliance Decision Matrix with regard to the above information, this offence is considered to be a Level 2 and Category B. Specifically, Level 2 of the Escalating Environmental, Human Health or Safety Impact is considered to be:

- Non-compliance resulting in a minor, temporary impact to the environment or minor, temporary threat to human health or safety.

Category of Likelihood of Compliance is considered to be B, where the indications of future and ongoing compliance are uncertain:

- Few previous occurrences of non-compliance; and/or
- Questionable awareness of and/or capacity to meet regulatory requirement.

Based on the above, this **Warning** is the appropriate tool to address these alleged offences under the *Environmental Management Act*. The Warning, the alleged violations and the circumstances to which it refers will form part of the compliance history of Permit PA-2573 and will be taken into account in the event of future violations.

Failure to achieve full compliance with the authorization will result in continued and escalated enforcement actions.

If you have any questions or comments regarding the administration of this permit, please feel free to contact the undersigned at (250) 398 4544.

Yours truly,



Jack Green
Environmental Protection Officer
Compliance Section

Encl: CVIS Inspection 27607

cc: Jason Bourgeois Jason.Bourgeois@gov.bc.ca
Section Head, Environmental Protection Division, Compliance Section

Jeff Tyre Jeff.Tyre@gov.bc.ca
Sergeant – Cariboo Region, Conservation Officer Services



Ministry of Environment
Inspection Record

**Environmental
Protection
Division**

Inspection Number: 27607		Inspection Status: FINAL	
EP System: <u>Other - Not applicable</u>		Inspection Date: 2016-04-08	
EP System Number: UA27607		EP System Status: <u>Unauthorized</u>	
Region: <u>Thompson</u>		Office: <u>Kamloops</u>	
Trigger: <u>Incident</u>		Incidents of Non-Compliance Observed: Yes	
Non-Compliance Decision Matrix Level: <u>Level 2</u>		Non-Compliance Decision Matrix Category: <u>Category B</u>	
Inspector Name(s): Jack Green		CPIX: <u>1 to 2 = Medium</u>	
Audit:		Total Non-Compliance(s): 3	
Regulated Party: CANOE FOREST PRODUCTS LTD.			
Regulated Party Contact(s): Marcello Angelozzi			
Legal Address: 800-1708 Dolphin Avenue Kelowna BC V1Y 9S4			
Phone No: (250)833-1274		Fax No: (250) 833-1207	
Contact Email: mangelozzi@canoefp.com			
Location Description or Site Address: PO Box 70, 8160 Trans Canada Highway NE, Canoe, BC V0E 1K0			
Latitude: 50.755 N		Longitude: 119.2198 W	
Receiving Environment(s): <u>Air & Surfacewater</u>			

Summary

MONITORING AND REPORTING REQUIREMENTS	
Inspection Period: From: 2016-03-07 To: 2016-05-09	
Requirement Source: Other (none of the above, and not part of a regulation or code of practice)	
Activity: <u>On Site</u>	Waste Type: <u>Effluent</u>
Inspection Summary: On Site inspection carried out by Environmental Protection Officer Jack Green at Canoe Forest Products Limited's plywood plant located in Canoe, near Salmon Arm (CFPL). Accompanied on site by Marcello Angelozzi (CFPL, Site Operations Manager) and Gord Palmer (CFPL, Plywood Maintenance Supervisor). CFPL is issued a number of Environmental Management Act permits: PE-1356 (sewage effluent), PR-6972 (refuse), and PA-2573 (air). All were inspected this same day and details are included in separate inspection records (IR): PE-1356 (sewage) (IR 27529), PR-6972 (refuse) (IR 27527), and PA-2573 (air) (IR 27370). CFPL also has a lumber kiln located on the same site and authorised under air permit PA-1937, which was also inspected this same day (IR 27530). CFPL was found to be out of compliance with section 6(2) of the Environmental Management Act in three separate instances. 1) A discharge of effluent occurred on 7 March, 2016, unauthorized by its current effluent permit, PE-1356. 2) A discharge of effluent occurred on 29 March 2016, unauthorized by its current effluent permit, PE-1356. 2) A discharge of particulate matter was observed on 8 April 8 2016, unauthorized by its current air permit, PA-2573. The appropriate compliance response has been determined to be Warning of Non-compliance.	Response: <u>Warning</u>
ACTIONS REQUIRED BY REGULATED PARTY: You are requested to submit an application to amend air permit PA-2573 in order to request that the discharge from the vacuum fan over the Lay-up Line be authorized as a discharge point.	
ADDITIONAL COMMENTS: Please ensure all spills to the environment are reported in accordance with the Spill Reporting Regulation.	

Compliance Summary	In	Out	N/A	N/D
Discharge	0	3	0	0

Inspection Details

Requirement Type: Discharge

Requirement Description:

Environmental Management Act

Waste disposal

6 (2) Subject to subsection (5), a person must not introduce or cause or allow waste to be introduced into the environment in the course of conducting a prescribed industry, trade or business.

Details/Findings:

An unauthorized discharge of effluent occurred on 7 March and was reported to the Report All Poachers and Polluters (RAPP) hotline by an anonymous complainant on 14 March 2016. CFPL submitted an investigation report to the Ministry on 9 May 2016, which confirmed that the discharge consisted of fresh water that had flooded the glue room before flowing across the yard, down the bank, and into Shuswap Lake. The discharge was estimated to be 80-100 litres. CFPL reported that upon discovery of the discharge to Shuswap Lake, a sump pump was installed and the discharge was abated. This pump was operated intermittently as needed, over the following week until the source of the freshwater leak (water pipe in men's washroom under concrete floor) was identified and fixed.

In the investigation report, CFPL stated:

"A proper risk assessment was not conducted. The assumption was made that the water was free of any contaminants. Because of these assumptions environmental, health or safety risks were not considered and therefore was not reported to regulatory authorities."

CFPL reported concerns regarding the potential to transfer residual contaminants from the glue room and yard to the lake. Samples of effluent were collected by CFPL and an officer from the federal Department of Fisheries and Oceans (DFO) on 15 March 2016. The results from the CFPL samples, submitted to the Ministry on 29 March 2016, identified the following types and concentrations of hydrocarbons at the shore of Shuswap Lake- EPH10-19 (2.68 mg/L) and EPH19-32 (140 mg/L).

During the on site inspection on 8 April 2016, residual oil was observed in the area of the yard where the release occurred. Also observed was a berm along the border where the discharge escaped off site, which was constructed since the unauthorized discharge. CFPL's current effluent permit, PE-1356, does not authorize this discharge.

Compliance: Out

Requirement Type: Discharge

Requirement Description:

Environmental Management Act

Waste disposal

6 (2) Subject to subsection (5), a person must not introduce or cause or allow waste to be introduced into the environment in the course of conducting a prescribed industry, trade or business.

Details/Findings:

An unauthorized discharge of effluent occurred on 29 March 2016 and was reported by CFPL to the RAPP hotline on that same day. CFPL submitted an investigation report to the Ministry on 9 May 2016, which confirmed a release of approximately 50-100 litres of effluent from the recycled water system for the pre-treatment of logs. This release occurred due to a blocked drain. CFPL staff attempted to contain the release by creating a berm, however some effluent escaped along the edge of the yard and down into Shuswap Lake. The effluent was partially contained in Shuswap Lake by a sand berm, where

recovery tanker trucks attempted to retrieve the material. No samples were collected for this discharge. CFPL's current effluent permit, PE-1356, does not authorize this discharge.

Compliance: Out

Requirement Type: Discharge

Requirement Description:

Environmental Management Act

Waste disposal

6 (2) Subject to subsection (5), a person must not introduce or cause or allow waste to be introduced into the environment in the course of conducting a prescribed industry, trade or business.

Details/Findings:

On 9 April 8 2016 a planned on site inspection was conducted at CFPL with regard to its air discharge permit, PA-2573. More details of that inspection are included in a separate inspection record (IR 27370), where compliance with specific clauses of air permit PA 2573 are assessed.

However, during the planned on site inspection on 8 April 2016, an unauthorized discharge was observed from the vacuum fan over the Lay-up Line was identified. Particulate matter was observed discharging from a stack and there was significant wood debris accumulation in the immediate vicinity (see picture). CFPL's current air permit, PA-2573, does not authorize this discharge.

Compliance: Out

Were the following collected during inspection:

Samples? ☐ Photos? ☒ EMS Number:

Other (please specify)

Is the Inspection related to an EA Project? ☐ EA Project Certificate Number:

INSPECTION CONDUCTED BY:

Signature

Jack Green

Date Signed

2016-05-19

ENCLOSURE(S) TO REGULATED PARTY & DESCRIPTION:

Warning Letter

CVIS Archives

REGULATORY CONSIDERATIONS:

DISCLAIMER:

Please note that sections of the permit, regulation or code of practice referenced in this inspection record are for guidance and are not the official version. Please refer to the original permit, regulation or code of practice.

To see the most up to date version of regulations and codes of practices please visit:
<http://www.bclaws.ca/>

If you require a copy of the original permit, please contact the inspector noted on this inspection record or visit: [http://www2.gov.bc.ca/gov/topic.page?](http://www2.gov.bc.ca/gov/topic.page?id=DF89089126D042FD96DF5D8C1D8B1E41&title=Publicly%20Viewable%20Authorizations)

[id=DF89089126D042FD96DF5D8C1D8B1E41&title=Publicly%20Viewable%20Authorizations](http://www2.gov.bc.ca/gov/topic.page?id=DF89089126D042FD96DF5D8C1D8B1E41&title=Publicly%20Viewable%20Authorizations)

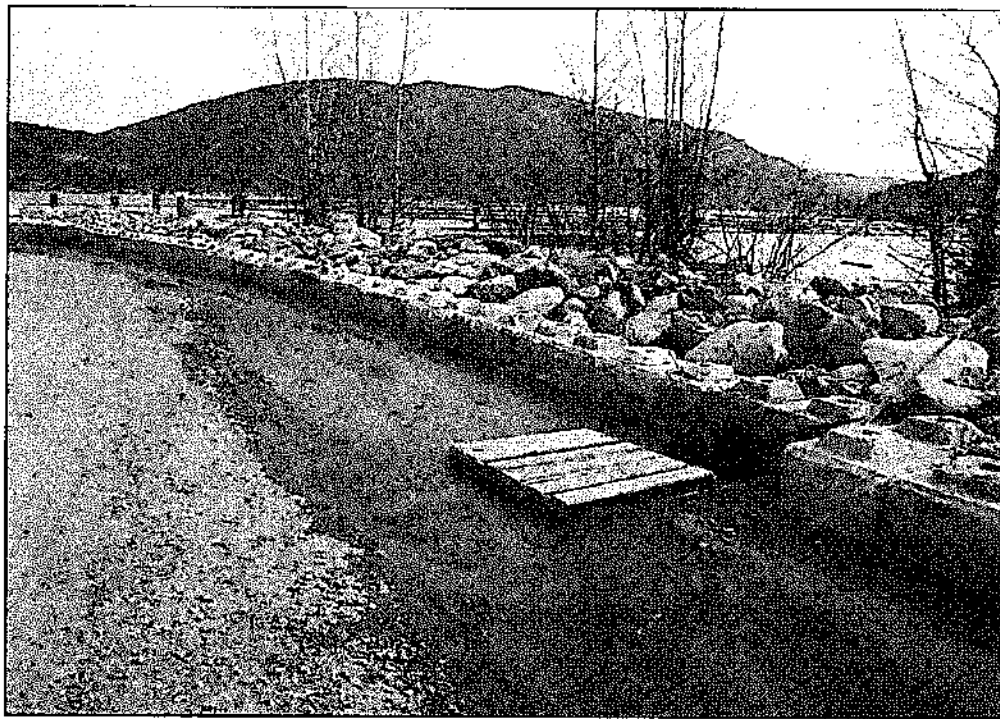
It is also important to note that this inspection record does not necessarily reflect each requirement or condition of the authorization therefore compliance is noted only for the requirements or conditions listed in the inspection record.

Ministry of Environment	Thompson Region Environmental Protection Division	Mailing Address: 1259 Dalhousie Dr Kamloops, BC V2C 5Z5	Phone: (250) 371-6200 Fax: (250) 371-6234 Website: http://www.gov.bc.ca/env
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Ministry of Environment - Photo Record Sheet

UA27607	Canoe Forest Products Limited
April 8, 2016	Canoe

The unauthorized discharge of 7 March 2016, travelled across the yard and escaped to the lake at the top left of this picture. A sump pump was subsequently installed in the sump by the pallet. The berm (rip-rap barrier) was constructed following the incident in an attempt to better contain future spills in this area.



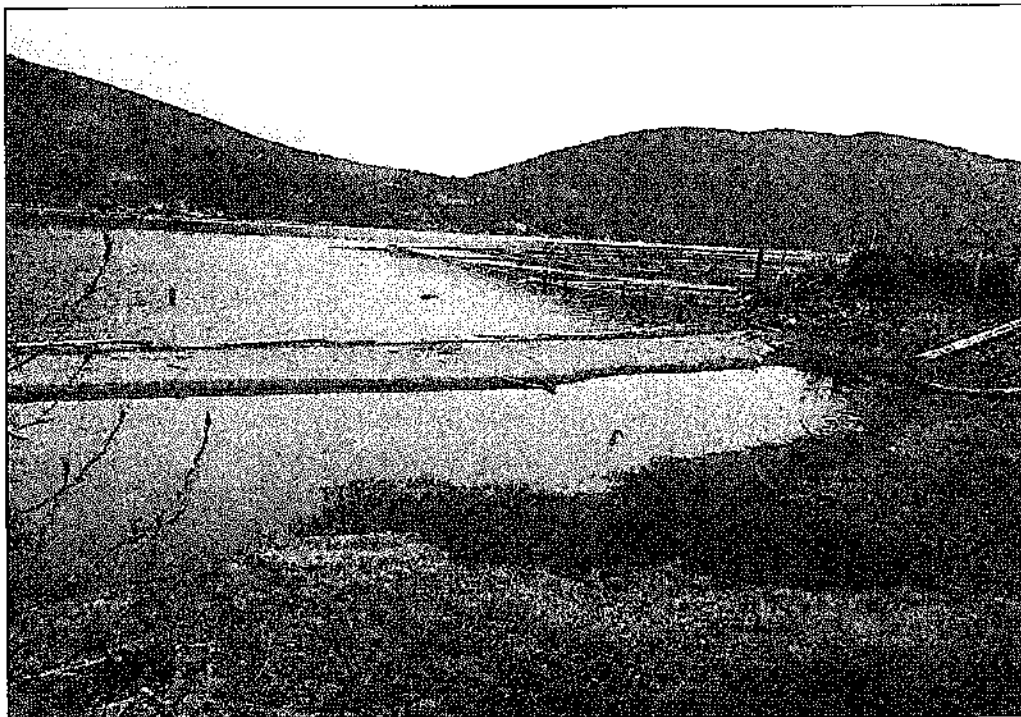
The effluent travelled across the yard, collecting residual oil material lying on the floor of the yard. These contaminants were evident in the sample results collected from the lake shore, after the discharge had occurred.



Ministry of Environment - Photo Record Sheet

UA27607	Canoe Forest Products Limited
April 8, 2016	Canoe

The unauthorized discharge that occurred on 29 March 2016 escaped down the bank to the right of the picture into the lagoon area separated from the lake by the sandy berm. This is where tankers attempted to retrieve the effluent from. No samples were collected following this discharge.



Discharge point from vacuum fan over the Lay-up Line. This point of discharge is unauthorized. Particulate matter was observed leaving the stack and wood debris had accumulated in the immediate area.





19 May 2016

File: HW27608

VIA EMAIL
and
REGISTERED MAIL

Canoe Forest Products Limited
800-1708 Dolphin Avenue
Kelowna, BC V1Y 9S4

Dear Permittee:

Re: Non-compliance Warning Letter

On 8th April 2016, Ministry of Environment, Environmental Protection Division carried out an inspection at the Canoe Plywood Plant. Upon review of the findings of the inspection, the Ministry has determined that Canoe Forest Products Limited is out of compliance with sections 50(3) and 50(8) (Storage and Transportation) of the *Hazardous Waste Regulation*. This Warning Letter summarizes the more detailed compliance verification information contained in the Inspection Record #27608, attached for your records and information.

Hazardous Waste Regulation

50. Storage and Transportation

- (3) A person who uses a container to store or transport hazardous waste must
- (a) keep the container closed at all material times during storage or transport,
 - (b) not open, handle, store or transport the container in a manner which may cause it to leak or rupture, and
 - (c) ensure that the outside of the container is clearly labeled with the shipping name of the hazardous waste it contains and, if the hazardous waste is a dangerous good,

the class and UN number of that hazardous waste, both as set out in the federal dangerous goods regulations.

Hazardous waste stored in open containers. Waste batteries stored on unmade ground without cover or containment. Evidence of oil staining from spills on the ground surrounding the areas of hazardous waste storage. Many containers of hazardous waste not labelled as required.

50. Storage and Transportation

(8) A person must not store or transport hazardous waste unless it is placed in a container or otherwise secured so that under normal conditions of storage or transport the hazardous waste does not leak or escape into the environment.

Waste batteries stored on unmade ground without cover or containment. Oil/water stored in uncovered bucket like container, not under cover. Vessel was filled to the brim, likely as a result of precipitation. Further precipitation would result in spillage. This hazardous waste storage area had no secondary containment.

Failure to comply with the terms and conditions set out in the *Hazardous Waste Regulation*, is unacceptable and is an offence under the *Environmental Management Act* (B.C.). Section 120(7) of the *Environmental Management Act* states as follows:

- 120 (7) A person who, holding a permit or approval issued under this Act to introduce waste into the environment, fails to comply with the requirements of the permit or approval commits an offence and is liable to a penalty not exceeding \$300 000 or imprisonment for not more than 6 months, or both

It should also be noted that, as an alternative to the offence provisions mentioned above, the Administrative Penalties (Environmental Management Act) Regulation (B.C. Reg. 133/2014), was brought into force in 2014. Sections 12(1) and (5) of the Administrative Penalties (Environmental Management Act) Regulation state as follows:

- 12 (1) A person who contravenes section 6 (2), (3) or (4), 7, 8, 9 (1) or (4), 11, 25 (2), 40 (1), (2), (3), (6) or (7), 48 (8), (10) or (15), 55 (1), 72 (1) or (2) or 76.2 of the Act is liable to an administrative penalty not exceeding \$75 000.
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Using the Non-Compliance Decision Matrix with regard to the above information, this offence is considered to be a Level 2 and Category B. Specifically, Level 2 of the Escalating Environmental, Human Health or Safety Impact is considered to be:

- Non-compliance resulting in a minor, temporary impact to the environment or minor, temporary threat to human health or safety.

Category of Likelihood of Compliance is considered to be B, where the indications of future and ongoing compliance are uncertain:

- Few previous occurrences of non-compliance; and/or
- Questionable awareness of and/or capacity to meet regulatory requirement.

Based on the above, this **Warning** is the appropriate tool to address these alleged offences under the *Environmental Management Act*. The Warning, the alleged violations and the circumstances to which it refers will form part of the compliance history of Canoe Forest Products Limited and will be taken into account in the event of future violations.

Failure to achieve full compliance with the authorization will result in continued and escalated enforcement actions.

If you have any questions or comments regarding the administration of this permit, please feel free to contact the undersigned at (250) 398 4544.

Yours truly,



Jack Green
Environmental Protection Officer
Compliance Section

Encl: CVIS Inspection 27608

cc: Jason Bourgeois Jason.Bourgeois@gov.bc.ca
Section Head, Environmental Protection Division, Compliance Section

Jeff Tyre Jeff.Tyre@gov.bc.ca
Seargent – Cariboo Region, Conservation Officer Services



Ministry of Environment
Inspection Record

**Environmental
Protection
Division**

Inspection Number: 27608		Inspection Status: FINAL	
EP System: <u>Other - Not applicable</u>		Inspection Date: 2016-04-08	
EP System Number: HW27608		EP System Status: <u>Active</u>	
Region: <u>Thompson</u>		Office: <u>Kamloops</u>	
Trigger: <u>Planned</u>		Incidents of Non-Compliance Observed: <u>Yes</u>	
Non-Compliance Decision Matrix Level: <u>Level 2</u>		Non-Compliance Decision Matrix Category: <u>Category B</u>	
Inspector Name(s): Jack Green		CPIX: <u>1 to 2 = Medium</u>	
Audit:		Total Non-Compliance(s): 2	
Regulated Party: CANOE FOREST PRODUCTS LTD.			
Regulated Party Contact(s): Marcello Angelozzi			
Legal Address: 800-1708 Dolphin Avenue Kelowna BC V1Y 9S4			
Phone No: (250)833-1274		Fax No: (250) 833-1207	
Contact Email: mangelozzi@canoefp.com			
Location Description or Site Address: PO Box 70, 8160 Trans Canada Highway NE, Canoe, BC V0E 1K0			
Latitude: 50.755 N		Longitude: 119.2198 W	
Receiving Environment(s): <u>Land Based</u>			

Summary

MONITORING AND REPORTING REQUIREMENTS	
Inspection Period: From: 2016-04-08 To: 2016-04-08	
Requirement Source: <u>Hazardous Waste Regulation</u>	
Activity: <u>On Site</u>	Waste Type: <u>Hazardous Waste</u>
<p>Inspection Summary:</p> <p>On Site inspection carried out by Environmental Protection Officer Jack Green at Canoe Forest Products Limited's plywood plant located in Canoe, near Salmon Arm (CFPL). Accompanied on site by Marcello Angelozzi (CFPL, Site Operations Manager) and Gord Palmer (CFPL, Plywood Maintenance Supervisor). I conducted an on site inspection of the stored hazardous waste on site and reviewed the provided manifests for compliance with the Hazardous Waste Regulation.</p> <p>CFPL was found to be in compliance with section 46(4) (Manifest Requirements) of the Hazardous Waste Regulation. However, CFPL was found to be out of compliance with sections 50(3) and 50(8) (Storage and Transportation) of the Hazardous Waste Regulation. The appropriate compliance response has been determined to be a Warning of Non-compliance.</p> <p>There are two designated areas for the storage of hazardous waste at the CFPL site, one on the far side of the parking lot from the plywood plant (Site 1) and the other outside of the maintenance shop (Site 2).</p> <p>Site 1 - Waste stored on unmade ground with evidence of staining from historical oil spills. Waste containers were stored on pallets with no secondary containment. There were two unmarked totes, one reportedly containing waste oil and the other oil/water. On top of the totes were several open oil containers. Oil filters were stored in one unmarked drum. There was no spill kit in the vicinity of the storage area, there were no signs designating the area as hazardous waste storage and there were no barriers protecting the containers from vehicular movement.</p> <p>Site 2 - Some waste stored on concrete, some unmade ground with evidence of staining from historical oil spills. No secondary containment. Oil/water stored in uncovered bucket like container, not under cover, on top of tote. The vessel was filled to the brim, likely as a result of precipitation. Further precipitation would result in spillage. Several waste batteries were stored on unmade ground without cover or containment. There were no signs designating the area as hazardous waste storage and there were no barriers protecting the containers from vehicular movement.</p>	<p>Response: <u>Warning</u></p>
<p>ACTIONS REQUIRED BY REGULATED PARTY:</p> <p>All hazardous waste must be stored in such a manner as to prevent discharge to the environment.</p>	

ADDITIONAL COMMENTS:

CFPL have informed the Ministry that CTQ Consultants had recently been on site looking to address the storage conditions of hazardous waste. CFPL should consider secondary containment for the hazardous waste storage area as a best practice.

Compliance Summary	In	Out	N/A	N/D
Operations	1	2	0	0

Inspection Details

Requirement Type: <u>Operations</u>
Requirement Description: 46. MANIFEST REQUIREMENTS (4) A manifest under subsection (3) (a) must be completed in the manner set out in the regulations of the province or Canada, as applicable.
Details/Findings: All manifests had been completed as required.
Compliance: <u>In</u>
Requirement Type: <u>Operations</u>
Requirement Description: 50. STORAGE AND TRANSPORTATION (3) A person who uses a container to store or transport hazardous waste must (a) keep the container closed at all material times during storage or transport, (b) not open, handle, store or transport the container in a manner which may cause it to leak or rupture, and (c) ensure that the outside of the container is clearly labeled with the shipping name of the hazardous waste it contains and, if the hazardous waste is a dangerous good, the class and UN number of that hazardous waste, both as set out in the federal dangerous goods regulations.
Details/Findings: Hazardous waste, including waste oil and oily water was observed stored in open containers, and not closed as required by section 50(3)(a) (See Figures 1 and 4). In addition to the open storage containers observed, there was also waste oil staining on the unmade ground surrounding the areas of hazardous waste storage, evidencing previous leaks or spills. The waste oil was observed to be stored in containers in a manner which have caused it to leak, and may cause it to leak in the future, and thus out of compliance with section 50(3)(b) (See Figure 1). Many containers of hazardous waste were not clearly labelled with the information required by section 50(3)(c) (See Figure 1).
Compliance: <u>Out</u>
Requirement Type: <u>Operations</u>
Requirement Description: 50. STORAGE AND TRANSPORTATION

(8) A person must not store or transport hazardous waste unless it is placed in a container or otherwise secured so that under normal conditions of storage or transport the hazardous waste does not leak or escape into the environment.

Details/Findings:

Waste oil and oily water was observed stored in an open bucket-like container, and not under cover. The container was filled to the brim, likely as a result of precipitation. Any further precipitation would likely result in the escape or leak of the oil. There was also waste oil staining on the unmade ground surrounding the areas of hazardous waste storage, evidencing previous leaks or escapes of oil into the environment (Figures 1 and 4).

Waste batteries were observed to be stored on unmade ground and not in a container, or under cover (See Figure 3).

Compliance: Out

Were the following collected during inspection:

Samples? ☐ Photos? ☒ EMS Number

Other (please specify)

Is the Inspection related to an EA Project? ☐ EA Project Certificate Number:

INSPECTION CONDUCTED BY:

Signature
Jack Green

Date Signed
2016-05-19

ENCLOSURE(S) TO REGULATED PARTY & DESCRIPTION:

Warning Letter

CVIS Archives

REGULATORY CONSIDERATIONS:

DISCLAIMER:

Please note that sections of the permit, regulation or code of practice referenced in this inspection record are for guidance and are not the official version. Please refer to the original permit, regulation or code of practice.

To see the most up to date version of regulations and codes of practices please visit:
<http://www.bclaws.ca/>

If you require a copy of the original permit, please contact the inspector noted on this inspection record or visit: <http://www2.gov.bc.ca/gov/topic.page?id=DF89089126D042FD96DF5D8C1D8B1E41&title=Publicly%20Viewable%20Authorizations>

It is also important to note that this inspection record does not necessarily reflect each requirement or condition of the authorization therefore compliance is noted only for the requirements or conditions listed in the inspection record.

Ministry of Environment	Thompson Region Environmental Protection Division	Mailing Address: 1259 Dalhousie Dr Kamloops, BC V2C 5Z5	Phone: (250) 371-6200 Fax: (250) 371-6234 Website: http://www.gov.bc.ca/env
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Ministry of Environment - Photo Record Sheet

HW27608	Canoe Forest Products Limited
April 8, 2016	Canoe

Figure 1. Hazardous waste storage area (Site 1). Containers stored on unmade ground with no secondary storage. Note oil staining on ground from historical spills. Several open oil containers were stored on top of the totes. None of the containers were labelled.

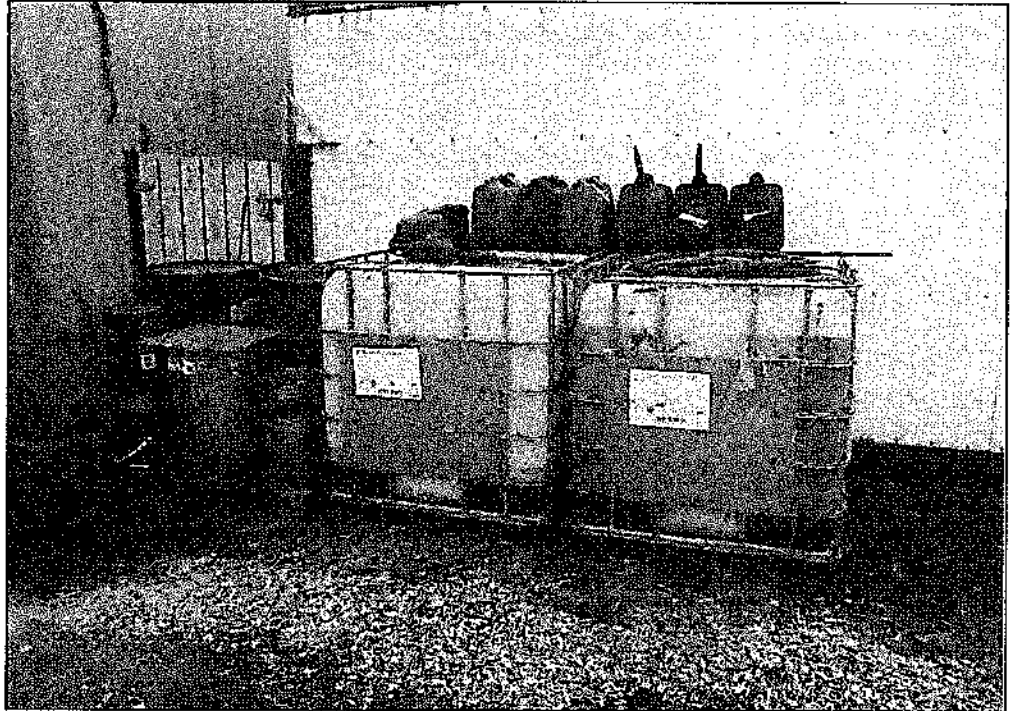


Figure 2. Used oil storage at Site 2, by maintenance shop. Tank is single skinned with no secondary containment. Note the valve/tap at the bottom. This should be contained in case of leakage.



Ministry of Environment - Photo Record Sheet

HW27608	Canoe Forest Products Limited
April 8, 2016	Canoe

Figure 3. Waste batteries stored without cover or containment.



Figure 4. Open container of oily water stored on top of the tote of antifreeze. The container was full, likely the result of precipitation. Any further influence from precipitation would result in spillage. There was no secondary containment in this area.





19 May 2016

File: PA-2573

VIA EMAIL
and
REGISTERED MAIL

Canoe Forest Products Limited
800-1708 Dolphin Avenue
Kelowna, BC V1Y 9S4

Dear Permittee:

Re: Non-compliance Warning Letter

On 8th April 2016, Ministry of Environment, Environmental Protection Division carried out an inspection at the Canoe Plywood Plant. Upon review of the findings of the inspection and subsequent office review of monitoring reports for 2015, the Ministry has determined that Canoe Forest Products Limited is out of compliance with its *Environmental Management Act (EMA)* permit PA-2573 (Permit), namely sections 1.3 (Authorized Discharge – Natural Gas Fired Veneer Dryer, Old), 1.4 (Authorized Discharge – Natural Gas Fired Veneer Dryer, New), 4.1 (Discharge Monitoring) and 4.8 (Reporting). This Warning Letter summarizes the more detailed compliance verification information contained in the Inspection Record #27370, attached for your records and information.

1.3 Authorized Source

This section applies to the discharge of air from a NATURAL GAS FIRED VENEER DRYERS-OLD. The site reference number for this discharge is E217647.

1.3.1 The maximum rate of discharge is 5947 cubic metres per minute.

1.3.2 The authorized discharge period is continuous.

1.3.3 The characteristics of the discharge shall be equivalent to or better than:

Total Particulate Matter
Maximum: 115 mg/m³

1.3.4 The authorized works are a natural gas fired veneer dryer, vents, stacks and related appurtenances approximately located as shown on Site Plan.

1.3.5 The authorized works must be complete and in operation while discharging.

1.3.6 The location of the facilities from which the discharge originates and the point of discharge is the same as Section 1.1.6 above.

Stack test results were in exceedance of permit limits for the test carried out on 24 October 2015.

1.4 Authorized Source

This section applies to the discharge of air from a NATURAL GAS FIRED VENEER DRYER-NEW. The site reference number for this discharge is E273704.

1.4.1 The maximum rate of discharge is 40 cubic metres per minute.

1.4.2 The authorized discharge period is 24 hours per day, 5 days per week.

1.4.3 The characteristics of the discharge shall be equivalent to or better than:

Total Particulate Matter
Maximum: 115 mg/m³

1.4.4 The authorized works are a cyclone, ducting and related appurtenances approximately located as shown on Site Plan.

1.4.5 The authorized works must be complete and in operation while discharging.

1.4.6 The location of the facilities from which the discharge originates and the point of discharge is the same as Section 1.1.6 above.

Stack test results were in exceedance of permit limits for the test carried out on 24 October 2015.

4.1 Discharge Monitoring

The permittee shall undertake the monitoring program outlined below. Sampling is to be done under “normal” operating conditions. The Director may modify this program based on sampling results and other relevant data obtained.

1.) Heated Veneer Dryers (Authorized Sources Sections 1.3 and 1.4) shall be tested Twice per year for Total Particulate Matter (including condensibles).

Condensibles were not included in the stack test report for the test carried out on 4 March 2015 due to sample loss. According to the consultant responsible for carrying out the stack testing (Levelton Consultants Limited), the Permittee made the decision to submit the report anyway, rather than retest.

4.8 Reporting

All stack sample results shall be submitted within 30 days of testing. Sampling and monitoring data shall include rate of discharge measurements and shall be accompanied by process data relevant to the operation of the source of the emissions and to the performance of the pollution abatement equipment involved in the testing.

Testing was carried out on 4 March 2015 by Levelton Consultants Limited. The report is dated 3 June 2015 and was sent to Canoe Forest Products Limited on 22 June 2015. Canoe Forest Products Limited forwarded the report to the Ministry of Environment on 22 June 2015, 110 days after the test date.

The second test date for 2015 was 24 October. The report was dated 24 December 2015. This report was not submitted to the Ministry of Environment until it was requested, on 25 April 2016.

Failure to comply with the terms and conditions set out in PA-2573, is unacceptable and is an offence under the *Environmental Management Act* (B.C.). Section 120(7) of the *Environmental Management Act* states as follows:

- 120 (7) A person who, holding a permit or approval issued under this Act to introduce waste into the environment, fails to comply with the requirements of the permit or approval commits an offence and is liable to a penalty not exceeding \$300 000 or imprisonment for not more than 6 months, or both

It should also be noted that, as an alternative to the offence provisions mentioned above, the Administrative Penalties (Environmental Management Act) Regulation (B.C. Reg. 133/2014), was brought into force in 2014. Sections 12(1) and (5) of the Administrative Penalties (Environmental Management Act) Regulation state as follows:

- 12 (1) A person who contravenes section 6 (2), (3) or (4), 7, 8, 9 (1) or (4), 11, 25 (2), 40 (1), (2), (3), (6) or (7), 48 (8), (10) or (15), 55 (1), 72 (1) or (2) or 76.2 of the Act is liable to an administrative penalty not exceeding \$75 000.
- 12 (5) A person who fails to comply with a requirement of a permit or approval issued or given under the Act is liable to an administrative penalty not exceeding \$40 000, unless the requirement the person failed to comply with is also a prescribed provision of the Act or the regulations that is subject to a different maximum administrative penalty.

The Ministry of Environment Compliance and Enforcement Policy and Procedure (C&E Policy) prescribes common requirements and procedures for all Ministry staff to ensure consistent and risk-based assessment and response to non-compliance with management oversight of complex or sensitive investigations. The C&E Policy achieves this through the use of the Non-Compliance Decision Matrix, and by promoting effective communication and collaboration between ministry staff to achieve the best possible outcomes.

Using the Non-Compliance Decision Matrix with regard to the above information, this offence is considered to be a Level 2 and Category B. Specifically, Level 2 of the Escalating Environmental, Human Health or Safety Impact is considered to be:

- Non-compliance resulting in a minor, temporary impact to the environment or minor, temporary threat to human health or safety.

Category of Likelihood of Compliance is considered to be B, where the indications of future and ongoing compliance are uncertain:

- Few previous occurrences of non-compliance; and/or
- Questionable awareness of and/or capacity to meet regulatory requirement.

Based on the above, this **Warning** is the appropriate tool to address these alleged offences under the *Environmental Management Act*. The Warning, the alleged violations and the circumstances

to which it refers will form part of the compliance history of Permit PA-2573 and will be taken into account in the event of future violations.

Failure to achieve full compliance with the authorization will result in continued and escalated enforcement actions.

If you have any questions or comments regarding the administration of this permit, please feel free to contact the undersigned at (250) 398 4544.

Yours truly,



Jack Green
Environmental Protection Officer
Compliance Section

Encl: CVIS Inspection 27370

cc: Jason Bourgeois Jason.Bourgeois@gov.bc.ca
Section Head, Environmental Protection Division, Compliance Section

Jeff Tyre Jeff.Tyre@gov.bc.ca
Seargent – Cariboo Region, Conservation Officer Services



Ministry of Environment
Inspection Record

**Environmental
Protection
Division**

Inspection Number: 27370		Inspection Status: FINAL	
EP System: AMS		Inspection Date: 2016-04-08	
EP System Number: 2573		EP System Status: Active	
Region: Thompson		Office: Kamloops	
Trigger: <u>Planned</u>		Incidents of Non-Compliance Observed: Yes	
Non-Compliance Decision Matrix Level: <u>Level 2</u>		Non-Compliance Decision Matrix Category: <u>Category B</u>	
Inspector Name(s): Jack Green		CPIX: <u>1 to 2 = Medium</u>	
Audit:		Total Non-Compliance(s): 6	
Regulated Party: CANOE FOREST PRODUCTS LTD.			
Regulated Party Contact(s): Marcello Angelozzi			
Legal Address: 800-1708 Dolphin Avenue Kelowna BC V1Y 9S4			
Phone No: (250)833-1274		Fax No: (250) 833-1207	
Contact Email: mangelozzi@canoefp.com			
Location Description or Site Address: PO Box 70, 8160 Trans Canada Highway NE, Canoe, BC V0E 1K0			
Latitude: 50.755		Longitude: 119.2198	
N		W	
Receiving Environment(s): <u>Air</u>			

Summary

MONITORING AND REPORTING REQUIREMENTS	
Inspection Period: From: 2015-03-04 To: 2016-04-08	
Requirement Source: <u>Permit</u>	
Activity: <u>On Site</u>	Waste Type: <u>Air</u>
<p>Inspection Summary:</p> <p>On Site inspection carried out by Environmental Protection Officer Jack Green at Canoe Forest Products Limited's plywood plant located in Canoe, near Salmon Arm (CFPL). Accompanied on site by Marcello Angelozzi (CFPL, Site Operations Manager) and Gord Palmer (CFPL, Plywood Maintenance Supervisor). The inspection included a review of permit PA-2573 (Permit) conditions, an inventory of discharge points, an on site inspection and a review of monitoring data for 2015. The weather during the site inspection clear and dry with light cloud.</p> <p>CFPL was found to be in compliance with sections 2.1 (Maintenance of Works and Emergency Procedures), 3.1 (Fugitive Particulate Emission), 4.7 (Discharges from Cyclones and Baghouse), and 4.8 (Reporting) of the Permit.</p> <p>However, CFPL was found to be out of compliance with sections 1.3 (Authorized Discharge - Natural Gas Fired Veneer Dryers, Old), 1.4 (Natural Gas Fired Veneer Dryers, New), 4.1 (Discharge Monitoring), and 4.8 (Reporting) of the Permit.</p> <p>Compliance was not determined for sections 1.3.3 and 1.4.3 with regard to the March 2015 stack test results due to sample loss.</p> <p>The Permit requires amending to reflect significant modifications to discharge points, including installation of new pollution control works, addition of a point of discharge, and removal of an authorized discharge.</p>	<p>Response: <u>Warning</u></p>
<p>ACTIONS REQUIRED BY REGULATED PARTY:</p> <p>Submit an application to amend permit PA2-573 to address the following issues:</p> <ol style="list-style-type: none"> 1. Natural Gas Fired Veneer Dryers (section 1.3 and 1.4) now discharge through EFB. EFB to be included as authorized works. 2. Stud Saw Cyclone (section 1.10) has been removed from site. No longer a point of discharge. <p>Ensure stack test results are submitted within 30 days of the test date, as per section 4.8.</p>	
<p>ADDITIONAL COMMENTS:</p> <p>When modifications are carried out on site, you must ensure that these changes are reflected in the permit.</p>	

Compliance Summary	In	Out	N/A	N/D
Discharge	0	4	1	2
Operations	2	0	0	0

Reporting	1	1	0	0
Monitoring	1	1	0	0

Inspection Details

Requirement Type: Discharge

Requirement Description:

1.3 Authorized Source

This section applies to the discharge of air from a NATURAL GAS FIRED VENEER DRYERS-OLD. The site reference number for this discharge is E217647.

1.3.1 The maximum rate of discharge is 5947 cubic metres per minute.

1.3.2 The authorized discharge period is continuous.

1.3.3 The characteristics of the discharge shall be equivalent to or better than:

Total Particulate Matter
Maximum: 115 mg/m3

Details/Findings:

Stack testing was carried out on 4 March 2015 by Levelton Consultants Ltd. Stack test results (all results are averaged over 3 samples and reported in mg/m3) were:

Emission Parameter:

Filterable Particulate Matter Concentration (FPM)	76.8
Condensable Particulate Matter Concentration (CPM)	N/A
Total Particulate Matter (TPM)	76.8*

* TPM does not include CPM due to sample loss.

Compliance with section 1.3.3 for the March 2015 stack test results could not be determined due to the sample loss for the CPM portion of TPM. However, the FPM concentration from the March 2015 stack test results (76.8 mg/m3) were higher than the October 2015 stack test results (26.2 mg/m3), which were determined to be out of compliance with 1.3.3 (see next Requirement below).

Compliance: Not Determined

Requirement Type: Discharge

Requirement Description:

1.3 Authorized Source

This section applies to the discharge of air from a NATURAL GAS FIRED VENEER DRYERS-OLD. The site reference number for this discharge is E217647.

1.3.1 The maximum rate of discharge is 5947 cubic metres per minute.

1.3.2 The authorized discharge period is continuous.

1.3.3 The characteristics of the discharge shall be equivalent to or better than:

Total Particulate Matter
Maximum: 115 mg/m3

Details/Findings:

Stack testing was carried out on 24 October 2015 by Levelton Consultants Ltd. Stack test results (all results are averaged over 3 samples and reported in mg/m³) were:

Emission Parameter:

Filterable Particulate Matter Concentration (FPM)	26.2
Condensable Particulate Matter Concentration (CPM)	113.3
Total Particulate Matter (TPM)	139.5

The TPM concentration for the October 22015 stack test was 139.5 mg/m³, exceeding the Permit limit of 115.

Compliance: Out

Requirement Type: Discharge**Requirement Description:**

1.3 Authorized Source

1.3.4 The authorized works are a natural gas fired veneer dryer, vents, stacks and related appurtenances approximately located as shown on Site Plan.

Details/Findings:

The authorized works in section 1.3.4 have been modified. Dampers now direct this discharge, together with the discharge from the NATURAL GAS FIRED VENEER DRYER-NEW (Section 1.4), to be discharged through an Electrified Filter Bed (EFB), to atmosphere. While the original stacks still exist, they are only used for emergency bypass of the EFB. The Permittee must make an application to amend the Permit in order to include the EFB as part of the authorized works under section 1.3.4.

Compliance: Out

Requirement Type: Discharge**Requirement Description:**

1.4 Authorized Source

This section applies to the discharge of air from a NATURAL GAS FIRED VENEER DRYER-NEW. The site reference number for this discharge is E273704.

1.4.1 The maximum rate of discharge is 40 cubic metres per minute.

1.4.2 The authorized discharge period is 24 hours per day, 5 days per week.

1.4.3 The characteristics of the discharge shall be equivalent to or better than:

Total Particulate Matter	
Maximum:	115 mg/m ³

Details/Findings:

Stack testing was carried out on 4 March 2015 by Levelton Consultants Ltd. Stack test results (all results are averaged over 3 samples and reported in mg/m³) were:

Emission Parameter:

Filterable Particulate Matter Concentration (FPM)	76.8
Condensable Particulate Matter Concentration (CPM)	N/A
Total Particulate Matter (TPM)	76.8*

* TPM does not include CPM due to sample loss.

Compliance with section 1.4.3 for the March 2015 stack test results could not be determined due to the sample loss for the CPM portion of TPM. However, the FPM concentration from the March 2015 stack test results (76.8 mg/m³) were higher than the October 2015 stack test results (26.2 mg/m³), which were determined to be out of compliance with 1.3.3 (see next Requirement below).

Compliance: Not Determined

Requirement Type: Discharge

Requirement Description:

1.4 Authorized Source

This section applies to the discharge of air from a NATURAL GAS FIRED VENEER DRYER-NEW. The site reference number for this discharge is E273704.

1.4.1 The maximum rate of discharge is 40 cubic metres per minute.

1.4.2 The authorized discharge period is 24 hours per day, 5 days per week.

1.4.3 The characteristics of the discharge shall be equivalent to or better than:

Total Particulate Matter
Maximum: 115 mg/m³

Details/Findings:

Stack testing was carried out on 24 October 2015 by Levelton Consultants Ltd. Stack test results (all results are averaged over 3 samples and reported in mg/m³) were:

Emission Parameter:

Filterable Particulate Matter Concentration (FPM)	26.2
Condensable Particulate Matter Concentration (CPM)	113.3
Total Particulate Matter (TPM)	139.5

The TPM concentration for the October 2015 stack test was 139.5 mg/m³, exceeding the Permit limit of 115.

Compliance: Out

Requirement Type: Discharge

Requirement Description:

1.4 Authorized Source

—

1.4.4 The authorized works are a cyclone, ducting and related appurtenances approximately located as shown on Site Plan.

Details/Findings:

The authorized works in section 1.4.4 have been modified. Dampers now direct this discharge, together with the discharge from the NATURAL GAS FIRED VENEER DRYER-OLD (Section 1.3), to be discharged through an Electrified Filter Bed (EFB), to atmosphere. While the original stacks still exist, they are only used for emergency bypass of the EFB. The Permittee must make an application to amend the Permit in order to include the EFB as part of the authorized works under section 1.3.4.

Compliance: Out

Requirement Type: Discharge**Requirement Description:****1.10 Authorized Source**

This section applies to the discharge of air from a STUD SAW CYCLONE. The site reference number for this discharge is E273709.

1.10.1 The maximum rate of discharge is 304 cubic metres per minute.

1.10.2 The authorized discharge period is 24 hours per day, 5 days per week.

1.10.3 The characteristics of the discharge shall be equivalent to or better than:

Total Particulate Matter
Maximum: 115 mg/m³

1.10.4 The authorized works are a cyclone, ducting and related appurtenances approximately located as shown on Site Plan.

1.10.5 The authorized works must be complete and in operation while discharging.

1.10.6 The location of the facilities from which the discharge originates and the point of discharge is the same as Section 1.1.6 above.

Details/Findings:

The Stud Saw Cyclone was removed in 2015. The Permit should be amended to reflect this.

Compliance: Not Applicable**Requirement Type: Operations****Requirement Description:****2.1 Maintenance of Works and Emergency Procedures**

The Permittee shall inspect the authorized works regularly and maintain them in good working order. In the event of an emergency or condition beyond the control of the Permittee which prevents effective operation of the authorized works or leads to unauthorized discharge, the Permittee shall comply with all applicable statutory requirements, immediately notify the Regional Manager, Environmental Protection, and take appropriate remedial action for the prevention or mitigation of pollution. The Director may reduce or suspend operations to protect the environment until the authorized works have been restored and/or corrective steps have been taken to prevent unauthorized discharges.

Details/Findings:

Monthly visual inspections are carried out on all cyclones, vents and fans. The bags in the baghouse are changed approximately every eleven months by Airmax. Inspections of the baghouse are carried out at this time. An inspection log had been maintained and was made available for inspection.

The EFB is cleaned every two weeks. Wood residue builds up on the ionizer and impedes performance. During the inspection I observed a blue haze emitting from the EFB stack. The Permittee informed me this was the result of the wood residue build up on the ionizer and that the scheduled cleaning was in two days time (10 April). Cleaning should be carried out more frequently to pre-empt the drop in performance. As the EFB is not currently part of the authorized works, this cannot be considered as out of compliance with this section.

Compliance: In**Requirement Type: Operations**

Requirement Description:**3.1 Fugitive Particulate Emission**

The Permittee shall control fugitive particulate emissions generated from the property. Should the Director have reasonable grounds to believe that fugitive particulate emissions cause pollution outside the property boundary; the Permittee shall undertake additional measures and/or curtail operations to control the emissions.

Details/Findings:

No fugitive dust was observed during the inspection.

A street sweeper is used for cleaning the parking lot and fire hoses wet the area down as needed. The roof is cleared of wood residue as needed. This material is swept off the side of the building, down a chute.

Compliance:In**Requirement Type:**Monitoring**Requirement Description:****4.1 Discharge Monitoring**

The permittee shall undertake the monitoring program outlined below. Sampling is to be done under "normal" operating conditions. The Director may modify this program based on sampling results and other relevant data obtained.

1.) Heated Veneer Dryers (Authorized Sources Sections 1.3 and 1.4) shall be tested Twice per year for Total Particulate Matter (including condensibles).

Details/Findings:

Condensibles were not included in the stack test report for the test carried out on 4 March 2015 due to sample loss. Total Particulate Matter required to be monitored in section 4.1 includes condensibles and the Permittee was determined to be out of compliance for the stack the test conducted on 4 March 2015. The Ministry was informed by Levelton Consultants Ltd., the consultant responsible for carrying out the stack testing, that the Permittee made the decision to submit the report anyway, rather than retest.

Compliance:Out**Requirement Type:**Monitoring**Requirement Description:****4.7 Discharges from Cyclones and Baghouse**

Visual monitoring of the discharges from the cyclones and baghouse may be carried out by Environmental Protection personnel as part of an ambient monitoring program for the entire mill operation. Based on these monitoring results, the Permittee may be required to undertake source monitoring.

Details/Findings:

No visible emissions observed from any of the cyclones or baghouses during inspection.

Compliance:In**Requirement Type:**Reporting**Requirement Description:****4.8 Reporting**

All stack sample results shall be submitted within 30 days of testing. Sampling and monitoring data shall include rate of discharge measurements and shall be accompanied by process data relevant

to the operation of the source of the emissions and to the performance of the pollution abatement equipment involved in the testing.

Details/Findings:

Testing was carried out on 4 March 2015 by Levelton Consultants Ltd. The report is dated 3 June 2015 and was sent to CFPL on 22 June 2015. CFPL forwarded the report to the Ministry on 22 June 2015, 110 days after the test date.

The second test date for 2015 was 24 October. The report was dated 24 December 2015. This report was not submitted to the Ministry until it was requested, on 25 April 2016.

Compliance: Out

Requirement Type: Reporting

Requirement Description:

4.8 Reporting

All stack sample results shall be submitted within 30 days of testing. Sampling and monitoring data shall include rate of discharge measurements and shall be accompanied by process data relevant to the operation of the source of the emissions and to the performance of the pollution abatement equipment involved in the testing.

Details/Findings:

The reports included rate of discharge measurements and process data relevant to the operation of the source of the emissions and to the performance of the pollution abatement equipment involved in the testing, as required.

Compliance: In

Were the following collected during inspection:

Samples? ☐ Photos? ☒ EMS Number

Other (please specify)

Is the Inspection related to an EA Project? ☐ EA Project Certificate Number:

INSPECTION CONDUCTED BY:

Signature

Jack Green

Date Signed

2016-05-19

ENCLOSURE(S) TO REGULATED PARTY & DESCRIPTION:

CVIS Archives

REGULATORY CONSIDERATIONS:

DISCLAIMER:

Please note that sections of the permit, regulation or code of practice referenced in this inspection record are for guidance and are not the official version. Please refer to the original permit, regulation or code of practice.

To see the most up to date version of regulations and codes of practices please visit:
<http://www.bclaws.ca/>

If you require a copy of the original permit, please contact the inspector noted on this inspection

record or visit: <http://www2.gov.bc.ca/gov/topic.page?id=DF89089126D042FD96DF5D8C1D8B1E41&title=Publicly%20Viewable%20Authorizations>

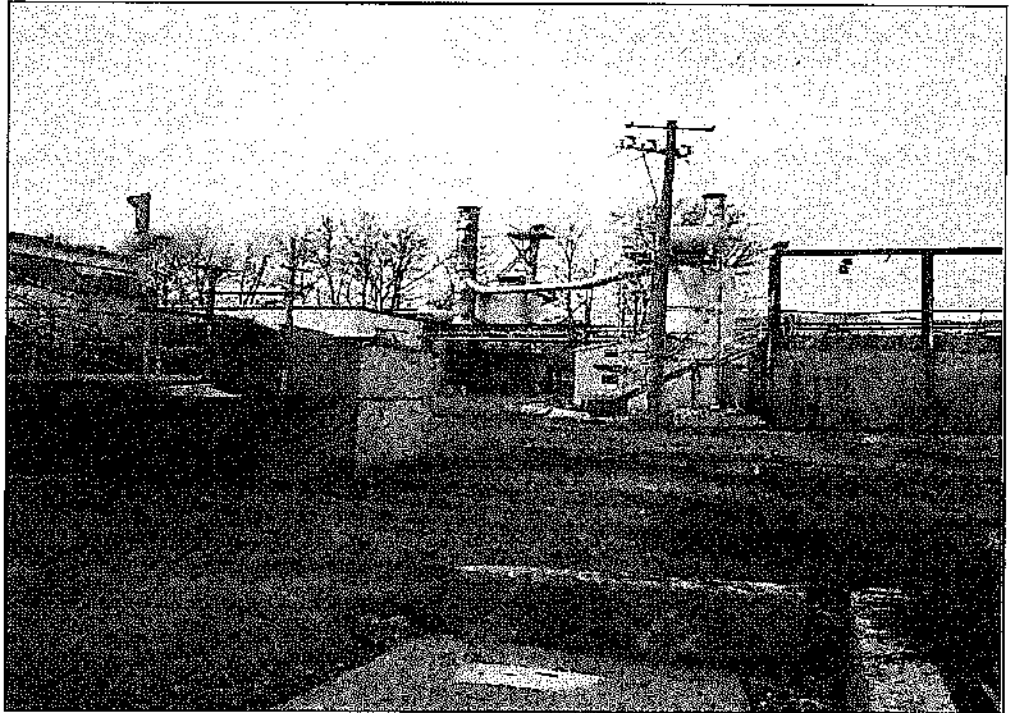
It is also important to note that this inspection record does not necessarily reflect each requirement or condition of the authorization therefore compliance is noted only for the requirements or conditions listed in the inspection record.

Ministry of Environment	Thompson Region Environmental Protection Division	Mailing Address: 1259 Dalhousie Dr Kamloops, BC V2C 5Z5	Phone: (250) 371-6200 Fax: (250) 371-6234 Website: http://www.gov.bc.ca/env
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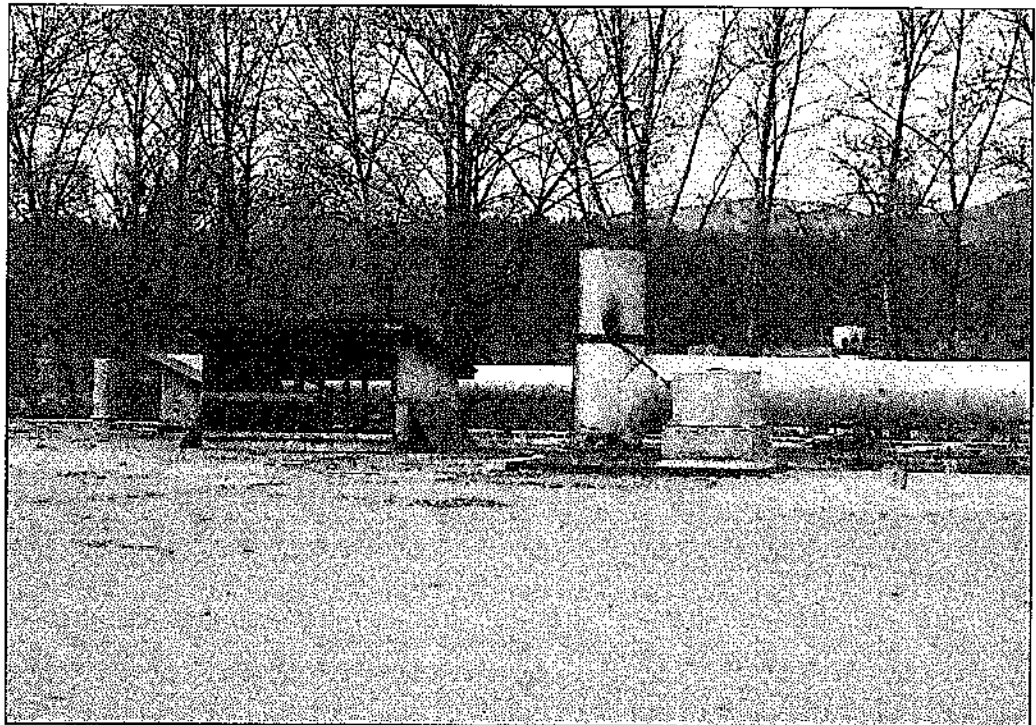
Ministry of Environment - Photo Record Sheet

PA2573	Canoe Forest Products Limited
April 8, 2016	Canoe

In the centre of the picture is the Electrified Filter Bed (EFB) stack. This is currently unauthorized. The stack to the right is the Natural Gas Fired Veneer Dryer - New (section 1.4). This discharge has been diverted to the EFB, the stack is now just for emergency bypass events.



Stacks in the foreground and in the background to the right are from the Natural Gas Fired Veneer Dryer - Old (section 1.3). These discharges have been diverted to the EFB. These stacks are now used for emergency bypass events.





Ministry of Environment
Inspection Record

**Environmental
Protection
Division**

Inspection Number: 27607		Inspection Status: FINAL	
EP System: <u>Other - Not applicable</u>		Inspection Date: 2016-04-08	
EP System Number: UA27607		EP System Status: <u>Unauthorized</u>	
Region: <u>Thompson</u>		Office: <u>Kamloops</u>	
Trigger: <u>Incident</u>		Incidents of Non-Compliance Observed: <u>Yes</u>	
Non-Compliance Decision Matrix Level: <u>Level 2</u>		Non-Compliance Decision Matrix Category: <u>Category B</u>	
Inspector Name(s): Jack Green		CPIX: <u>1 to 2 = Medium</u>	
Audit:		Total Non-Compliance(s): 3	
Regulated Party: CANOE FOREST PRODUCTS LTD.			
Regulated Party Contact(s): Marcello Angelozzi			
Legal Address: 800-1708 Dolphin Avenue Kelowna BC V1Y 9S4			
Phone No: (250)833-1274		Fax No: (250) 833-1207	
Contact Email: mangelozzi@canoefp.com			
Location Description or Site Address: PO Box 70, 8160 Trans Canada Highway NE, Canoe, BC V0E 1K0			
Latitude: 50.755 N		Longitude: 119.2198 W	
Receiving Environment(s): <u>Air & Surfacewater</u>			

Summary

MONITORING AND REPORTING REQUIREMENTS	
Inspection Period: From: 2016-03-07 To: 2016-05-09	
Requirement Source: Other (none of the above, and not part of a regulation or code of practice)	
Activity: <u>On Site</u>	Waste Type: <u>Effluent</u>
<p>Inspection Summary: On Site inspection carried out by Environmental Protection Officer Jack Green at Canoe Forest Products Limited's plywood plant located in Canoe, near Salmon Arm (CFPL). Accompanied on site by Marcello Angelozzi (CFPL, Site Operations Manager) and Gord Palmer (CFPL, Plywood Maintenance Supervisor).</p> <p>CFPL is issued a number of Environmental Management Act permits: PE-1356 (sewage effluent), PR-6972 (refuse), and PA-2573 (air). All were inspected this same day and details are included in separate inspection records (IR): PE-1356 (sewage) (IR 27529), PR-6972 (refuse) (IR 27527), and PA-2573 (air) (IR 27370). CFPL also has a lumber kiln located on the same site and authorised under air permit PA-1937, which was also inspected this same day (IR 27530).</p> <p>CFPL was found to be out of compliance with section 6(2) of the Environmental Management Act in three separate instances.</p> <p>1) A discharge of effluent occurred on 7 March, 2016, unauthorized by its current effluent permit, PE-1356. 2) A discharge of effluent occurred on 29 March 2016, unauthorized by its current effluent permit, PE-1356. 2) A discharge of particulate matter was observed on 8 April 8 2016, unauthorized by its current air permit, PA-2573.</p> <p>The appropriate compliance response has been determined to be Warning of Non-compliance.</p>	<p>Response: <u>Warning</u></p>
<p>ACTIONS REQUIRED BY REGULATED PARTY:</p> <p>You are requested to submit an application to amend air permit PA-2573 in order to request that the discharge from the vacuum fan over the Lay-up Line be authorized as a discharge point.</p>	
<p>ADDITIONAL COMMENTS:</p> <p>Please ensure all spills to the environment are reported in accordance with the Spill Reporting Regulation.</p>	

Compliance Summary	In	Out	N/A	N/D
Discharge	0	3	0	0

Inspection Details

Requirement Type: Discharge

Requirement Description:

Environmental Management Act

Waste disposal

6 (2) Subject to subsection (5), a person must not introduce or cause or allow waste to be introduced into the environment in the course of conducting a prescribed industry, trade or business.

Details/Findings:

An unauthorized discharge of effluent occurred on 7 March and was reported to the Report All Poachers and Polluters (RAPP) hotline by an anonymous complainant on 14 March 2016. CFPL submitted an investigation report to the Ministry on 9 May 2016, which confirmed that the discharge consisted of fresh water that had flooded the glue room before flowing across the yard, down the bank, and into Shuswap Lake. The discharge was estimated to be 80-100 litres. CFPL reported that upon discovery of the discharge to Shuswap Lake, a sump pump was installed and the discharge was abated. This pump was operated intermittently as needed, over the following week until the source of the freshwater leak (water pipe in men's washroom under concrete floor) was identified and fixed.

In the investigation report, CFPL stated:

"A proper risk assessment was not conducted. The assumption was made that the water was free of any contaminants. Because of these assumptions environmental, health or safety risks were not considered and therefore was not reported to regulatory authorities."

CFPL reported concerns regarding the potential to transfer residual contaminants from the glue room and yard to the lake. Samples of effluent were collected by CFPL and an officer from the federal Department of Fisheries and Oceans (DFO) on 15 March 2016. The results from the CFPL samples, submitted to the Ministry on 29 March 2016, identified the following types and concentrations of hydrocarbons at the shore of Shuswap Lake- EPH10-19 (2.68 mg/L) and EPH19-32 (140 mg/L).

During the on site inspection on 8 April 2016, residual oil was observed in the area of the yard where the release occurred. Also observed was a berm along the border where the discharge escaped off site, which was constructed since the unauthorized discharge. CFPL's current effluent permit, PE-1356, does not authorize this discharge.

Compliance: Out

Requirement Type: Discharge

Requirement Description:

Environmental Management Act

Waste disposal

6 (2) Subject to subsection (5), a person must not introduce or cause or allow waste to be introduced into the environment in the course of conducting a prescribed industry, trade or business.

Details/Findings:

An unauthorized discharge of effluent occurred on 29 March 2016 and was reported by CFPL to the RAPP hotline on that same day. CFPL submitted an investigation report to the Ministry on 9 May 2016, which confirmed a release of approximately 50-100 litres of effluent from the recycled water system for the pre-treatment of logs. This release occurred due to a blocked drain. CFPL staff attempted to contain the release by creating a berm, however some effluent escaped along the edge of the yard and down into Shuswap Lake. The effluent was partially contained in Shuswap Lake by a sand berm, where

recovery tanker trucks attempted to retrieve the material. No samples were collected for this discharge. CFPL's current effluent permit, PE-1356, does not authorize this discharge.

Compliance: Out

Requirement Type: Discharge

Requirement Description:

Environmental Management Act

Waste disposal

6 (2) Subject to subsection (5), a person must not introduce or cause or allow waste to be introduced into the environment in the course of conducting a prescribed industry, trade or business.

Details/Findings:

On 9 April 8 2016 a planned on site inspection was conducted at CFPL with regard to its air discharge permit, PA-2573. More details of that inspection are included in a separate inspection record (IR 27370), where compliance with specific clauses of air permit PA 2573 are assessed.

However, during the planned on site inspection on 8 April 2016, an unauthorized discharge was observed from the vacuum fan over the Lay-up Line was identified. Particulate matter was observed discharging from a stack and there was significant wood debris accumulation in the immediate vicinity (see picture). CFPL's current air permit, PA-2573, does not authorize this discharge.

Compliance: Out

Were the following collected during inspection:

Samples? ☐ Photos? ☒ EMS Number

Other (please specify)

Is the Inspection related to an EA Project? ☐ EA Project Certificate Number:

INSPECTION CONDUCTED BY:

Signature

Jack Green

Date Signed

2016-05-19

ENCLOSURE(S) TO REGULATED PARTY & DESCRIPTION:

Warning Letter

CVIS Archives

REGULATORY CONSIDERATIONS:

DISCLAIMER:

Please note that sections of the permit, regulation or code of practice referenced in this inspection record are for guidance and are not the official version. Please refer to the original permit, regulation or code of practice.

To see the most up to date version of regulations and codes of practices please visit:

<http://www.bclaws.ca/>

If you require a copy of the original permit, please contact the inspector noted on this inspection record or visit: <http://www2.gov.bc.ca/gov/topic.page?>

[id=DF89089126D042FD96DF5D8C1D8B1E41&title=Publicly%20Viewable%20Authorizations](http://www2.gov.bc.ca/gov/topic.page?id=DF89089126D042FD96DF5D8C1D8B1E41&title=Publicly%20Viewable%20Authorizations)

It is also important to note that this inspection record does not necessarily reflect each requirement or condition of the authorization therefore compliance is noted only for the requirements or conditions listed in the inspection record.

Ministry of Environment	Thompson Region Environmental Protection Division	Mailing Address: 1259 Dalhousie Dr Kamloops, BC V2C 5Z5	Phone: (250) 371-6200 Fax: (250) 371-6234 Website: http://www.gov.bc.ca/env
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Brunn, Lisa M ENV:EX

From: Environmental Emergencies Spill Reports ENV:EX
Sent: Monday, March 14, 2016 7:16 PM
To: Smith, Curtis PSSG:EX
Subject: FW: DGIR 153577 - CTL - OIL, GLUE AND OTHER TOXINS

From: SGPEP.ECC1@gov.bc.ca
Sent: Monday, March 14, 2016 7:16:07 PM (UTC-08:00) Pacific Time (US & Canada)
To: Environmental Emergencies Spill Reports ENV:EX
Subject: DGIR 153577 - CTL - OIL, GLUE AND OTHER TOXINS

DGIR 153577
PEP Task Number: 166012

Incident Date: AT PRESENT
Incident Time: AT PRESENT
Report Date: 2016-03-14
Report Time: 17:27

Spiller: CANOE FOREST PRODUCTS

Caller 1 / Agency:
ANONYMOUS / N/A - : N/A - :

Caller 2 / Agency:
/ - : - :

Location: CANOE FOREST PRODUCTS
Area: SALMON ARM DISTRICT
PEP Region: CTL
MOE Region: Thompson Region

Affected Env: Lake
Spill Type: Human Error
Sector: Commercial
Jurisdictions:
1: Provincial

Material: OIL, GLUE AND OTHER TOXINS UNKNOWN

Details:

Caller is reporting his employer (a plywood plant) for pumping out thousands of gallons of waste water, glue, oil and other products into the lake from the glue pit. They have had a flooding incident today and they are pumping out the facility into Shuswap Lake, several employees have tried to tell the employer that it is not acceptable, with no affect.

Response:

Notifications:

17:32 - MOE Terry Sawchuk Code 1/Prov 1

17:36 - Faxed MOE FSJ and Kamloops and MCTS

Report Compiled By: JANE Operations 6 ECC - 2016-03-14 17:27

Environmental Emergency Response Officer:

Date:

Notification Coding: Code 1 / Code 2

MOE Response: Exercise / Potential / No Field Response / Field Response / IMT Activation

Notes: