

ALBERTA
ENVIRONMENTAL APPEALS BOARD

Report and Recommendations

Date of Mediation Meeting – February 7, 2006
Date of Report and Recommendations – May 2, 2006

IN THE MATTER OF sections 91, 92 and 95 of the
Environmental Protection and Enhancement Act, R.S.A. 2000, c.
E-12,

-and-

IN THE MATTER OF an appeal filed by West Fraser LVL,
Sundre Forest Products Inc., a subsidiary of West Fraser Mills
Ltd., with respect to *Environmental Protection and Enhancement
Act* Approval No. 1424-01-00 issued by the Director, Central
Region, Regional Services, Alberta Environment.

Cite as: *West Fraser LVL v. Director, Central Region, Regional Services, Alberta
Environment* (2 May 2006), Appeal No. 05-048-R (A.E.A.B.).

MEDIATION MEETING BEFORE:

Mr. Ron Peiluck, Vice-Chair.

APPEARANCES:

Appellant:

Ms. Cindy MacDonald, West Fraser LVL, Mr. Alan Simcoe, West Fraser LVL, Mr. Renny Ceccato, West Fraser LVL, represented by Mr. Martin Ignasiak, Fraser Milner Casgrain.

Director:

Mr. David Helmer, Director, Central Region, Regional Services, Alberta Environment, Ms. Matilda Ricci, Industrial Approvals Engineer, Central Region, Regional Services, Alberta Environment, represented by Ms. Michelle Williamson, Alberta Justice.

Board Staff:

Ms. Marian Fluker, Associate Counsel.

EXECUTIVE SUMMARY

Alberta Environment issued an Approval to West Fraser LVL, Sundre Forest Products Inc., a subsidiary of West Fraser Mills Ltd., authorizing the construction, operation, and reclamation of the Strachan Wood Processing Plant near Rocky Mountain House in Clearwater County.

The Board received a Notice of Appeal filed by West Fraser LVL, Sundre Forest Products Inc., a subsidiary of West Fraser Mills Ltd., appealing the Approval.

The Board conducted a mediation meeting on February 7, 2006, in Edmonton, Alberta, following which an agreement was reached by the parties with respect to the Approval. The Board recommends that the Minister of Environment accept the agreement.

TABLE OF CONTENTS

I. BACKGROUND	1
II. MEDIATION MEETING.....	1
III. RECOMMENDATIONS.....	2
IV. RESOLUTION	4
V. DRAFT MINISTERIAL ORDER	8

I. BACKGROUND

[1] On November 1, 2005, the Director, Central Region, Regional Services, Alberta Environment (the “Director”), issued Approval No. 1424-01-00 (the “Approval”) to West Fraser LVL, Sundre Forest Products Inc., a subsidiary of West Fraser Mills Ltd., authorizing the construction, operation, and reclamation of the Strachan wood processing plant near Rocky Mountain House, Alberta, in Clearwater County.

[2] On November 29, 2005, the Environmental Appeals Board (the “Board”) received a Notice of Appeal from West Fraser LVL, Sundre Forest Products Inc., a subsidiary of West Fraser Mills Ltd. (the “Appellant”) appealing the Approval.

[3] On November 30, 2005, the Board wrote to the Appellant and the Director (collectively the “Parties”) acknowledging receipt of the Notice of Appeal and notifying the Director of the appeal. The Board also requested the Director provide the Board with a copy of the record (the “Record”) relating to this appeal and that the Parties provide available dates for a mediation meeting, preliminary meeting or hearing.

[4] According to standard practice, the Board wrote to the Natural Resources Conservation Board and the Alberta Energy and Utilities Board asking whether this matter had been the subject of a hearing or review under their respective legislation. Both boards responded in the negative.

[5] On January 10, 2006, the Board received a copy of the Record from the Director, and on January 12, 2006, forwarded a copy to the Appellant.

[6] On January 25, 2006, in consultation with the Parties the Board scheduled a mediation meeting for February 7, 2006, to be held in Edmonton, Alberta.

II. MEDIATION MEETING

[7] Pursuant to section 11 of the *Environmental Appeal Board Regulation*, Alta. Reg. 114/93, the Board conducted a mediation meeting in Edmonton, Alberta on February 7, 2006

with Mr. Ron V. Peiluck, Vice-Chair and Board member, as the presiding mediator (the “mediator”).

[8] In conducting the mediation meeting, the Mediator reviewed the mediation process and explained the purpose of the mediation meeting. He then circulated copies of the Participants’ Agreement to Mediate. All persons in attendance signed the Agreement and discussions ensued.

[9] Following productive and detailed discussions at the mediation meeting, the parties agreed to continue discussions, and to provide status reports to the Board advising of their progress. On April 7, 2006, the Board received a letter from the Director advising the Parties had reached an agreement, and attaching a copy of the agreement which was signed by the Parties. The Director’s April 5, 2006 letter stated:

“...enclosed please find a copy of the agreement, and attached appendix, reached between West Fraser and Alberta Environment. The Agreement sets out the regulatory clauses that must change in order to give effect to the resolution reached by the parties. If the Board will recommend this Agreement to the Minister, I understand that West Fraser will withdraw its appeal.”

The agreement is attached as pages 4 to 7 of this Report and Recommendations.

III. RECOMMENDATIONS

[10] In accordance with section 99 of the *Environmental Protection and Enhancement Act*, R.S.A. 2000, c.E-12 (the “Act”), the Board recommends that the Minister of Environment order that the Approval No. 1424-01-00 be varied. Attached for the Minister’s consideration is a draft Ministerial Order implementing the recommendation.

[11] Further, with respect to section 100(2) and 103 of the Act, the Board recommends that copies of this Report and Recommendations, and of any decision by the Minister, be sent to the following parties:

- Mr. Martin Ignasiak, Fraser Milner Casgrain, representing West Fraser LVL, Sundre Forest Products Inc., a subsidiary of West Fraser Mills Ltd.; and

- Ms. Michelle Williamson, Alberta Justice, representing Mr. David Helmer, Director, Central Region, Regional Services, Alberta Environment.

Dated on May 2, 2006, at Edmonton, Alberta.

“original signed by”

Steve E. Hrudehy, D.Sc. (Eng.), P.Eng
Chair

IV. RESOLUTION

West Fraser LVL, as represented by Mr. Martin Ignasiak, Fraser Milner Casgrain LLP and the Director of Alberta Environment, as represented by Ms. Michelle Williamson, Alberta Justice, hereby agree to amend Approval No. 00001424-01-00 as follows:

1. Delete the words in 4.1.7 and replace them with the following:

“Within 6 months of concluding the ambient air monitoring required by this approval, the approval holder shall submit a written Particulate Emissions Evaluation Proposal to the Director to evaluate the particulate emissions from the plant.”

2. Amend Table 4.1-C by deleting the word “Particulates” from the Parameter column in the Laminated Veneer Line Low Pressure Cyclone Exhaust Stack (S9-LVC) row.

3. After 4.1.17, add 4.1.17.1 and the following:

“The approval holder shall conduct ambient air monitoring for 2 years commencing from the implementation date authorized in writing by the Director pursuant to 4.1.22. The Director may require that additional ambient air monitoring be conducted in accordance with the Particulate Emissions Evaluation Proposal after having taken into account the results from the first two (2) years of ambient air monitoring.”

4. Amend Table 4.1-D by deleting “Monthly, before the end of the next month” from the Report Frequency column in the Total Suspended Particulate Matter row and replace it with “Annually, on or before March 15 of each year following the year in which the information was collected.”

5. Delete the word “and” from 4.1.20(c) and after 4.1.20(c) add 4.1.20(c.1) and the following: “implementation date and schedule of ambient air monitoring; and”.

6. Delete the word “directed” in 4.1.22 and replace it with “authorized”.

7. Delete the period at the end of the sentence in 4.1.23 and add the following to the end “following the year in which the information was collected.”

8. Delete the date “February 14” in 4.1.23 and replace it with “March 15”.

9. Delete the words in 4.2.17 and replace them with the following:

“All industrial runoff from the plant developed area shall be directed to the stormwater retention pond, except industrial runoff from the following areas as described on the attached Appendix “A”:

- a) the log yards, wasting yard, scaling yard, and barrow pit including roads within and between these areas;

- b) the DVL, LVL, Beam Header and Link building roof tops;
- c) the inventory shipping and storage area provided it is never used to load or unload chemicals used at the plant;
- d) the scale area provided debris such as wood chips or other materials do not accumulate there;
- e) the Sundre Sort area; and
- f) the tarping station area.

10. Delete all of 4.2.18

11. Delete the words in 4.2.19 and replace them with the following:

“The approval holder shall only permit liquid releases directly to the environment surrounding the plant from the stormwater retention pond at the following discharge points:

- a) via the ditch to the northeast boundary of the plant, subject to 4.2.32;
- b) via truck to an approval wastewater treatment plant; or
- c) via any other discharge point authorized in writing by the Director or by this approval.

12. Delete the words in 4.2.20 and replace them with the following:

“The approval holder shall maintain the existing stormwater retention pond to accommodate, at a minimum, a 1 in 10 year storm event.”

13. Delete all of 4.2.24

14. Delete the words in 4.2.25 and replace them with the following:

“The approval holder shall not use industrial runoff from the stormwater retention pond except as:

- a) make-up water in the fire pond; or
- b) make-up water in the plant process

unless otherwise authorized in writing by the Director or by the authorized Stormwater Management Plan.”

15. Delete all of 4.2.26

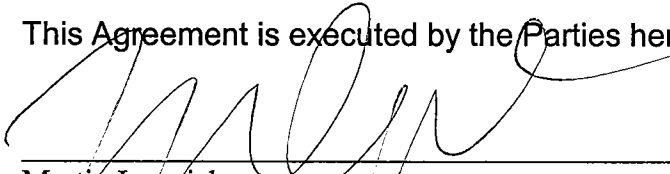
16. Delete the word “directed” in 4.2.30 and replace it with “authorized”.

17. Delete the words in 4.2.32 and replace them with the following:

“Releases from the stormwater retention pond to the surrounding environment shall not exceed the limits for the parameters specified in Table 4.2-A at any time.

18. Amend Table 4.2-A by deleting the words "Industrial Runoff Control System" and replace them with "Stormwater Retention Pond".

This Agreement is executed by the Parties hereto as of April 6, 2006

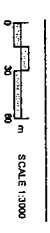
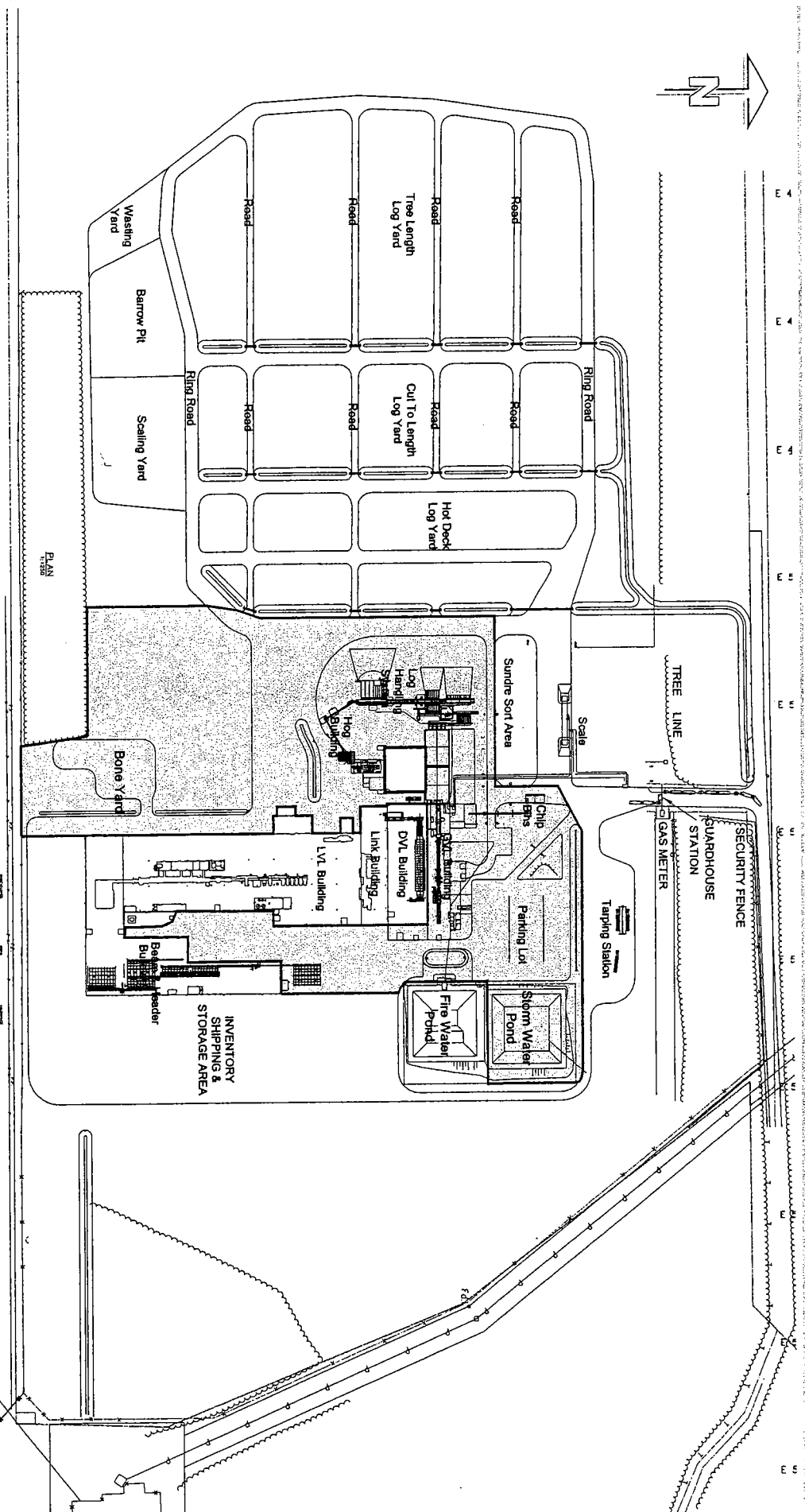
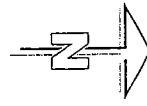


Martin Ignasiak
Fraser Milner Casgrain LLP
on behalf of West Fraser LVL, Sundre Forest Products Inc., A subsidiary of West Fraser
Mills Ltd.



Michelle Williamson
Alberta Justice
on behalf of the Director of Alberta Environment

UMA
ARCHITECTURAL



APPENDIX A

West Fraser Mills
Stormwater Management Plan
Existing Stormwater System Assessment

Figure - 1

V. DRAFT MINISTERIAL ORDER

**Ministerial Order
/2006**

Environmental Protection and Enhancement Act

R.S.A. 2000, c. E-12

**Order Respecting Environmental Appeals Board
Appeal No. 05-048**

I, Guy Boutilier, Minister of Environment, pursuant to section 100 of the *Environmental Protection and Enhancement Act*, make the order in the attached Appendix, being an Order Respecting Environmental Appeals Board Appeal No. 05-048.

Dated at the City of Edmonton, in the Province of Alberta, this _____ day of _____, 2006.

Guy Boutilier
Minister

Draft Appendix

Order Respecting Environmental Appeals Board Appeal No. 05-048

With respect to the decision of the Director, Central Region, Regional Services, Alberta Environment (the "Director"), to issue Approval No. 1424-01-00 (the "Approval"), under the *Environmental Protection and Enhancement Act*, R.S.A. 2000, c. E-12, to West Fraser LVL, Sundre Forest Products Inc., a subsidiary of West Fraser Mills Ltd. (the "approval holder"), I, Guy Boutilier, Minister of Environment:

Order that the decision of the Director to issue the Approval is confirmed subject to the following variations:

1. The Approval is amended by deleting condition 4.1.7 and replacing it with the following:

"4.1.7 Within 6 months of concluding the ambient air monitoring required by this approval, the approval holder shall submit a written Particulate Emissions Evaluation Proposal to the Director to evaluate the particulate emissions from the plant."

2. The Approval is amended at Table 4.1-C Air Emission Source Monitoring and Reporting by deleting the word "Particulates" from the Parameter column in the Laminated Veneer Line Low Pressure Cyclone Exhaust Stack (S9-LVC) row.

3. The Approval is amended by adding the following immediately after condition 4.1.17:

"4.1.17.1 The approval holder shall conduct ambient air monitoring for 2 years commencing from the implementation date authorized in writing by the Director pursuant to 4.1.22. The Director may require that additional ambient air monitoring be conducted in accordance with the Particulate Emissions Proposal after having taken into account the results from the first 2 years of ambient air monitoring."

4. The Approval is amended at Table 4.1-D Ambient Monitoring and Reporting by deleting "Monthly, before the end of the next month" from the Report Frequency column in the Total Suspended Particulate Matter row, and replacing it with "Annually, on or before March 15 of each year following the year in which the information was collected".

5. The Approval is amended by deleting "and" from condition 4.1.20(c) and adding the following immediately after condition 4.1.20(c) "4.1.20(c.1) implementation date and schedule of ambient air monitoring; and".

6. The Approval is amended by deleting “directed” in condition 4.1.22 and replacing it with “authorized”.
7. The Approval is amended by deleting condition 4.1.23 and replacing it with the following:

“4.1.23 An Annual Air Summary and Evaluation Report shall be submitted to the Director by March 15 of each year following the year in which the information was collected.”
8. The Approval is amended by deleting condition 4.2.17 and replacing it with the following:

“4.2.17 All industrial runoff from the plant developed area shall be directed to the stormwater retention pond, except industrial runoff from the following areas as described on the attached Appendix A:

 - (a) the log yards, wasting yard, scaling yard, and barrow pit including roads within and between these areas;
 - (b) the DVL, LVL, Beam Header and Link building roof tops;
 - (c) the inventory shipping and storage area provided it is never used to load or unload chemicals used at the plant;
 - (d) the scale area provided debris such as wood chips or other materials do not accumulate there;
 - (e) the Sundre sort area; and
 - (f) the tarping station area.”
9. The Approval is amended by adding the document attached to this Order and identified as “Appendix A – West Fraser Mills Stormwater Management Plan, Existing Stormwater System Assessment, Figure - 1” immediately after condition 5.1.3.
10. The Approval is amended by deleting condition 4.2.18.
11. The Approval is amended by deleting condition 4.2.19 and replacing it with the following:

“4.2.19 The approval holder shall only permit liquid releases directly to the environment surrounding the plant from the stormwater retention pond at the following discharge points:

 - (a) via the ditch to the northeast boundary of the plant, subject to 4.2.32;
 - (b) via truck to an approved wastewater treatment plant; or

- (c) via any other discharge point authorized in writing by the Director or by this approval.”
12. The Approval is amended by deleting condition 4.2.20 and replacing it with the following:

“4.2.20 The approval holder shall maintain the existing stormwater retention pond to accommodate, at a minimum, a 1 in 10 year storm event.”
 13. The Approval is amended by deleting condition 4.2.24.
 14. The Approval is amended by deleting condition 4.2.25 and replacing it with the following:

“4.2.25 The approval holder shall not use industrial runoff from the stormwater retention pond except as:

 - (a) make-up water in the fire pond; or
 - (b) make-up water in the plant process

unless otherwise authorized in writing by the Director or by the authorized Stormwater Management Plan.”
 15. The Approval is amended by deleting condition 4.2.26.
 16. The Approval is amended by deleting “directed” in condition 4.2.30 and replacing it with “authorized”.
 17. The Approval is amended by deleting the following in condition 4.2.32:

“Releases from the Industrial Runoff Control System shall not exceed the limits for the parameters specified in TABLE 4.2-A at any time.”

and replacing it with the following:

“Releases from the stormwater retention pond to the surrounding environment shall not exceed the limits for the parameters specified in TABLE 4.2-A at any time.”
 18. The Approval is amended at Table 4.2-A Limits, by deleting “Industrial Runoff Control System” and replacing it with “Stormwater Retention Pond”.



ALBERTA ENVIRONMENT

Office of the Minister

Ministerial Order
10 12006

Environmental Protection and Enhancement Act

R.S.A. 2000, c. E-12

Order Respecting Environmental Appeals Board
Appeal No. 05-048

I, Guy Boutilier, Minister of Environment, pursuant to section 100 of the *Environmental Protection and Enhancement Act*, make the order in the attached Appendix, being an Order Respecting Environmental Appeals Board Appeal No. 05-048.

Dated at the City of Edmonton, in the Province of Alberta, this 8th day of May, 2006.

Guy Boutilier
Minister

Appendix

Order Respecting Environmental Appeals Board Appeal No. 05-048

With respect to the decision of the Director, Central Region, Regional Services, Alberta Environment (the "Director"), to issue Approval No. 1424-01-00 (the "Approval"), under the *Environmental Protection and Enhancement Act*, R.S.A. 2000, c. E-12, to West Fraser LVL, Sundre Forest Products Inc., a subsidiary of West Fraser Mills Ltd. (the "approval holder"), I, Guy Boutilier, Minister of Environment:

Order that the decision of the Director to issue the Approval is confirmed subject to the following variations:

1. The Approval is amended by deleting condition 4.1.7 and replacing it with the following:

"4.1.7 Within 6 months of concluding the ambient air monitoring required by this approval, the approval holder shall submit a written Particulate Emissions Evaluation Proposal to the Director to evaluate the particulate emissions from the plant."

2. The Approval is amended at Table 4.1-C Air Emission Source Monitoring and Reporting by deleting the word "Particulates" from the Parameter column in the Laminated Veneer Line Low Pressure Cyclone Exhaust Stack (S9-LVC) row.

3. The Approval is amended by adding the following immediately after condition 4.1.17:

"4.1.17.1 The approval holder shall conduct ambient air monitoring for 2 years commencing from the implementation date authorized in writing by the Director pursuant to 4.1.22. The Director may require that additional ambient air monitoring be conducted in accordance with the Particulate Emissions Proposal after having taken into account the results from the first 2 years of ambient air monitoring."

4. The Approval is amended at Table 4.1-D Ambient Monitoring and Reporting by deleting "Monthly, before the end of the next month" from the Report Frequency column in the Total Suspended Particulate Matter row, and replacing it with "Annually, on or before March 15 of each year following the year in which the information was collected".

5. The Approval is amended by deleting "and" from condition 4.1.20(c) and adding the following immediately after condition 4.1.20(c) "4.1.20(c.1) implementation date and schedule of ambient air monitoring; and".

6. The Approval is amended by deleting “directed” in condition 4.1.22 and replacing it with “authorized”.
7. The Approval is amended by deleting condition 4.1.23 and replacing it with the following:

“4.1.23 An Annual Air Summary and Evaluation Report shall be submitted to the Director by March 15 of each year following the year in which the information was collected.”
8. The Approval is amended by deleting condition 4.2.17 and replacing it with the following:

“4.2.17 All industrial runoff from the plant developed area shall be directed to the stormwater retention pond, except industrial runoff from the following areas as described on the attached Appendix A:

 - (a) the log yards, wasting yard, scaling yard, and barrow pit including roads within and between these areas;
 - (b) the DVL, LVL, Beam Header and Link building roof tops;
 - (c) the inventory shipping and storage area provided it is never used to load or unload chemicals used at the plant;
 - (d) the scale area provided debris such as wood chips or other materials do not accumulate there;
 - (e) the Sundre sort area; and
 - (f) the tarping station area.”
9. The Approval is amended by adding the document attached to this Order and identified as “Appendix A – West Fraser Mills Stormwater Management Plan, Existing Stormwater System Assessment, Figure - 1” immediately after condition 5.1.3.
10. The Approval is amended by deleting condition 4.2.18.
11. The Approval is amended by deleting condition 4.2.19 and replacing it with the following:

“4.2.19 The approval holder shall only permit liquid releases directly to the environment surrounding the plant from the stormwater retention pond at the following discharge points:

 - (a) via the ditch to the northeast boundary of the plant, subject to 4.2.32;
 - (b) via truck to an approved wastewater treatment plant; or

(c) via any other discharge point authorized in writing by the Director or by this approval.”

12. The Approval is amended by deleting condition 4.2.20 and replacing it with the following:

“4.2.20 The approval holder shall maintain the existing stormwater retention pond to accommodate, at a minimum, a 1 in 10 year storm event.”

13. The Approval is amended by deleting condition 4.2.24.

14. The Approval is amended by deleting condition 4.2.25 and replacing it with the following:

“4.2.25 The approval holder shall not use industrial runoff from the stormwater retention pond except as:

(a) make-up water in the fire pond; or

(b) make-up water in the plant process

unless otherwise authorized in writing by the Director or by the authorized Stormwater Management Plan.”

15. The Approval is amended by deleting condition 4.2.26.

16. The Approval is amended by deleting “directed” in condition 4.2.30 and replacing it with “authorized”.

17. The Approval is amended by deleting the following in condition 4.2.32:

“Releases from the Industrial Runoff Control System shall not exceed the limits for the parameters specified in TABLE 4.2-A at any time.”

and replacing it with the following:

“Releases from the stormwater retention pond to the surrounding environment shall not exceed the limits for the parameters specified in TABLE 4.2-A at any time.”

18. The Approval is amended at Table 4.2-A Limits, by deleting “Industrial Runoff Control System” and replacing it with “Stormwater Retention Pond”.

UMA

APPENDIX A

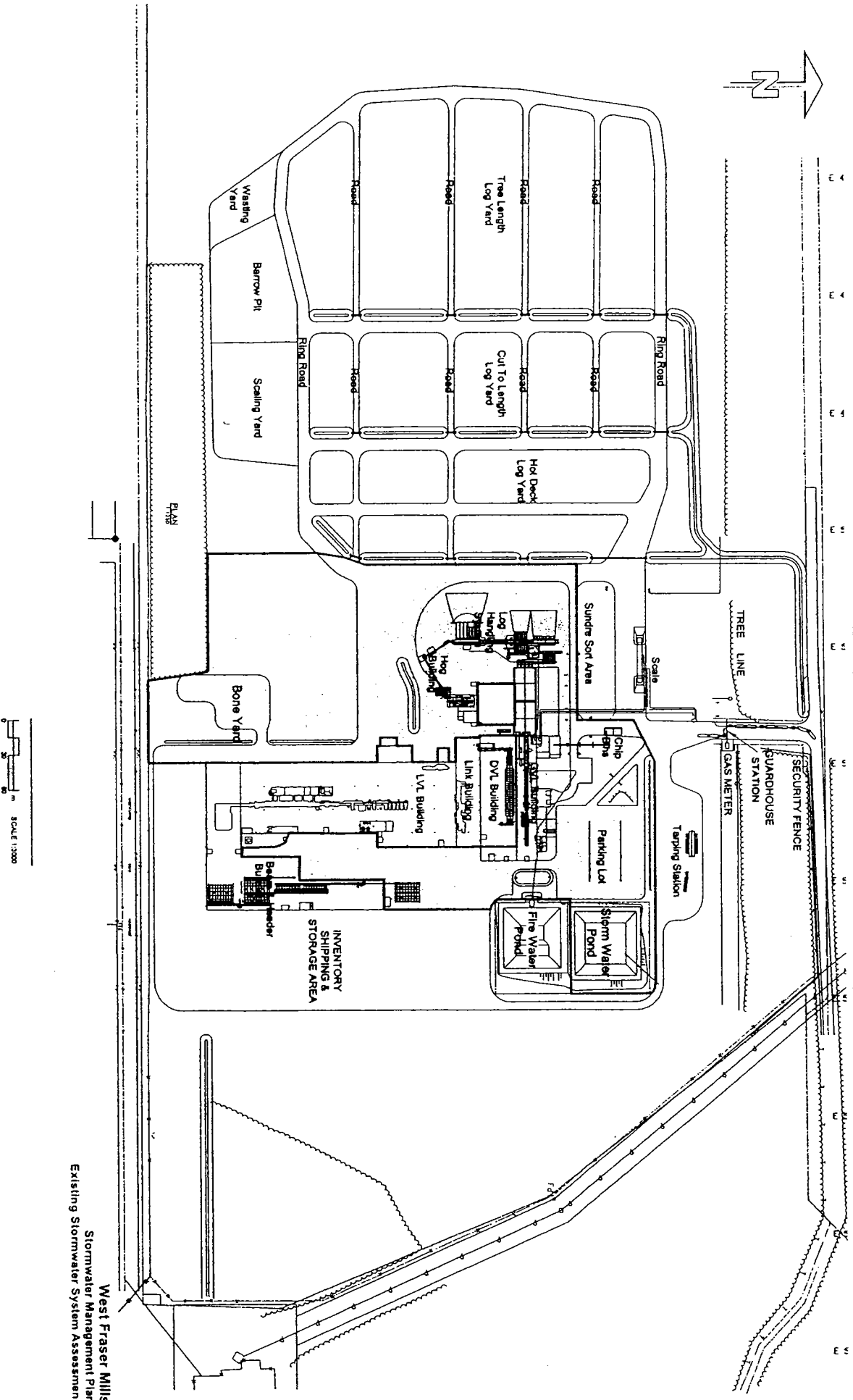


Figure - 1