

**Notes of Meeting #18 – Essar Steel Algoma Inc.
Community Liaison Committee**



Date: June 29th 2016

Location: Essar Steel Algoma Inc.
Administration Building
Main Conference Room

Time: Noon to 2:15pm

CLC Members in Attendance

Fred Post – Essar Steel Algoma Inc.
Dave Clingen – Essar Steel Algoma Inc.
Josh Ingribelli – Essar Steel Algoma Inc.
Lori Greco - Ontario Ministry of Environment
Ron Dorscht – Ontario Ministry of Environment
Scott Grant – Ontario Ministry of Environment
Kara Flannigan – Algoma Public Health
Lisa Derickx - St. Mary's River RAP Coordinator
Don Elliot – Corporation of the City of Sault Ste. Marie
Dave Martin – Chippewa County Health Department
Patt Marquis – Public
Trevor Quinlin – Chippewa County Health Department
Dan Cooper – United Steelworkers Local 2251

CLC Members not in Attendance

Jonathon Bouma - Algoma Public Health (alternate)
David Trowbridge – Public
Dan Sayers Jr. – Batchewana First Nations
Kathie Brosemer – Sault Ste. Marie Tribe of Chippewa Indians

Meeting Notes

1. Review of Meeting #17 Notes

The notes for CLC Meeting #17 held on February 10th, 2016 were tabled and accepted by all in attendance.

2. Membership issues

Dan Cooper was introduced as the new United Steel Workers Local 2251 member. Dan is the alternate for Reginald Dunn who is also a new member and was unable to attend.

Trevor Quinlin was introduced as the new member taking the seat of Dave Martin.

Fred noted the Sault Ste. Marie Tribe of Chippewa Indians has requested that Kathie Brosemer hold a full seat on the committee.

3. Site Specific Standard for particulate

Fred re-capped the status of the Site Specific Standard for particulate that was issued in March 2015. This request was based on an emissions model that predicted emissions over the limit. The regulation has an alternate compliance mechanism in which the MOE and the company agree to a plan to reduce emissions over a period of time. Essar worked with the MOE and other coke makers to develop this new Standard with a focus on emission reductions from the cokemaking process in anticipation of the new limits coming into force for Benzene and BaP. A Site Specific Standard has been developed and its implementation began on July 2nd 2015.

On July 2nd 2015, Essar began to monitor coke oven emissions in accordance with the site specific standard. New limits came into force on January 1st 2016. A graphic representation of Essar's performance was presented along with a summary of corrective actions and operational adjustment made to date. There is a consistent improvement trend for the majority of the emission sources, highlighting the most recent achievement of compliance on #8 Battery door emissions, and now all 3 batteries are fully compliant.

An update was provided on the progress of the Cokemaking Emission Reduction Plan that was presented to The MOE back in February 2016, and the success of Campaign #1(June 13- 20) was discussed. The projected emission trends were presented to the group for doors and standpipes, showing how Essar will achieve 2020 compliance on all batteries.

Fred also introduced two newly proposed conditions that are on the Environmental Bill of Rights website for public comment. These conditions speak to the possibility of shutting down any cokemaking battery on the ESAI site that is not in compliance with the Site Specific Standard for particulate by November 2017. Fred noted ESAI has expressed opposition to the two conditions, citing the shutdown of a battery would cut the steelwork's overall production by a third, resulting in serious economic hardship. The company maintains the position that the condition should provide for only the faulty oven, not the entire battery, to be shut down until such time as it can be remediated.

Scott Grant from the MOECC Standards Development Branch presented power point to the group, explaining the development of the Site Specific Standard for particulate limits and the Order itself. Scott also explained the MOECC's justification for the two proposed conditions specific to ESAI, based on door emission observations between January and May of 2016.

4. Site Specific Standards for Benzene and BaP

An update was provided regarding the pending site specific standards for benzene and BaP. The Benzene approval and order will be issued as it was originally presented. The order will require continued addition to the Benzene Emission Control (BEC) system followed by on site monitoring.

The MOE has advised they will not be issuing Site Specific Standard approval for BaP on the basis that the company is not in full compliance with the door leak limits in the particulate standard. ESAI will therefore submit an abatement plan for BaP, which is the same investment plan in place for reducing particulate matter.

5. Port of Algoma

Some highlights from the Port of Algoma provided a brief overview of the developments to date. Highlights of the discussion include the following:

Presently awaiting the resolution of the ongoing CCAA process with ESAI.

The next steps include: resuming discussions with various regulatory agencies regarding EA requirements; submitting the project report and application for potential project funding; continuing consultation with First Nations, public and regulatory agencies.

Further information is available at www.algomaport.com, including a PowerPoint presentation of current status.

6. Boat Slip Sediment Assessment

As part of the ongoing efforts to de-list the St. Marys River as an Area of Concern (AOC) under the Remedial Action Plan (RAP), Essar conducted a re-assessment of the sediment quality in the boat slip in fall 2014. Essar's boat slip was dredged twice (first in 1998 and second in 2006) and had not been re-assessed since prior to the last dredging. Essar combined efforts with Environment Canada, the MOE and the RAP to conduct a follow-up sediment assessment. The results indicate the continued existence of PAH contamination in the north end of the slip. The next step will likely involve consultation with Environment Canada, the MOE and the RAP in developing a plan to address the contamination.

7. Status Report: Noise Abatement

Early in 2014 the MOE accepted a plan to reduce noise emissions from 10 sources throughout the facility. Two of the ten were controlled in 2014.

Plans for 2016 mitigation include installing acoustic enclosures around 3 fan motors on a cooling tower and designing 2 fan motor enclosures at the steelmaking gas cleaning plant. The engineering timeline and costs are higher than anticipated regarding the designing of an electricity generating steam turbine to utilize excess steam from the steelmaking process. Although the project is likely to be supported, there are concerns with the potential long lead timelines so Essar has initiated engineering work to install a muffler in the interim.

8. Current and planned activities that require Environmental Compliance Approval application:

Administrative amendment to steelmaking effluent ECA treatment system to reflect structural changes made in July 2015. The structure was simply raised in order to prevent Lake Superior water from entering system. There were no changes to treatment system or effluent quality.

9. PCB's

Fred explained to the committee that all remaining PCB's have been removed from service and have been sent for final destruction. The site is in full compliance with PCB regulations.

10. Greenhouse Gasses – Cap and Trade

Fred explained that a new provincial cap and trade regulation has been published and takes effect January 1, 2017. The system will be linked with the existing Quebec and California systems. Compliance will be rolled up to the facility level, but incorporates targets for each process within

the facility (coke, iron, steel, lime, etc.). A portion of emission allowance will be granted free of charge in consideration of trade exposure implications and technological reduction achievability. As such, there is an assistance factor for energy intensive trade exposed industries such as steel to avoid carbon leakage. There is recognition for fixed process emissions for which free allowances will be granted for the first compliance period. There will be an annual cap decline of 4.57% on combustion emissions. The estimated cost of carbon is \$12.10 USD/tonne. An off-set program is under development as well as a credit/bank system, but details are unclear at this time.

11. Public Open House

The last Public Open House that was held on June 24th, 2015 at the new Library at the Goulais Avenue Community Centre. The next open house will be scheduled for some time in September 2016, after the CCAA process has been finalized. The focus will be on the Cokemaking Site Specific Standard.

12. Next Meeting

Members will be canvassed at a later time for suggested dates of the next meeting.

The meeting closed at 2:15 PM, June 29th, 2016.

*Meeting notes prepared by Fred Post.
July 8th, 2016*

Current Members and Alternates

Representation	Primary Member	Alternate
Essar Steel Algoma Inc.	Fred Post	Dave Clingen
Essar Steel Algoma Inc.	Dave Clingen	Fred Post
Essar Steel Algoma Inc.		Josh Ingribelli
Ontario Ministry of Environment	Lori Greco	Ron Dorscht
Public	David Trowbridge	Ildiko Horvath
Public	Patt Marquis	
SSM Tribe of Chippewa Indians	Kathie Brosemer	
Algoma Public Health	Kara Flannigan	Jonathon Bouma
Chippewa County Health Depart.	Trevor Quinlin	Christine Daley
Batchewana First Nations	Dan Sayers Jr.	
City of Sault Ste. Marie	Don Elliott	Catherine Taddo
United Steel Workers Local 2251	Dan Cooper	

St. Mary's River RAP Coordinator Lisa Derickx