

Ministry of the Environment

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July 28, 2011

Sandra Markey
Manager,
EcoAgriculture Biofuels Capital Initiative
Agriculture and Agri-Food Canada
1341 Baseline Road, Tower 7, 7th Floor
Ottawa ON K1A 0C5

Re: Participation of the Ontario Ministry of Environment– Review of the revised Environmental Screening Report for the proposed Farmtech Ethanol Fuel Production Facility

Dear Ms. Markey,

Thank you for your letter of June 22, 2011 regarding the opportunity to comment on the revised Environmental Assessment Screening Report (Screening Report) and appendices for FarmTech Energy Corporation's proposed ethanol fuel production facility in Oshawa. I understand this Screening Report was prepared as per section 18(3) of the Canadian Environmental Assessment Act to satisfy federal agency requirements and because of the application by FarmTech to Agriculture and Agri-Food Canada to provide financial assistance to the proponent.

As documented in your letter, the Ontario Ministry of the Environment (ministry) had previously provided comments on the environmental assessment documents submitted by FarmTech in 2008. In addition, the ministry met with the proponent in 2008 and 2009 to discuss the proposed project and certificate of approval applications.

The ministry is responsible for protecting clean and safe air, land and water to ensure health communities, ecological protection and sustainable development. These proposed undertakings will be subject to applicable legislation under the *Ontario Environmental Protection Act* and the *Ontario Water Resources Act*. Applicable approvals under these Acts include Certificates of Approvals (CoA) for air emissions, noise emissions, stormwater management works, sewage works, and effluent water discharge. A Permit to Take Water (PTTW) will also be required if construction dewatering is greater than 50,000 litres per day.

The ministry anticipates that applications will be made for these approvals if the proposed undertaking proceeds. The provincial approvals listed can be applied for once the Federal Environmental Assessment process is complete. The ministry encourages the proponent to start pre-submission consultations prior to approval submissions.

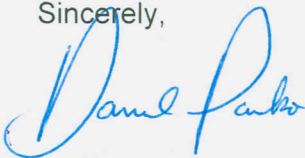
The ministry has completed a cursory review of the Screening Report and has identified a number of concerns related to air quality and odour impacts which have not been sufficiently addressed including:

- Undertaking additional studies on the cumulative effects for contaminants of concern;
- Creating a complaints protocol for potential public complaints regarding off site odour impacts;
- Developing an odour mitigation management plan;
- Providing clarification and supporting documentation for the fugitive emission sources and air emission estimates;
- Creating an air quality and emissions monitoring plan for contaminants of concern including VOCs, PM_{2.5}, PM₁₀, NO_x, SO₂, and CO;
- Providing further justification for the D-Series classification rationale

The ministry holds the approval authority for PTTW and approvals for discharge of air and water and anticipates that applications will be made for these approvals if the proposed undertaking proceeds. The ministry will undertake detailed evaluation of the technical information provided when approval applications are received under the provincial legislation listed above.

This concludes the ministry review of the Screening Report at this time. The ministry will provide further comments when other provincial approvals are sought. Should you require any further information from the ministry, please contact me at 416-326-3477.

Sincerely,



Dan Panko
APEP Supervisor
Central Region