

**Canexus-ERCO Worldwide-UNIVAR-Terrapure Environmental
North Shore Community Advisory Panel (CAP)
MEETING SUMMARY NOTES
WILD BIRD TRUST, Corrigan Nature House
5:30 pm Dinner/Meeting 6:00 pm to 8:00 pm
Tuesday, September 29 2015**

Attendance:

Doug Allan, District of North Vancouver
Dorit Mason, NSEM
Cindy Jeromin, Port Metro Vancouver
Robin Lee, Univar
Rick Denton, Canexus
Rob Schultz, Canexus
Chris Parent, Terrapure Environmental
Tom Miller, ERCO Worldwide
Helen Holt, ERCO Worldwide
Patricia Banning-Lover, Wild Bird Trust
John Miller, Lower Capilano Association
Stuart Porter, Maplewood Community Association
Sharon Porter, Resident
Val Hammerberg, Resident
Bruce McArthur, Resident
Lisa Richardson, Resident

Regrets:

Fiona Dercole, District of North Vancouver
Lorraine Harvey, Seymour Community Association
Alex McNeil, Blueridge Community Association
Katie Gaydon, Resident
Cathy Brydon, Resident
Dave Mair, Resident

1. Introductions

CAP members introduced themselves and welcomed Daniela Cohen, CAP Facilitator. The distributed agenda for the meeting was adjusted as follows:

- A report from North Emergency Management was added.
- The listed report from Newalta was corrected to Terrapure Environmental.
- The CAP Mandate and Guidelines, the Company Report Format, and the CAP agenda for 2015/2016 were referred to the next CAP meeting in November 2015.

The contact list for CAP members was distributed for correction. The revised list will be posted to the District of North Vancouver website. It was noted that information for CAP is available on the web site at <https://www.dnv.org/our-government/committees-boards-commissions>, Social Planning Committees, Community Advisory Panel.

2. Welcome Daniela Cohen, CAP Facilitator

Daniela has been contracted as the CAP Facilitator, taking over from April English. CAP members thanked Rick Denton and Tom Miller for their work supporting the hiring process. CAP members also thanked April for services to CAP since 2010.

April provided an overview of the hiring process, as follows:

- A posting for the position was placed on Craig's List and Charity Village with a closing date of August 24, 2015.
- CAP members were asked for their suggestions of what to include in a "scoring sheet" based on the CAP Facilitator Job Description that would be used for reviewing applicant resumes. Based on this feedback, April prepared a draft scoring sheet. The draft scoring sheet was reviewed by CAP sponsoring company representatives and one edit was made by April to the sheet as a result.
- Resumes were received from 31 applicants. All resumes received were forwarded to the CAP sponsoring company representatives for their information.
- All received applications were reviewed by April using the final version of the scoring sheet. Only information that was provided in writing by the applicants was considered. This was intended to mitigate against any bias for applicants that either April or CAP members may have referred for the position.
- The resumes of the five top scoring applicants were forwarded by April to the CAP sponsoring company representatives. Of note, one applicant was referred by Rosanna Hille, a previous CAP Facilitator, and the other four applied through Charity Village.
- April contacted all five recommended applicants to arrange an in person interview. Two of the five recommended applicants declined an interview for personal reasons.
- In person interviews for the three remaining recommended applicants all took place on September 11, 2015, at the Canexus North Vancouver facility. Rick Denton, Tom Miller and April participated as the CAP interview panel.
- Prior to the in person interviews April developed a set of questions that would be used for all interviews. This set of questions was provided to the other members of the CAP interview panel.
- After completing all three interviews, the interview panel recommended one candidate to the other CAP sponsoring company representatives. This recommendation was agreed by all company representatives and the CAP Facilitator position was offered to the chosen candidate.
- The three interviewed candidates were contacted by April regarding the decision of the interview panel. The chosen candidate was invited to attend the September CAP meeting and her resume was distributed to CAP members.

3. Review:

- 2014/2015 Evaluation Results

The 2014/2015 evaluation results, previously distributed to CAP members, were reviewed. The results will be considered in the planned review of the CAP mandate and setting the annual CAP agenda. (The results are attached.)

- CAP History

CAP members participated in developing a history of significant events for CAP from its beginning to the present. This history will be compiled with other information contained in archived CAP files held at ERCO. The full history will be made available to current CAP members and to new members when they join CAP. It may also be used in a brochure about CAP that will be created during the 2015/2016 CAP season.

CAP members observed that CAP is a model of companies and community coming together to share information and increase awareness. CAP grew out of the Responsible Care® initiative for the Canadian chemical industry. The concept of Responsible Care applies to the entire supply chain for companies that subscribe to the program. CAP has evolved and will continue to evolve over time resulting from changing ideas and greater global awareness. (A draft of the CAP history is attached.)

4. Reports from the Companies:

a) Canexus

Rob Schultz reported that on August 29th, the Canexus plant experienced an extended power outage on one of the two incoming BC Hydro power lines due to a downed tree and broken pole, but the emergency systems had acted as expected. On August 31, 2015, there was a mechanical failure within one of the two chlorine compressors which resulted in an emergency evacuation on the site. The response was quick and the incident resulted in no injuries or risk to the community. A comprehensive investigation was immediately started and is continuing as of today to determine the root cause of the mechanical failure of the unit. The failure within was unforeseen based upon the extensive preventative maintenance and monitoring programs in place coupled with the operating history which has shown no such failures since installation.

Rick Denton informed the CAP that a potential sale of the North Vancouver facility is being evaluated in the near future, but the company's priority is to ensure any future owner will continue to abide by the Responsible Care code.

b) ERCO Worldwide

Tom Miller reported that as of today, site employees have worked 1160 days since the last recordable injury. To address the fact that they did not have an emergency response system, ERCO held 4 emergency response drills in July/August and did a "shelter in place" with City of North Vancouver Hazmat Team / DNV Fire Department, and majority of the plant's personnel.

c) Univar Canada 

Robin Lee reported that Univar is almost at 5 years without any reportable safety incidents (5 years in January 2016). There had been a small leak in an ethanol rail hose but it had been caught immediately and they had taken various preventative measures because of the incident. They were also doing seismic upgrading. Current project to repurpose one of the existing storage tanks (changed out ethanol for MEG) is almost complete (targeting year end). There are no plans for further expansion of Univar facilities at present.

d) Terrapure Environmental

Chris Parent reported that there have been 12.5 years with no major incident at Terrapure Environmental. Rail Infrastructure improvements are underway to improve loading/unloading operations including improvements to Rail security on the North Side of the facility. There are also various Maintenance capital improvements designed to improve efficiencies. Chris also noted that the plant is planning an emergency drill.

e) North Shore Emergency Management

Dorit reported that NSEMO is planning a large scale emergency drill on November 16, 2015. They have developed an app to do Rapid Damage Assessment over the phone in the case of an earthquake and are currently promoting it. She challenged members to create personal preparedness kits and indicated they were willing to come and do sessions for groups of citizens if needed.

She mentioned the “Shakeout” drill being held on October 15, 2015 at 10am and encouraged industry partners to participate.

Dorit noted that NSEMO has dropped the “Office” from its name and will now be known simply as North Shore emergency Management.

5. Meeting Evaluation and Close

The meeting ran late so no evaluation was completed. The meeting closed at 8:15 pm.

The next CAP meeting is scheduled for November 17, 2015, dinner at 5:30 pm, meeting from 6:00 pm to 8:00 pm. The meeting location will be announced.

Responsible Care – Safety, Security, & Environmental:

➤ Safety & Environmental:

- On August 29th, the plant experienced an extended power outage on one of the two incoming BC Hydro power lines due to a downed tree & broken pole. The plant's emergency systems worked as designed and safe & secure control of the process was maintained throughout the day until BC Hydro crews were able to remove the trees and re-establish power supply late that night. The outage was a good test of the plant systems and while everything worked as planned, we are taking the opportunity to capture learnings to further enhance the ability of the facility to withstand any extended power outage events in the future.
- As the plant was preparing to return to operation after the windstorm in the morning of August 31st, a mechanical failure occurred within one of the two chlorine compressors which resulted in an emergency evacuation on the site and the following outcomes:
 - The mechanical failure within the compressor resulted in damage to the process seals which keep chlorine within the unit and an ensuing chlorine leak occurred.
 - The Emergency situation was very well handled by the Operations crew, as they are trained to do, in which they quickly and efficiently isolated the compressor and stopped the leak within a very short period of time.
 - No injuries to any personnel on-site or any members of the public off-site occurred and the level of chlorine at the fence line of the facility was at no point in time above a level which would present any risk to anyone.
 - North Shore Emergency resources were called to the plant, but were not required to assist in the response as the situation was under control by the time of their arrival.
 - A comprehensive investigation was immediately started and is continuing as of today to determine the root cause of the mechanical failure of the unit, which has so far not yet been identified as the physical damage found so far does not clearly show the reason for failure. Forensic analysis of the failed internal components is in progress.
 - In addition to determining the root cause and eliminating recurrence through action items which will be identified, the investigation is also examining the emergency response and control aspects of the incident and any improvements that are identified will be implemented as quickly as possible.
 - The #2 compressor was inspected, safely re-started on September 1st and is being closely monitored with no concerns whatsoever being found on that unit. Careful oversight will continue on this unit to ensure safe & reliable operation.

- The mechanical failure within the #1 unit was unforeseen based upon the extensive preventative maintenance and monitoring programs in place for these two units coupled with the operating history which has shown no such failures since installation.

➤ Security & Transportation:

- There have been no Security or Transportation incidents since the last CAP meeting.

Plant Operations:

- Up until the end of August and the windstorm event followed by the compressor failure, the plant had operated very well through the first 8 months of 2015. The plant operation has been stable, albeit below capacity levels since the re-start on September 1st and will remain below full capacity until the #1 compressor returns to operation.
- The Caustic Process Modernization project that was approved and began in March, 2014 is nearing completion with the following status:
 - The majority of the construction has been completed with final mechanical work being done this week and mainly insulation of the equipment and piping to be finalized over the next two weeks.
 - Commissioning of the project is already underway with some electrical and instrumentation phases complete and some water trials of portions of the system set to begin later this week.
 - Start-up of the project, and subsequent shutdown of the 40 yr old system currently in operation, is planned for mid-October.
 - Start-up of the project will bring reduced energy requirements and corresponding decreases in Greenhouse Gas emissions as shared in the presentation material of the April, 2015 CAP meeting. GHG emissions in particular will be down to less than 5,000 tonnes per year vs. pre-2010 levels of more than 60,000 tonnes per year.
 - As part of bringing the project on-line and reducing air emissions, the plant is currently working with Metro Vancouver on an Air Permit renewal for implementation at the start of 2016. We will communicate the details of the renewal at the next CAP meeting in November.

Canexus Update:

- As announced by our company in March and shared with the CAP in April, a potential sale of the North Vancouver facility is being evaluated. The process has been on-going since early this year and may or may not result in the sale of the facility to another owner.
- A top priority right from the outset of the process for Canexus Corporation has been to ensure that any future owner of the North Vancouver facility included in the evaluation process be committed to the principles of Responsible Care and the Safe & Reliable operation of the plant within this community.
- In the event that a divestment agreement does take place, we will communicate this as soon as possible to the CAP.



ERCO Worldwide

ERCO Worldwide Update

(Since last report on April 21/15)

- **Production**
 - Plant ran at reduced load in June – July due to reduced export sales.
 - In July, the `new` Line 7 transformer (recently returned from manufacturer after rebuild) was successfully re-commissioned, and has operated at capacity since then without issue.
 - From Sept. 13 – 20th, the NV plant was shut down for maintenance & installation of new capital equipment (new plant DCS computer system, new export silo, new scrubbers). Plant successfully restarted on time, without safety issue to employees or contractors.

- **Safety/Environmental**
 - As of today, site employees have worked 1160 days since the last Recordable injury (July 26/12).
 - 4 Emergency Response drills were performed in July/August with City of North Vancouver Hazmat Team / DNV Fire Department, and majority of our personnel. Drill was to respond to leaking & fuming HCl from the discharge piping of the concentrated HCl tank.
 - Documented learnings for First Responders & site personnel.

- **Quality**
 - Quality Audit of site (ISO 9001:2008) occurred on April 21-22nd by QMI. It was a successful audit with 0 Findings & 3 Opportunities for Improvement. The Opportunities have been addressed.

Tom Miller

September 29, 2015

September 29, 2015

CAP Meeting Update

Safety & Environmental

Days with no lost time (4,741 days)

- 1 minor incident involving a small cut to a contractor's index finger. The worker was bandaged up and returned to work.

Operations

- Annual plant turnaround Scheduled for November 2015. General maintenance and Capital project tie in.
- Plant running slightly below capacity in light of North American Supply imbalance for base oils.

Projects

- Rail Infrastructure improvements are underway to improve loading/ Unloading operations including improvements to Rail security on the North Side of the facility.
- Various Maintenance capital improvements designed to improve efficiencies.
- 5 year capital plans are being reviewed by new ownership.

Terrapure Overview

<i>Product</i>	<i>Volume Received</i>	<i>Volume Shipped</i>	<i>Transportation Method</i>	<i>Route To/ From NVan</i>	<i>TDG Classification</i>
Waste Oil	1.2 ML		Truck & Rail	Hwy 1	Non TDG
Distillate Fuel		165 KL	Rail	CN	UN 1268 Class 3 Petroleum Distillates UN 1993 Class 3 Flammable Liquids
Asphalt		120 KL	Rail	CN	UN 3257 Class 9 Elevated Temp
Base Oil		1,800 KL	Rail/ Truck	CN/ Hwy 1	Non TDG
Caustic		70 KL	Rail	CN	UN 2920 Class 8 Corrosive Liquids
Fuel Oil		180 KL	Truck	Hwy 1	UN 1993 Class 3 Flammable Liquids
Water		360 KL	Truck	Hwy 1	Non TDG

*Rail movements through CN Lynn Creek yard: Truck Movements typically over Second Narrows