

## SUMMARY OF COMMENTS / RECOMMENDATIONS

**PROPONENT:** Palliser Furniture Ltd.  
**PROPOSAL NAME:** Palliser Furniture Ltd.  
**CLASS OF DEVELOPMENT:** CLASS 1  
**TYPE OF DEVELOPMENT:** Manufacturing and Industrial Plant  
**CLIENT FILE NO:** 4406.00

### OVERVIEW:

An Environment Act Proposal was filed by Ms. Diane Dawiskiba of Palliser Furniture Ltd. on November 10, 2000, for a comprehensive licence for the ongoing operations of the Palliser Furniture Ltd. developments in Manitoba. A supporting Environmental Impact Assessment (EIA) was filed by Mr. J.M. McKernan of TetrES Consultants Inc. on November 30, 2001. The following facilities are being considered:

| Facility   | Street Address         | Legal Property Description   |
|--|------------------------|--|
| Furniture Park – Head Office   | 55 Furniture Park      | Lots 3 to 9 and Lot 11 Plan 7913 WLTO<br>In RL 60 to 65 Parish of Kildonan<br>Parcels 1 and 4 Plan 11987<br>In RL 60 to 65 Parish of Kildonan in the City of Winnipeg  |
| Furniture Park – Genesis Stationary/Sigma Division                     | 40 Furniture Park      | Parcel B Plan 22518 WLTO<br>In RL 64 and 65 Parish of Kildonan in the City of Winnipeg   |
| Furniture Park – Dimension Division                                    | 80 Furniture Park      | Parcel C Plan 22518 WLTO<br>In RL 64 and 65 Parish of Kildonan in the City of Winnipeg   |
| Furniture Park – DeFehr Division                                       | 125 Furniture Park     | Lots 3 to 9 and Lot 11 Plan 7913 WLTO<br>Parcels 1 and 4, Plan 11987 in the City of Winnipeg   |
| Furniture Park – Alpha Division  | 170 Furniture Park     | Lot 1 Plan 7913 WLTO<br>In RL 60 to 65 Parish of Kildonan  |
| Furniture Park - Omega Centre/Corporate Upholstery                     | 70 Lexington Park      | All that portion of SW ¼ 3-11-4 EPM contained within the limits of Parcel "A" Plan 38782 WLTO in the City of Winnipeg  |
| Furniture Park – Delta Division  | 90 Lexington Park      | Parcels A and B Plan 32047 WLTO Exc: Plan 38346 WLTO and Exc out of said Parcel A: Road Plan 37863 WLTO<br>In RL 58 to 60 Parish of Kildonan in the City of Winnipeg   |
| Particle Board Plant (PBP)/Panel Component Supply Plant/Logic Division | 770 Pandora Ave. E.    | Parcels A Plan 38782 WLTO Exc., etc.<br>Parcel F Plan 38782 WLTO In SW ¼ 3 and SE ¼ 4-11-4 EPM, and in Government Road Allowance between said sections.<br>Parcel G Plan 38782 WLTO Exc., etc. in the City of Winnipeg |
| Chair Designs Division   | 1450 Mountain Ave.     | Lots 2 to 9 Plan 12696 WLTO<br>In OTM Lots 41 to 43 Parish of St. John in the City of Winnipeg   |
| Kernaghan Distribution Centre  | 630 Kernaghan Avenue   | All that portion or SW ¼ 5-11-4 EPM shown bordered pink on Plan 7048 WLTO, contained within the limits bordered pink on Plan 11069 WLTO in the City of Winnipeg  |
| Upholstery Foam Shop   | 2977 Henderson Highway | River Lots 101 and 102 Plan 12761 in the Rural Municipality of East St. Paul   |

Palliser Furniture Ltd. is involved in the processing of raw and purchased materials to produce casegoods (cabinet furniture) and upholstered furniture. The current developments have varied hours of operation from one regular shift per day 5 days per week, to 24 hours per day, 7 days per week. Specific activities are: raw log processing to dimensional lumber, waste wood processing, particle board manufacturing, cutting, sanding, routing, gluing, finish coating, assembly, storage and handling of raw materials and finished products. There is a potential for emission of

particulates, VOCs, odour and noise from the Development. Various types of air pollution control devices such as biofilters, scrubbers, baghouses and cyclones are implemented at some emission points of some of the facilities.

As part of the approvals process, Palliser Furniture Ltd. at their own initiative, held a series of public open houses, both prior to and following their Environment Act Proposal submission, to reach out to the neighbouring communities for an exchange of information, and to address, if possible, the concerns which the community might express. As a result of the feedback from these open houses, Palliser Furniture Ltd. established a Health Risk Assessment Committee to conduct a Health Risk Analysis of its emissions and the potential health impacts of these on the community. This process was driven by those community members who were concerned enough to bring their issues forward. A consensus was eventually reached by members of the HRA Committee that the VOCs emitted were a nuisance, but not a primary health concern.

An action item that arose from the HRA meetings was a need for the establishment of a committee comprised of Palliser Furniture Ltd. senior management who would present to the community the efforts and plans that Palliser Furniture Ltd. had undertaken and will continue to undertake to further reduce the emissions of VOCs. This was done, and is an ongoing actionable item.

The Department provided the Technical Advisory Committee and the Public Registries with copies of the Proposal and the EIA. Interested TAC members were given a tour of all facilities. A TAC meeting was held on January 22, 2002 to discuss the proposal. Public notification was published in the Winnipeg Free Press and the Winnipeg Herald. Comments received refer to two documents ie: the intent to request licencing (2000), and the responses to the submitted EIA (2002). The following responses are summarized according to specific document.

#### **RELATED COMMENTS FROM THE PUBLIC:**

One citizen submitted comments regarding the Particle Board Plant on Pandora Road.

#### **2000 comments**

- a) Objection to the issuance of one licence for all operations.
- b) The amount of truck traffic on Pandora Avenue.
- c) Noise emitted from the plant (except during the winter).
- d) Sawdust accumulated at the facility blowing onto property.
- e) Keep him informed regarding any meetings or correspondence.

*These comments were forwarded to the proponent who replied that the related issues will be addressed in the EIA. In addition, the proponent contacted the citizen to meet and discuss the concerns and provide any additional information which was available, and to remediate where possible, any situations which the citizen claimed was a concern. The citizen did not follow up on this offer, but did attend subsequent open meetings hosted by Palliser regarding their EIA.*

Disposition: No further action needed at this time.

**2002 comments**

One citizen submitted additional comments (2002) regarding the Particle Board Plant on Pandora Road. The comments were forwarded to the proponent for response.

- a) Requests more ambient air testing done on his property if possible.

*The proponent has offered to sample ambient air. They also have committed to monitor particulate releases from their facilities.*

- b) Sawdust accumulated at the facility blowing onto property. Concern about preservatives in sawdust.

*The proponent replied that steps are being taken to reduce the entrainment of sawdust at the particle board facility. Air quality surveillance will be undertaken to evaluate these steps. Palliser monitors the incoming supply of waste wood / sawdust and the majority is from untreated sources.*

- c) Noise emitted from the plant (except during the winter).

*The proponent replies that they believe complaints of noise from their facility are exaggerated, but issues of noise are addressed in the EIA. Palliser has committed to undertake noise-suppression studies and implement practical remedial measures if necessary. Palliser will contact the citizen directly regarding further action.*

Disposition: The responses were forwarded to the citizen. The licence addresses the relevant concerns.

**RELEVANT COMMENTS FROM THE TECHNICAL ADVISORY COMMITTEE:**

1. **Manitoba Culture, Heritage & Citizenship – Historical Resources Branch** – has no concerns (2000/02).

*No response necessary.*

Disposition: No action needed.

2. **Manitoba Industry, Trade and Mines – Mineral Resources Division** – have no concerns. (2000)

*No response necessary.*

Disposition: No action needed.

3. **Manitoba Intergovernmental Affairs** – have no concerns (2002).

*No response necessary.*

Disposition: No action needed.

4. **Manitoba Conservation – Climate Change Branch – Air Quality Management** – had the following comments (2000):

- a) There is insufficient information in the submission provided to make any assessment of the Palliser Furniture operations. Presumably, the required information will be presented in the Environmental Impact Assessment (EIA) which is to follow.

*The proponent replied that the EIA will address these concerns.*

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Disposition: No further action needed at this time.

- b) In terms of VOC's, it appears that the EIA will only cover odours with health effects not being considered significant. In the EIA, sufficient information and analysis should be provided to justify this conclusion.

*The proponent replied that the EIA will address these concerns.*

Disposition: No further action needed at this time.

- c) Any efforts to reduce or mitigate the effects of traffic, odours, dust and noise should be documented in the EIA.

*The proponent replied that this has been recognized and will be addressed both at the open houses and reflected within the EIA.*

Disposition: No further action needed at this time.

- d) Combustion sources (e.g., boilers) at the Palliser facilities and their emissions (e.g., NO<sub>x</sub>, particulates - PM<sub>2.5</sub>, PM<sub>10</sub>) do not appear to be considered in the EIA. If there are significant combustion sources at any of the facilities, their emissions should be assessed as well.

*The proponent replied that new standard operating procedures have been initiated and will be reflected within the EIA.*

Disposition: No further action needed at this time.

- e) In Schedule 3, a list of reports that are in preparation or completed is provided. Have the completed reports, especially those relating to the project descriptions, been provided to the Department?

*The proponent replied that the completed reports have been submitted and the additional reports will be submitted as appendices to the EIA.*

Disposition: No further action needed at this time.

### **2002 Comments**

- a) Even with the planned reductions in VOC emissions, certain VOC's are still modelled as being over their air quality criteria or their odour thresholds in the vicinity of the DeFehr facility and the Particle Board Plant. Given that odour has been an issue with this facility, additional effort will be required to reduce VOC emissions in a timely manner to ensure compliance with the criteria. The consultant does recommend that Palliser take additional actions to reduce VOC emissions which Palliser verbally agreed to at the TAC meeting of January 30, 2002.

*The proponent replied that Palliser has mandated the highest-priority effort for activities to reduce VOC emissions.*

Disposition: The Draft Licence addresses these issues.

- b) Fine particulates (particulate matter less than 10 µm (PM<sub>10</sub>) and 2.5 µm (PM<sub>2.5</sub>) in diameter) were not addressed in the EIA; only total particulates were assessed. This is an area that should be addressed in the future through additional stack sampling and air dispersion modelling.

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*The proponent replied that the emissions of particulates from the uncontrolled wood fired boiler were based on factors published in "Compilation of Air Pollutant Emission Factors" AP-42. Calculations of point of impact concentrations were based on this. Estimations from the Particle Board Plant were calculated in a similar fashion. Palliser has indicated that sampling programs at it's facilities will be undertaken and that PM<sub>2.5</sub> will be considered for inclusion.*

The commentor responded that more recent AP-42 factors would increase the concentrations of particulates from those projected by the EIA, although they are still estimated to be below the Canada Wide Standard of 30 micrograms per cubic metre.

Disposition: No further action needed at this time. The Draft Licence addresses these issues.

- c) Air dispersion modelling of the Logic Division should be considered.

*The proponent replied that the processes that use glues and solvents do not have point source emissions. Fugitive emissions could be estimated in future if a need is demonstrated.*

Disposition: No further action needed at this time.

- d) Information should be provided on the potential for VOC emissions and ambient odours from the outdoor wood drying and storage area at the Particle Board Plant.

*The proponent replied that such complaints and concerns have not been raised by the community.*

Disposition: No further action needed at this time.

- e) It would be preferred for Palliser to develop a corporate greenhouse gas management plan (such as a submission to Canada's climate change Voluntary Challenge and Registry).

*The proponent replied that Palliser is considering a variety of initiatives to mitigate and manage the VOC greenhouse gas precursors. These are addressed in the EIA.*

Disposition: No further action needed at this time.

- f) The results from the environmental improvement programs will need to be verified once they have been completed.

*The proponent replied that Palliser intends to monitor and verify its Environmental Improvement Programs on an ongoing basis. Such information will be provided to Manitoba Conservation.*

Disposition: No further action needed at this time.

- g) What is proposed to reduce opacity during the start-up of the wood-fired boiler?

*The proponent replied that a Standard Operating Procedure #41 had been implemented for start-up of the boiler to reduce opacity during this process.*

Disposition: No further action needed at this time.

- h) Particulate emissions seem to be mainly an issue next to the Particle Board Plant due to wind erosion of the storage area (wood chips and debris), and landscaping and site development are proposed to deal with these emissions. How effective are these measures anticipated to be? Once completed, their effectiveness should be verified.

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*The proponent replied that Palliser is willing to create aesthetically acceptable barriers via landscaping to reduce off-site migration of particulate matter. Sampling could be conducted to confirm results.*

Disposition: No further action needed at this time.

- i) Given that the national focus on particulates is primarily on fine particulate matter, this omission should be addressed by collecting fine particulate emissions data. As a minimum source sampling should be conducted.

*The proponent replied that fine particulate matter could be sampled in a subsequent monitoring program.*

Disposition: No further action needed at this time.

- j) It is stated that off-site odour nuisance is still expected. Given that this has been an issue with the surrounding community, additional measures should be identified to reduce VOC emissions further.

*The proponent replied that additional measures to address off-site odours are in place for implementation for the future. A pilot project biofilter is being tested at the DeFehr flat line.*

Disposition: No further action needed at this time.

- k) Maximum ground level concentrations were not provided for many of the VOC's.

*The proponent did not specifically address this comment.*

Disposition: The Health Risk Assessment Committee determined there to be no health impacts. Reduction of VOC emissions and odour management are addressed in the Licence. No further action needed at this time.

- l) Some significant VOC sources which do not appear to be modelled include: Logic Division; and Panel Component Supply Plant.

*See Item c) above. The Logic Division has no point source emissions and the amounts of glues and solvents are minimal. The Panel Supply Division was modelled.*

Disposition: No further action needed at this time.

- m) The concentration of total particulate in the press vent emissions (*i.e.*, 1.1 g/m<sup>3</sup>) are greater than the Department's particulate emission criterion of 0.23 g/m<sup>3</sup>. This would seem to indicate that particulate emissions from this source may need to be controlled.

*The proponent replied that particulate emissions were not sampled at the press vents.*

Disposition: No further action needed at this time. Additional ambient monitoring and sampling may have to be initiated at a later date if concerns arise. This is addressed in the Licence.

- n) On-site incineration of paint coated waste materials should not be permitted.

*The proponent replied via the TAC meeting that this practice would not continue.*

Disposition: No further action needed at this time. The Draft Licence addresses this issue.

5. **Environment Canada – Canadian Environmental Assessment Agency** – state that the application of the *Canadian Environmental Assessment Act* with respect to this project will not likely be required. Environment Canada comment that Palliser is encouraged to implement the applicable CCME VOC Standards as part of their emission reduction strategy (2000/02).

*No response necessary.*

Disposition: The CCME VOC Guidelines are not finalized at this time. No action needed at this time. Implementation will be determined as appropriate.

6. **Manitoba Conservation – Policy Coordination Branch - Conservation Programs Division** – see concerns of Manitoba Conservation – Climate Change Branch – Air Quality Management. (2002)

*Response as above.*

Disposition: Action as above.

7. **Manitoba Conservation – Environmental Operations Division – Red River Region** – had the following comments (2000):

- a) There is concern regarding the Furniture Park Facility with respect to VOCs, health impacts, nuisance impacts, PM and smoke.

*The proponent replied that the EIA will address these concerns.*

Disposition: No further action needed at this time.

- b) Under global licencing, how will the Department handle future expansions at existing or new facilities?

*Alterations of the Development will be handled under provisions provided for in The Environment Act.*

Disposition: No further action needed at this time.

- c) What basis were the noise measurements made? Residents may feel that a noise nuisance has been created.

*The proponent replied that this has been recognized and will be addressed both at the open houses and reflected within the EIA.*

Disposition: No further action needed at this time.

### **2002 Comments**

- a) A net 25% reduction could actually be an increase or decrease in the volume of VOC emissions. Table 2-2 - suggests only process changes have been or will be evaluated. No suggestions for the installation of control equipment were discussed.

*The proponent did not reply.*

Disposition: The Draft Licence addresses this comment.

- b) VOC controls are necessary to eliminate or decrease nuisance complaints. Process changes alone will not decrease emissions if production increases.

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*The proponent did not reply.*

Disposition: The Draft Licence addresses VOC management, use and release.

- c) The Carbon Sink idea of mitigation does not eliminate the local nuisance VOC odours. The installation of emission controls at the source rather than process changes are required. i.e. flare stack, microturbines, carbon filter or bio filter technology.

*The proponent did not reply.*

Disposition: See Disposition Item b). It has not been determined that emission controls are the only appropriate response to VOC emission control.

- d) A current particulate emission test program of the boiler should be conducted.

*The proponent did not reply.*

Disposition: The Draft Licence addresses this comment.

- e) VOC emissions from roof vent from the Genesis Stationary and Sigma Division should be quantified.

*The proponent did not reply.*

Disposition: The Draft Licence addresses this comment.

- f) The Department is still receiving complaints regarding sawdust/woodchip storage regarding fine wood particulate from the Particle Board Plant being deposited on vehicles in the residential area. Improvements are required.

*The proponent did not reply.*

Disposition: The Draft Licence addresses this comment.

- g) Reductions are realized for the sealers and lacquers from the Flat Line Lacquer and Sealer Overspray Capture System, but additional VOC emissions to atmosphere are created from the increased use of solvents.

*The proponent did not reply.*

Disposition: No further action needed at this time.

- h) Figure 3-1 1999 Overall Chemical Mass Balance for Palliser's Winnipeg Operations (VOC Emissions to Air 537,840 kg) varies with the same titled Figure 2-8 (VOC Emissions to Air 560, 452 kg) contained in the EIA binder. There has been no explanation for these discrepancies (Chemicals Raw Materials Input - Paint and Solvent).

*The proponent did not reply.*

Disposition: The Draft Licence addresses this comment.

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8. **Manitoba Agriculture and Food – Soils and Crops Branch - Agricultural Resource Section** – commented that the Palliser Furniture Facility should not have any impact on agriculture (2002).

*No response necessary.*

Disposition: No action needed.

9. **Manitoba Highways and Transportation - Highway Planning and Design** – has no concerns (2000) has the following comment (2002):

- a) Manitoba Transportation and Government Services would wish to review any proposed expansions at the Upholstery Foam Plant on Provincial Road 204 in the R.M. of East St. Paul.

*This is accommodated in the Environmental review process.*

Disposition: No action needed.

10. **Manitoba Health - Public Health Branch- Environmental Health Unit** – have the following comments (2000). No comments were received regarding the 2002 EIA.

- a) What is Palliser actually proposing?

*The comments were forwarded to the proponent.*

Disposition: These comments were addressed in the 2002 EIA.

- b) The Palliser statement that the VOC emissions do not approach levels that would affect health should be changed to 'are not known to affect health'.

*The comments were forwarded to the proponent.*

Disposition: No further action needed at this time.

**PUBLIC HEARING:**

Public hearings were neither requested nor convened.

**RECOMMENDATIONS:**

An Environmental Act Licence considering the above relevant concerns as well as those of the Approvals Branch be prepared and issued. This Environment Act Licence should be drafted such that both the broad aspects and issues of the overall Palliser Furniture Ltd. development, and the unique matters concerning specific facilities are addressed. Provisions should also be considered, as much as possible, for accommodating timely operational adjustments within the overall Palliser Furniture Ltd. development. Once issued, the responsibility for enforcement of the Licence may be transferred to the Region.

PREPARED BY:

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