



November 13, 2012 Submission to the Planning and Environment Committee.

Orgaworld welcomes the opportunity to provide an update of our activities in London.

We would like to start our submission by stating that we take our responsibilities as members of our local community, and the City of London seriously. We have worked diligently in the past and will keep working on our continuous improvement program to address any odour concerns. Again, we would like to state that we will not be happy until we have met all of our neighbours' reasonable expectations.

We wish to reiterate that we want to work with the Shaver and Brockley coalition members. We have not denied that we have had some odour issues at our facility. We do however feel that we have made significant improvements in this area. We have been open and honest with the residents through our public engagement meetings. We have responded to requests or suggestions from the MOE to make revisions to our operations in a positive manner. Operationally the site is working as it should. We have invested millions, hired extra staff and sought out advice from independent experts and potential suppliers to address odour concerns.

We are pleased that virtually all members of the Planning and Environment Committee have taken the time to come and tour our plant and see first-hand the positive work we do at this facility in terms of waste diversion and producing high quality compost. These tours have given P&E Committee Members the opportunity to observe for themselves the complexity and professionalism of what goes on at the facility and observed first-hand the actual odour being emitted from our plant.

Background Facts

To assist the members of the committee in understanding the background of the London Orgaworld plant we present (on the following page) a series of facts on the plant.

As you can see, we are a waste processing facility diverting Source Separated Organics (SSO) from Ontario Landfills in support of the provincial government's goal to divert 60% of household waste away from the provinces landfill sites.

"Landfills are closing fast and finding a new one is turning out to be impossible. In 1989 Ontario had 730 landfills. Today we have 89."
Councillor Peter Hume, Chair Planning Committee, City of Ottawa
Ottawa Sun, October 30, 2012

We produce high quality compost that is shipped to farmers' fields where it is applied, rehabilitates the soil and increases crop yields from 10-15%. This compost is much sought after by the agricultural community surrounding London and all plant production is sold out. Orgaworld's compost has been inspected and endorsed by Ontario's Ministry of Agriculture, Food and Rural Affairs and by independent agronomists advising the farming community. Orgaworld's compost is truly helping to complete the food-chain circle.

Plant Location	4675 Wellington Road South
Zoning & permitted uses	Compost facility
Plant size	160,000 square feet
Date of construction and expansions	Construction started October 2006 Phase 2 expansion December 2007 Phase 3 expansion June 2008 Compost Shelter October 2008 Abatement system retrofit August 2010
Cost of Plant construction	Around \$35m
Cost of odour abatement System improvements	\$5m with more investment earmarked
Number of facility Employees	16
North American head office location	150 Kent Street, London
Number of head office employees	6
Municipal taxes paid	Around \$175,000 per year.
Estimated value of goods and services purchased from London area suppliers.	In excess of \$1million per year.
Annual permitted tonnage	150,000 tonnes
SSO material permitted to receive	Food waste, paper fibers, sanitary waste (including diapers, sanitary and incontinence products), yard waste, animal waste, organic waste from food processing industry and the commercial sector.
Percentage of diapers received from residential green bin programs	Approximately 5% by weight
Sources of SSO	City of London (Green Bin Pilot Project), City of St. Thomas, City of Toronto, Region of York
Amount of high quality compost produced	Around 100,000 tonnes over the past five years
Percentage of compost sold to farmers	100% - sold out

Odour Issue

We admit that there has been some disconnect surrounding the issue of "Zero Odour". We have admitted that Orgaworld has been partially responsible for this misunderstanding, and we have apologized for any representative of Orgaworld who has given the impression that we would be emitting absolutely zero odours from our plant.

As with any waste processing facility it can be expected that Orgaworld would be emitting some form of odour. After all, Orgaworld is located within a “stack industry” in an industrial park in an industrially zoned area, surrounded by other facilities which have the potential to emit odour from time to time, including the City Landfill site, City MRF Site, BFI, Casco Plant, Green Valley Recycling, Try Recycling and soon-to-be Harvest Power. One could almost liken this industrial area to an Eco-Park.

The odour being emitted by the Orgaworld plant is the “rest odour” from its bio filters. This woody-peaty odour is not considered offensive by most as evidenced by a door-to-door survey carried out in the local neighbourhood earlier this summer. As part of our odour abatement system, biological organisms are constantly at work breaking down malodours – most of the work is done on a bed of warm, moist, wood media. This media emits what is known in the industry as a “rest odour”. Other types of biofilters used for odour abatement systems in other composting facilities as well as in other industries also emit a “rest odour”.

It is important to note that we have always passed the 1-odour unit tests undertaken on behalf of the Ministry of the Environment. The following table summarizes the dates and test levels:

Date	Test Level
December 2007	0.91
June 2009	1.00
March 2011	0.48
August 2011	0.52
June 2012	0.59

1 odour unit is defined as **detectable odour by 50% of the population**. The above numbers are also based on a **10 minute average**.

These test results have been shared with the PLC members. The PLC members are the main members of the Shaver-Brockley Coalition so it is surprising if they claim that the site is exceeding the allowable 1-odour unit guidelines. The MOE has approved these tests and validated the test results.

Odour is a very subjective measure. What is offensive to one person is not offensive to others. We should collectively put our past positions behind us and work cooperatively at resolving the issues.

“What smells offensive is a matter of personal opinion. That along with unfulfilled expectations is what is lingering in the air”.

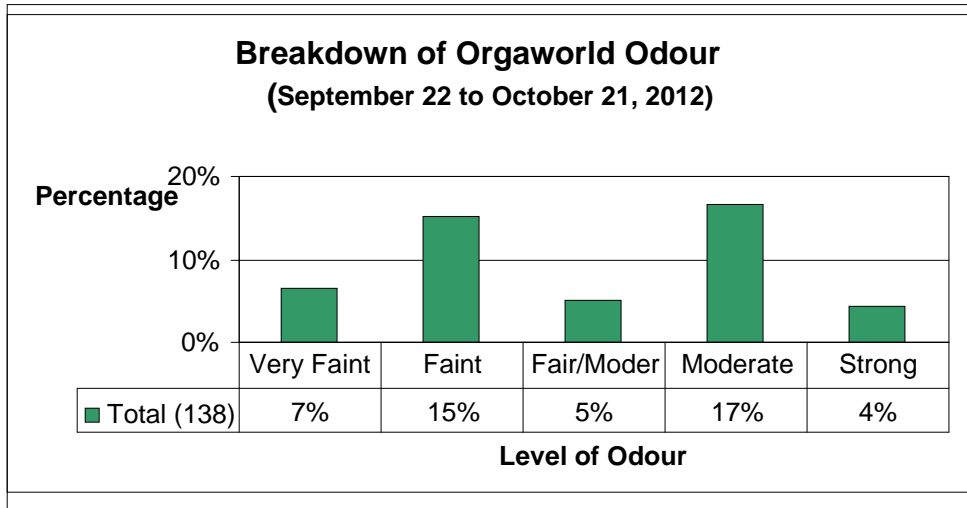
Daryl Newcombe CTV Reporter during the August 29, 2012, 6:00 pm news

“Frankly, I don’t find it — both inside and outside the plant — as overpoweringly awful as I’d expected. This is, after all, a place that processes garbage. And there’s no two ways about it — garbage smells.”

Ian Gillespie, The London Free Press October 11, 2012

In order to have a much more objective determination of odours, Orgaworld has contracted the Commissionaires to perform an analysis of odours. The Commissionaires have also been retained by the City of London to conduct odour monitoring for the City Landfill site. A total of 10 receptor points surrounding the plant are being monitored by the Commissionaires on a regular basis. During the period of September 22 to October 21, 2012, the Commissionaires detected 138 instances of odours. Of these, Orgaworld was detected in just 48% of the cases, and the odour was defined as being strong

in just 4% of these cases. It should be noted that these are typically fleeting odours that do not linger and never last continuously for 10 minutes or longer.



Health Concerns

A handful of residents claim concern that the stack exhaust emissions are a health hazard. Again, the company has listened to these concerns and has carried out costly testing not once but twice, to reassure residents that the emissions from the stack are innocuous. The results were reviewed by the Manager of the local Health Unit and he informed PLC members that stack emissions should not give rise to health concerns.

Independent consultants have also informed the residents during public meetings that stack emissions are innocuous.

“Given that the measured background concentrations and stack concentrations results are not significantly different from each other. In addition, keeping in mind the dilution of the stack air that would occur as it disperses, and all the uncertainties for source testing and analysis. Based on all this information we conclude that the stack is not adding significantly to the bioaerosol loading in the area.”

Iqbal Kalsi MBA, CPHI(C), CCEP

Number of Complaints

While there may have been 2000 odour complaints, these should be distinguished from valid odour complaints, and on top of that, an odour that is more than simply detection.

An analysis of complaints has resulted in the following findings:

- a. Following the abatement system retrofit in October 2010 and up to the end of July 2012, 71% of the complaints that Orgaworld has received are coming from the same six households.
- b. One of the above six households called in multiple odour complaints when the plant was not even in operation.
- c. We have received complaints when the wind was consistently blowing in the opposite direction.

- d. City representatives have informed PLC members at a meeting that some odours being attributed to Orgaworld were in fact due to the City Landfill.
- e. We have received complaints from individuals as far away as 20 km. (demonstrating that some complaints are made about odours not discharged by Orgaworld)
- f. People have claimed they have been smelling the Orgaworld plant for the past 27 years (please note we have only been in operation for 5 years).
- g. A resident recently rated an odour as being a “10” on a scale of 1 to 10, while a Ministry official classified it as being a “2” and a light intermittent odour.

An analysis of odour complaints reveals that there was a large increase this summer. With all other variables remaining the same, it would appear that this spike was the result of an organized campaign to increase complaints. It should also be noted that this volume of complaints reflects complaints, not occurrences.

“We live in an industrial, throw-away society, and seem averse to taking responsibility for the consequences of our lifestyle. By far, the best individual solution is home composting. Of course this limits you to vegetable scraps and the like (can't throw out meat or diapers). Still, facilities such as this are necessary so we don't fill up our landfills unnecessarily. I'm glad to see Orgaworld working on odour abatement plans, and continuing a program of continual improvements towards that goal. I hope they, and the community finally find themselves in a more harmonious relationship.”
Reader comments on the October 11, 2012 LFP story

Improvements to the Site

The voluntary shutdown in the summer of 2010 is evidence of Orgaworld’s co-operation with the MOE and our response to the concerns of residents.

As stated in our August 22, 2012 letter to neighbours and local businesses, we thanked the community for their continued patience as we carried on with refinements and improvements to the odour abatement system. We are confident that the refinements we have made at the plant this summer have improved the odour situation. This would appear to have been confirmed by officials and neighbours that we have spoken with.

A multi-pronged approach was taken this summer to understand the cause or causes of the odour challenges. This took time since the abatement system itself needed to be reviewed and assessed against original design parameters.

Independent consultants from the US, Canada and the Netherlands, as well as internal resources were requested to support facility operations.

Proposals from external companies through City Council advice offering alternative methods of odour removal were also welcomed and are being reviewed.

Action completed, or almost completed so far this summer/fall include:

- Increased flushing and refreshment of the bioscrubber is helping to maintain acceptable odour loads.

- Computer reprogramming of the filter fans coupled with modifications to some of the instrumentation are in progress to reduce fluctuations.
- Leaking louvers have been completely sealed.
- Meetings have taken place with proponents offering to deliver alternative ways of treating odour.
- A more detailed report on the findings is being prepared and will be shared with stakeholders.
- Meeting with City Officials to discuss findings and action plan.
- Update to PLC members in November.
- Biofilter 5 fan reprogrammed.
- Differential pressure sensors adjusted.
- Bioscrubber flushing.
- Proposed scrubber re-design to be communicated

Zoning

The site was approved by both the City of London and the MOE. As recently as the July PLC meeting, a City official confirmed that the plant complies with all zoning requirements.

As for the statement, "morphed into heavy industry" the site has always received the same material. The Certificate of Approval that Orgaworld has from the MOE is very clear as to what we can, and cannot accept. This has not changed from day one. It has not morphed into anything. What the site was before Orgaworld took over is irrelevant. The City, MOE and residents were well aware of what we would be processing and that has never changed.

The only "morphing" we have done, was to construct an indoor compost curing and storage hall, constructed additional composting tunnels (that were approved with the original building permit and PLC members were aware of), and increased the height of our emissions stack from 40 to 60 meters as part of our improvements to the odour abatement system.

Property Values

There have been a number of statements made in public about property values around the site having been impacted by 50% or more.

Our analysis shows otherwise. Overall, according to Municipal Property Assessment Corp. (MPAC) the average home value increases during the period January 1, 2008 to January 1, 2012 in the London area (including Middlesex, Oxford, Elgin) has been 7%. This is in comparison to an Ontario average of 17%.

Ottawa: 24%
Toronto: 23%
Windsor-Essex: No change
Simcoe-Barrie: 6%
Kingston: 18%
Kitchener-Waterloo: 15%
Thunder Bay: 26%

An analysis of the Brockley and Shaver areas by Paul J Smith MRICS, AACI of PJ Smith & Associates Limited concluded that "Any claim of injurious affection to the houses in the study area is not supported by market data."

There has been concern expressed by some residents in the area that

drawing unnecessary negative attention towards Orgaworld could have the effect of reducing house prices as a self-fulfilling prophecy. This sentiment has actually been shared by individuals involved with properties near wind turbines.

“What I worry about is that with the property values it is almost initiated by the wind opponents coming in with signs and attention on possible negative effects of wind turbines. It is almost a created problem.”

Jutta Spletstoesser, president of Friends of Wind Ontario.

MOE Charges

30 charges have not been laid against Orgaworld for odour discharges. First, 30 charges implies 30 different prosecutions. In fact, MOE has only initiated two prosecutions against Orgaworld from the start of its operations until now. The first prosecution involved events of 2008 associated with outdoor storage of compost. By January, 2009, Orgaworld had completed its indoor compost storage facility, and compost has not been stored outside since November, 2008. Now, in the second prosecution, which is divided up into various paragraphs for legal reasons, Orgaworld is charged with 16 charges, only 8 of which relate to odour. The same prosecution charges one of Orgaworld's directors with the same 8 odour charges. The 8 odour charges against Orgaworld, in fact, consist of a duplication of 4 charges for odours. None of the odour charges have detail or specification. Each of the 4 charges relates to odour emitted in one month (without other detail) for each of the months of April, May, June and July, 2010. The remaining 4 odour charges against Orgaworld are duplications of the first 4 odour charges, for exactly the same months, just using a different language for legal reasons. In reality, Orgaworld has only been prosecuted once for odour that the MOE says was emitted between April and July, 2010, prior to the \$5 million retrofit in 2010. It is quite misleading to characterize these current odour charges in a fashion which suggests that there is a long history of multiple odour charges. That is simply not accurate. There is one prosecution for odour that Orgaworld emitted between April and July, 2010, prior to the retrofit.

Quality of Compost

Orgaworld's compost is sold out. In fact Orgaworld is the only company in Ontario being so successful in selling its compost. Other companies and municipalities are asking Orgaworld to help them to sell their compost products.

In selling its compost, Orgaworld is also educating and helping farmers to understand the reasons why using compost is beneficial to their crops.

Farmers are of considerable importance to the local area and community. It is in their interest and the interest of the community in general to do everything possible to improve soil health.

Over the past decades, farmers have been using a lot of chemical fertilizers. This has significantly deteriorated soil conditions.

When farmers started to use Orgaworld's compost they experienced significant yield growth and improvement in soil conditions.

On August 30, 2012, during a local radio talk show a representative of the coalition named a local farmer and stated that the farmer did not like our compost and would never use it again. During the show we contacted the farmer in question. He was very upset that his farm's name was raised as being opposed to Orgaworld compost. The farmer used Orgaworld compost as part of a three year program; the program showed that it improved his yields and he will be taking more.

There have also been numerous articles in farm magazines and on television praising the quality and effectiveness of our compost.

Nuisance By-Law

It has to be recognized that odour is very subjective; what is acceptable to one individual is not acceptable to another. Unfortunately there is no such thing as a "smellometer" that can easily measure odour as you can detect noise with a decibel meter. Enacting such a by-law would be extremely expensive to London taxpayers and would duplicate the responsibilities of the Ministry of the Environment.

The adoption of an Odour By-Law will send a negative message to any business looking to locate or expand in the London area. In fact, it could be argued that a negative message has already been sent, with the City of London considering such a by-law.

If a small group of citizens are allowed to shut down a large facility such as Orgaworld, which large London area employer is next? London is a major home to the food industry. How long until there is pressure to shut down Labatt's, Kellogg's, Casco or nameless others?

"If anyone should have an issue with disgusting odors it should be the people of south and central London thanks to the Labbatt's Brewery! SHUT IT DOWN!"

Krosilius, 2 months ago in response to August 29, 2012 6:00 pm CTV news story

Orgaworld strongly disagrees that there has been a "flagrant violation" of the EPA and Municipal Act. Detecting and categorizing odour as objectionable is a highly subjective exercise. It is very difficult to create by-laws setting reasonable and objective standards for regulating odour, which must apply equally to all businesses and residents of London.

Any odour by-law would be very controversial as it was drafted and, if passed, would have to be equally enforced against all businesses and residents in London.

Why would the City undertake the process of drafting and passing a controversial odour by-law when the MOE already actively regulates Orgaworld?

Orgaworld completely disagrees that there is a legitimate comparison between Orgaworld and Halton Recycling in Newmarket. Newmarket pursued a very complex and expensive injunction proceeding, in the courts, against Halton Recycling, in very different circumstances. The MOE is already actively engaged with Orgaworld; it is not ignoring Orgaworld. Orgaworld cooperates with the MOE and actively liaises with the community.

It cannot be forgotten that Orgaworld's composting facility is a meaningful contributor to the Province's waste diversion targets, which must, by law, be met by municipalities.

Orgaworld is an environmental industry and has committed huge resources to meet technology challenges in this developing industry and sincerely wants to satisfy the reasonable concerns of its neighbours. Orgaworld will continue to do so.

In Conclusion

Orgaworld is committed to the success of the Province's waste diversion programs as well as to the community. Orgaworld will continue to improve the site in order to establish the best possible situation for all of its stakeholders. We should collectively put our past positions behind us and work cooperatively at resolving the issue of acceptable odour.

Implementation of an odour by-law will be costly, fraught with the potential of being constantly challenged and damaging to the local economy.