

Neptune Terminals is helping support strong, vibrant, sustainable communities. Our philosophy is one of continuous improvement to manage and reduce any impact on the environment. We are committed to keeping residents and the community aware of our plans and sharing the most current activities with you.

AIR PERMIT AMENDMENT

In 2013, Port Metro Vancouver granted Neptune Terminals a permit to make improvements to our steelmaking coal handling system. Part of this project includes building an additional enclosed railcar dumper for the unloading of railcars.

Railcars enter an enclosed building where they are turned upside down. The steelmaking coal flows onto conveyors and is taken to the stockpile or directly onto ships. The new building includes the addition of a dust collection wet scrubber. During the unloading process it acts as a huge vacuum and collects any dust from the air within the building and prevents it from leaving the terminal.

In our region, Metro Vancouver monitors air quality and issues permits for air emissions. Neptune Terminals has an existing air permit, which regulates all air emissions from the



The wet scrubber (above) acts as a huge vacuum for the building and helps ensure dust does not escape and leave the terminal site

terminal's operations. Neptune has recently submitted an application to Metro Vancouver for an amendment to our existing air quality permit. This is required because the new railcar dumper and scrubber equipment must be added to our existing permit.

There will be no change to the air quality that we enjoy in North Vancouver today. Even with the planned upgrades, Neptune will continue to be fully compliant with our existing Metro Vancouver air emissions permit.

HEARING FROM YOU

Neptune will be hosting a public information meeting to answer your questions:

Wednesday, July 8, 2015
4:00pm to 7:00pm
Park & Tilford Gardens – Rose Room
333 Brooksbank Ave, North Vancouver

Comments and questions can also be sent directly to Metro Vancouver:

P: 604-432-6200 F: 604-436-6707
E: neptuneterminalscomments@metrovancover.org
Web: www.metrovancover.org/services/Permits-regulations-enforcement/permitting-notices/air-quality-notification

WHAT'S GOING TO CHANGE?

	When project is complete
Size of the terminal	No change
Coal capacity	12.5 to 18.5 MMT
Coal storage	10% smaller
Number of Ships	Up to one more per week
Number of Trains	Up to one more per day

MAINTAINING AIR QUALITY

Protecting our local environment matters to all of us. Neptune continually strives to operate to the highest standards of environmental excellence.

In anticipation of applying for the air permit amendment, Neptune engaged independent experts to undertake an in-depth scientific study of the potential impact on air quality in the surrounding community. These experts conducted an "Air Dispersion

Modelling Study" to predict future air emissions from the project.

The report examined current and future operating scenarios and concluded that although there will be an increase in coal capacity, there will be no change to the air quality we enjoy today. In fact, with the new equipment and dust mitigation measures being implemented on the terminal, local air quality could improve in the future.

There will be no change to the excellent air quality we enjoy in North Vancouver

The bottom line for our neighbours is they will not see a noticeable change in air quality as a result of the improvement project.

The full report is available on Neptune's website at: neptuneterminals.com

REDUCING DIESEL EMISSIONS

Neptune expects to see a reduction in diesel emissions from our operations once the steelmaking coal project is complete.

Trains arriving at Neptune are more efficient than they were even a few years ago. They carry more cargo using the same amount of fuel, which means Neptune's capacity increases without increasing diesel emissions. With a second dumper, trains will be unloaded in approximately half the

time. This means trains will idle for less time and diesel emissions from our operations will be further reduced.

In addition, Neptune has taken several steps in the past few years to reduce our emissions, including installing an electric indexer to move coal railcars on the terminal and purchasing ultra-low emission enviro-locomotives, which essentially act the same way as a hybrid car, to move other products.



Ultra-low emission enviro-locomotives

MAINTAINING COMMUNITY HEALTH

Neptune has been safely handling and shipping steelmaking coal in North Vancouver for over 45 years. However, we recognize that people want to understand the potential impacts of handling coal on their health.

Prior to submitting our application, Neptune engaged the services of independent health science experts to undertake a screening level human health risk assessment to look at the terminal's current and future operations and identify any potential health

impacts on the local community.

These experts were asked to study the project's potential impacts on air quality and risks to human health. The assessment found the project will not increase risks to our community's health. In fact, with the measures Neptune has taken in the past number of years to improve environmental performance and control emissions, potential risks may actually decrease moving forward.

Neptune also met with Vancouver Coastal Health officials to review the project and the findings of the studies.

The study is available at: neptuneterminals.com

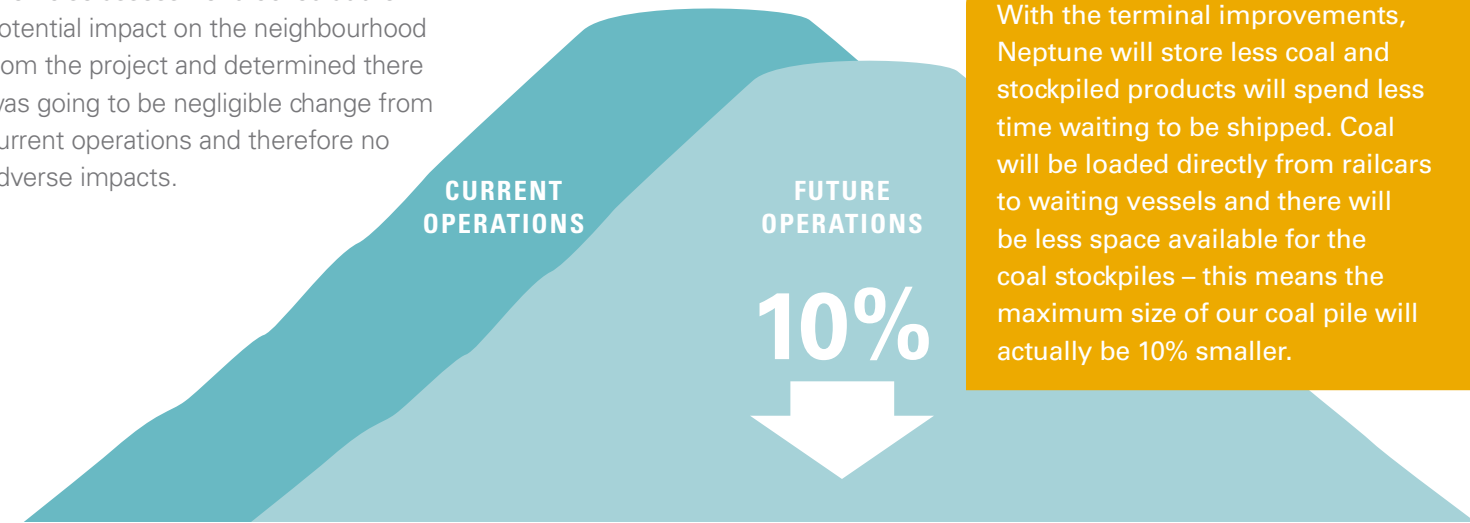
The Human Health Risk Assessment concluded the project will not increase risks to community health

ADDRESSING COMMUNITY ISSUES

In addition to the air quality and human health impact assessment, Neptune has completed a study on noise and submitted the report to Metro Vancouver as part of the application. The noise assessment looked at the potential impact on the neighbourhood from the project and determined there was going to be negligible change from current operations and therefore no adverse impacts.

Neptune has also engaged experts to evaluate the potential effects to the community from traffic and light. These studies indicate emissions from vehicle traffic will be reduced when the low

level road overpass is complete and lighting systems at the terminal are well designed and the effect is minimal on residential streets.



With the terminal improvements, Neptune will store less coal and stockpiled products will spend less time waiting to be shipped. Coal will be loaded directly from railcars to waiting vessels and there will be less space available for the coal stockpiles – this means the maximum size of our coal pile will actually be 10% smaller.

NEPTUNE IMPROVEMENTS TO STEELMAKING COAL HANDLING EQUIPMENT

RECEIVED PORT METRO VANCOUVER PERMIT

DATA COLLECTION

- Air dispersion modeling study
- Human health risk assessment
- Light
- Traffic
- Noise

PERMIT PREPARATION

- Detailed engineering
- Application preparation
- Meetings with Metro Vancouver
- Meetings with Health Authority

PUBLIC CONSULTATION

REGULATORY REVIEW

PERMIT DECISION

NEPTUNE COMMUNITY ENGAGEMENT

- Community open house, newsletters, construction updates, coffee talks, community tours

FREQUENTLY ASKED COMMUNITY QUESTIONS

Since Neptune began working on our steelmaking coal handling improvement project, we have received questions about how the project could impact our neighbours.

1. Why are you submitting an application to amend your air emissions permit?

We are adding a second railcar dumper building at the terminal. New emission control equipment needs to be added to our permit.

2. How will local air quality be effected by this project?

There will be no impact on local air quality as a result of this project. Neptune hired independent scientific experts to undertake a detailed air dispersion modelling study to evaluate the potential impacts of the terminal's

operations and the study found air quality will remain the same.

3. What is Neptune doing to protect the environment today?

In recent years Neptune has made significant investments to reduce emissions from our operations. For example, coal railcars are moved on the terminal using an indexer powered by electricity and our ultra low-emission enviro locomotives are state of the art engines that act like hybrid vehicles. All water used on site is collected and treated before it leaves the terminal.

4. Will construction cause more road closures?

No. The improvements are all being made on the terminal site and will not cause traffic issues. We will continue to inform community members about

project progress and ensure any construction activities comply with noise by-laws.

5. Where can I learn more about the project?

You can visit our website. The application, the air dispersion modelling study, a human health risk assessment, noise impact assessment and other supporting information is available for people to read.

6. Will emissions increase?

While our total authorized emissions from point sources will increase from 121 to 138 tonnes per year, we expect overall emissions will be reduced through technology and operational improvements such as a smaller coal storage pile.

TRANSPORTING STEELMAKING COAL TO NEPTUNE

Mined in eastern British Columbia and Alberta, the steelmaking coal Neptune handles is sprayed twice with a soluble non-toxic coating to form a crust on the top of the coal in railcars. Empty railcars are also sprayed at the terminal

to ensure any leftover coal stays in the cars on the return to the mine.

There is no impact to road traffic or emergency vehicle access to our community because trains arriving at Neptune Terminals come directly

onto the terminal's looped track, after crossing the Second Narrows Rail Bridge, and do not make any level crossings with local traffic. This also means no train whistles or shunting from railcars on our terminal.



It takes a train four days to transport coal to Neptune Terminals and return to the mine site.

Provide your comments and feedback directly to Metro Vancouver

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Neptune
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neptuneterminals.com