

Licence No.: 2421

Licence Issued: October 8, 1999

**IN ACCORDANCE WITH THE MANITOBA ENVIRONMENT ACT (C.C.S.M. c. E125)
THIS LICENCE IS ISSUED PURSUANT TO SECTION 10(1) TO:**

PIONEER GRAIN COMPANY LIMITED - R.M. OF DAUPHIN; "the Licencee"

for the construction and operation of the Development being a crop protection products warehouse, a bulk granular/liquid fertilizer blending/storage, a retail seed storage, and distribution facilities to be located on the NE¼ 8-25-19 WPM in the Rural Municipality of Dauphin, and in accordance with the Proposal filed under The Environment Act on July 16, 1999, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means any facility accredited by the Standard Council of Canada (SCC); or facilities accredited by another accrediting agency recognized by Manitoba Environment to be equivalent to the SCC; or any facility able to demonstrate to Manitoba Environment, upon request, that it has the quality assurance/quality control (QA/QC) procedures in place equivalent to accreditation based on the Canadian Standard Can/CSA-Z753, extension of the international standard ISO 9000, Guide 25;

"affected area" means a geographical area excluding the property of the Development;

"ambient concentration" means the measurement of a substance contained in an air sample (corrected to a temperature of 25° C and to a pressure of 101.3 kilopascals) which has been collected from any point beyond the property line of the Development;

"chemical" includes, but is not limited to petroleum products, fertilizers and pesticides;

"Director" means an employee so designated pursuant to The Environment Act;

"noise nuisance" means an unwanted sound, in an affected area, which is annoying, troublesome, or disagreeable to a person:

- a. residing in an affected area;
- b. working in an affected area; or
- c. present at a location in an affected area which is normally open to the members of the public;

if the unwanted sound

- d. is the subject of at least 5 written complaints, received by the Director in a form satisfactory to the Director, and within a 90 day period, from 5 different persons falling within clauses a), b), or c), who do not live in the same household;

"opacity" means the degree to which emissions reduce the transmission of light and obscure the view of an object in the background;

"particulate matter" means any finely divided liquid or solid matter other than water droplets;

"particulate residue" means that part or portion of an atmospheric emission which is deposited onto a surface;

"pesticide storage structure(s)" means any building(s) where agricultural crop protection products are stored for either commercial or retail purposes;

"point source" means any point of emission from a Development where pollutants are ducted into the atmosphere; and

"sewage" means human body, toilet, liquid, waterborne culinary, sink or laundry waste.

GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. The Licencee shall comply with the current edition of the Crop Protection Institute of Canada's warehousing standards regarding the handling and storage of crop protection chemicals, and with all applicable federal and provincial regulations.
2. The Licencee shall install and maintain, for all pesticide storage structure(s), an automatic system(s) for fire detection and security.
3. The Licencee shall, at all times during the operation of the Development, ensure that a high standard of equipment maintenance and operational practices are implemented.
4. The Licencee shall reduce the production and dissemination of wastes by initiating and maintaining waste reduction and waste recycling programs.
5. The Licencee shall not emit particulate matter from the Development such that:
 - a. particulate matter:
 - i. exceeds 0.23 grams per dry standard cubic metre calculated at 25 degrees Celsius and 760 millimetres of mercury, corrected to 12 percent carbon dioxide for processes involving combustion from any point source of the Development;
 - ii. exhibits a visible plume with an opacity of greater than 5 percent at any point beyond the property line of the Development; or
 - iii. results in the deposition of visible particulate residue at any time beyond the property line of the Development; or
 - b. opacity from any point source of the Development equals or exceeds:
 - i. 20 percent as the average of any 24 consecutive opacity observations taken at 15 second intervals;
 - ii. 20 percent for more than 16 individual opacity observations within any 1 hour period; or
 - iii. 40 percent for any individual opacity observation.
6. The Licencee shall not cause or permit a noise nuisance to be created as a result of the operation of the Development, and shall take such steps as the Director may require to eliminate or mitigate a noise nuisance.
7. The Licencee shall at the request of the Director, conduct soil, air (stack and/or ambient), ground water, surface water or noise monitoring at or adjacent to the Development.
8. The Licencee shall, unless otherwise specified in this Licence, ensure that all analytical determinations are undertaken by an accredited laboratory for any of the following analytes as may be specified by the Director:
 - a. NO_3 - NO_2 - N (Diss.);
 - b. Kjeldhal, Total - N;

- c. P - Total;
 - d. Pesticides; and
 - e. Particulate Matter (in air).
9. The Licencee shall submit a copy of the sampling report complete with analytical results as specified pursuant to Clauses 7 and 8 of this Licence, to the Director within 60 days of the completion of the sampling program.
 10. The Licencee shall establish and maintain a minimum of two monitoring wells around areas where chemical products are stored, loaded, blended, transferred or otherwise handled such that the ground water may be sampled. The location and the construction specifications of these wells is to be approved by the Director.
 11. The Licencee shall install the monitoring wells referred to in Clause 10 of this Licence, and submit to the Director a copy of the well logs at least thirty (30) days prior to plant start-up.
 12. The Licencee shall sample each well referred to in Clause 10 of this Licence:
 - a. within 30 days after the installation; and
 - b. once each year between April 15 and October 15.
 13. The Licencee shall have each collected sample analyzed by an accredited laboratory using methods approved by the Director for the following parameters:
 - a. pesticides/fertilizers which have been stored on the development; and
 - b. any other products that may be specified by the Director.
 14. The Licencee shall submit copies of the analytical results completed in Clause 13 of this Licence, to the Director within 60 days of the samples having been submitted for analysis.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

I - LIQUID EMISSIONS

15. The Licencee shall not direct any spillage, contaminated run-off or pollutant, other than sewage, to an approved sewage disposal system.
16. The Licencee shall contain and clean up immediately any chemical spills in order to prevent soil, surface water or ground water contamination.
17. The Licencee shall ensure that the site retention area is protected with a minimum 45 cm of compacted clay material or other materials approved by the Director.
18. The Licencee shall ensure that the Development is adequately diked and that mechanical control culverts are installed at the low end of the diked area and those control culverts remain in the closed position. The Regional Office of Manitoba Environment in Dauphin shall be contacted for prior approval to open the control culverts to permit land drainage.
19. The Licencee shall ensure that the surface of the site retention area is inspected semiannually for desiccation cracks, and that the site retention area's continuity is maintained.

II - REMEDIAL ACTION

20. The Licencee, subject to obtaining approval from an Environment Officer, shall immediately dispose of any contaminated material in accordance with the approval.

III - EMERGENCY CONTINGENCY PLAN

21. The Licencee shall submit, within ninety (90) days of the issuance of this Licence, an emergency response contingency plan to be approved by the Director. This plan shall include, but not be limited to, items which will address: measures implemented for spill prevention and containment; security; personnel training; fire and other response arrangements.

IV - FERTILIZER PRODUCTS

22. The Licencee shall surface all areas of the Development where fertilizer is stored, loaded, blended, transferred or otherwise handled, in a manner and using materials approved by the Director.
23. The Licencee shall grade, dike or curb all areas where fertilizer is stored, loaded, blended, transferred or otherwise handled in a manner and using materials approved by the Director, such that all product spillage and contaminated run-off water from these areas is contained within the Development.
24. The Licencee shall provide containment within any diked or curbed liquid fertilizer storage area for a volume of liquid equal to 110% of the volume of the largest storage tank located therein.
25. The Licencee shall maintain the containment area volume capacity in Clause 24 of this Licence by the immediate removal and disposal, in a manner approved by the Director, of all accumulated fluids.

V - PESTICIDES

26. The Licencee shall construct and maintain the concrete floors and curbs of all pesticide storage structure(s) so as to prevent spilled liquids from leaking into the soil.
27. The Licencee shall create and maintain a current duplicate inventory of all pesticides stored at the Development, with one copy stored at the premises of the Development, and the other copy stored at a location off-site from the Development.
28. The Licencee shall store only pesticides registered under the Pest Control Products Act of Canada at the Development.
29. The Licencee shall contain on the Development:
 - a. any on-site pesticide spill;
 - b. waste water generated from any response action due to an on-site release of pesticides; and
 - c. contaminated water resulting from the extinguishing of any fire involving pesticides.
30. The Licencee shall locate the pesticide storage structure(s) a minimum distance of:
 - a. 100 metres from any property zoned residential; and
 - b. 100 metres from single residences

unless a written consent form is obtained from the owner(s).

VI - SITE DECOMMISSIONING

31. The Licencee shall submit within one (1) year prior to closure of the facility, for the approval of the Director, a formal detailed Decommissioning Plan for the facility.
32. The Licencee shall implement, on closure of the facility, the approved Decommissioning Plan.

REVIEW AND REVOCATION

- A. If, in the opinion of the Director, the Licencee has exceeded or is exceeding or has or is failing to meet the specifications, limits, terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.
- B. If construction of the development is not commenced within three years of the date of this Licence, the Licence is revoked.
- C. If, in the opinion of the Director, new evidence warrants a change in the specifications, limits, terms, or conditions of this Licence, the Director may require the filing of a new proposal pursuant to Section 10 of The Environment Act.

"original signed by"

Larry Strachan, P. Eng.
Director
Environment Act

Client File No.: 4460.00