



HEIDELBERGCEMENT Group

Lehigh Cement

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May 30, 2016

Tracey Braun, Director
Environmental Approvals Branch
Manitoba Conservation and Water Stewardship
Suite 160, 123 Main Street
Winnipeg, Manitoba R3C 1A5

Dear Tracey Braun,

Subject: Notice of Alteration – Licence No. 745 – 1191 Kenaston Blvd.

On March 22, 2016 Manitoba Sustainable Development conducted an inspection of Lehigh Cement's terminal in Winnipeg, Manitoba. The terminal is located at 1191 Kenaston Blvd. The outcome of the inspection was a discrepancy between details in the licence and actual activities currently completed at the site. Licence 745 was issued in September, 1977 and was structured around the operation of a cement manufacturing plant (kiln and grinding mills). The kiln and grinding mills no longer exists at that site. Lehigh Cement (Lehigh) discontinued cement manufacturing operations at that facility in 1992. The kiln and grinding mills were later decommissioned and sold. Since 1992 the site has still remained active, being used as a cement distribution terminal for Lehigh.

Through this Notice of Alteration (NoA), Lehigh is requesting that Licence Number 745, be amended to reflect the current activities taking place at the site. This Notice will follow the details provided for in the Information Bulletin on Section 14(1) of *The Environment Act*.

Discontinuing the operation of the kiln and grinding mills on-site has resulted in significant reductions to Lehigh's emissions on-site. Although the magnitude of these changes is significant, they result in substantial reductions to the overall pollutant loading to the local airshed. As this NoA is to update the licence to changes made to the facility in 1992 and as these changes resulted in significant reductions to emissions associated with this licence, Lehigh is recommending this NoA be not considered a 'Major Alteration' under *The Environment Act*. Lehigh is recommending amending Licence 745 to reflect the current activities taking place at the site and still maintain both Lehigh's and the Province's commitment to environmental sustainability.

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Please contact the undersigned with any questions or concerns you may have with the details included in this Notice of Alteration.

Yours truly,

A handwritten signature in black ink, appearing to read "Brent Korobanik". The signature is written in a cursive, somewhat stylized font.

Brent Korobanik
Environmental Manager

cc: Scott Wozny

Background:

The site was originally developed for cement manufacturing in 1965 from a *greenfield* condition by Sogemines Limited. The site was purchased by Genstar in 1972; Lehigh Cement purchased the site in 1986 and continued to operate it as a cement plant and terminal until 1992.

A portion of the former clay quarry (on-site) was given to the City of Winnipeg in 1992 to be developed as a nature reserve and storm water retention pond. This parcel is located on the northwest portion of Lehigh's original property (see Figure 1). In 2000, the southwest area of the old Lehigh property was transferred ownership to the Province (see Figure 2)

The cement manufacturing operations was discontinued in 1992 with production centralized out of Edmonton. Lehigh converted the Winnipeg site from a production facility to a distribution terminal and began to investigate options for land use and ownership for the Kenaston site. The cement manufacturing equipment that was sold (and removed from the property by a third party) includes the kiln, cement grinding mills and other associated equipment. This equipment was sold and removed from site by 1996.

The land that houses the cement kiln and mills was sold to Tuxedo Business Park Inc. In 2001, this land ownership was transferred to 4326172 Manitoba Ltd., where ownership currently resides.

Lehigh contracted Dillon Consulting to complete several environmental studies on the property to determine potential liabilities and risks associated with the Kenaston site as a result of the cement manufacturing activities. The following list chronologically identifies these studies along with their basic purpose.

<i>Date</i>	<i>Report Title</i>	<i>Basic Details</i>
November, 1995	Environmental Investigation 1191 Kenaston Boulevard, Winnipeg	Environmental Site Assessment with a focus on ground water impacts
May, 1997	Additional Investigation and Risk Assessment, 1191 Kenaston Boulevard, Winnipeg	Additional investigation on results from previous soil and groundwater results, risk assessment of filled pit areas and site management recommendations to address risks

November, 1998	1998 Ground Water Monitoring, 1191 Kenaston Boulevard, Winnipeg	Additional ground water assessment based upon recommendation of 1997 report
September, 1999	Surface Soil Sampling, 1191 Kenaston Boulevard, Winnipeg	Additional near-surface soil analysis of fill material in pit areas
January, 2000	Former Underground Storage Tank Bed Investigation, 1191 Kenaston Blvd., Winnipeg	Assessment of subsurface impacts from UST
May, 2000	Remedial Action Plan, 1191 Kenaston Blvd.	Plan outlined to address identified impacts to surficial soils on property (required by Manitoba Conservation)
October, 2000	Progress Report – Installation of Clay at Lehigh Cement, 1191 Kenaston Blvd.	Quality control monitoring of the imported clay cover as required in the RAP

The property ownership in 1995 is presented in Figure 1. Lehigh Cement currently owns the property and equipment identified in Figure 2 (Lehigh Hanson Materials, Ltd.), the owners of the adjacent properties are identified on Figure 2 as well.

Lehigh has completed an internal environmental assessment of the property in 2009. In 2009, the Winnipeg site was used a cement distribution terminal and Lehigh's property only includes the current parcel (Figure 2). The assessment was completed by URS Deutschland and included historical document searches, interviews with plant personnel and a site visit. The assessment did not result in any significant findings involving environmental risk at that time. Lehigh also commissioned a Phase I Environmental Site Assessment (ESA) of the BP Concrete Area (part of original plant site). The ESA did not raise any issues related to the site as a result of Lehigh's operations. The ESA did make recommendations to the current site owners regarding their activities which, to the best of Lehigh's understanding, were acted upon by the site owners after the ESA was released.

Current Operations:

Lehigh Cement's current operations at the terminal (site) include the offloading of bulk cement into on-site storage silos and loading of cement bulker trucks from the storage silos for distribution to customers Province-wide. Licence 745 is no longer completely applicable to the activities taking place as cement is no longer manufactured on site. However, the storage and distribution activities remain similar to previous with rail shipments being received via rail and cement products being loaded from the silos for shipment to customers.

Discontinuing the cement manufacturing operations in 1992 resulted in significant reductions to Lehigh's emissions to the surrounding airshed. Lehigh is cognisant of our role within the local airshed and manage our emissions diligently through standardized procedures and frequent inspections to minimize our impacts. Lehigh Cement is owned by Heidelberg Cement and operates all our facilities in a world-class manner. The Winnipeg terminal is no exception with Standard Operating Procedures (SOPs) in place for various activities that occur at the facility. Lehigh also has a comprehensive preventative maintenance (PM) schedule which includes consistent and frequent assessments of operational and mechanical equipment actively utilized at the Kenaston site.

The facility is in good communication with our immediate neighbors and responds to any concerns immediately; to our knowledge no complaints have been filed against the facility with Manitoba Conservation. Altering the licence to reflect these operational changes yet not discounting the commitment by both Lehigh and Province towards a high standard of maintenance and housekeeping should be upheld in any resulting decision/licence amendment.

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Current Site Ownership (2016)