

Licence No.: 2158

Licence Issued: February 9, 1996

In accordance with the Manitoba Environment Act (C.C.S.M. c. E125)

THIS LICENCE IS ISSUED TO:

CYPRESS AGRI-SERVICES INC. - CARBERRY; "the Licencee"

for the upgrading and operation of the Development being a bulk granular/liquid fertilizer storage, blending/storage, and distribution facilities located on land leased from Canadian National Railway under Lease # CNR10489 on the NE 1/4 of 30-10-14 WPM in the Town of Carberry, subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"**A-weighted sound level**" means the sound level measured in dBA units with a sound level meter set on the A-weighting network, being a filter designed to approximate the relative sensitivity of the normal human ear to different frequencies of sound;

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

"**appreciable impulsive or impact character**" means sound which has a significant amount of impulsive or impact nature, such as hammering, explosions and clanking or banging. Impulsive or impact sounds are sounds of short duration, usually less than one second, characterized by an abrupt onset followed by a rapid decay;

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

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

"**dB**" (decibel) means a dimensionless measure of sound level or sound pressure level, where,

sound level = $20 \log_{10}$ of {sound pressure (actual)}/{sound pressure (reference)};

"**4 minute period(s) in the aggregate**" means any 16 readings, not necessarily contiguous, taken at 15 second intervals within a 1 hour sampling period;

"**Leq (energy equivalent level)**" means the A-weighted sound level (as decibels {dBA}) of a constant or steady sound, for a stated period, which has an amount of acoustic energy equivalent to that contained in the sound being measured;

"**Leq(1)**" means the Leq for a one hour period;

"**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;

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

"predominant discrete tone" means sound (for example a whine or hum) having a one-third octave band sound level which, when measured in a one-third octave band, exceeds the arithmetic average of the sound levels of the two adjacent one-third octave bands on either side of such one-third octave band by:

- i. 5 dB for such one-third octave band with a center frequency from 500 Hertz to 20,000 Hertz, inclusive, provided such one-third octave band sound level exceeds the sound level of each adjacent one-third octave band;
- ii. 8 dB for such one-third octave band with a center frequency from 160 Hertz to 400 Hertz, inclusive, provided such one-third octave band sound level exceeds the sound level of each adjacent one-third octave band; or
- iii. 15 dB for such one-third octave band with a center frequency from 25 Hertz to 125 Hertz, inclusive, provided such one-third octave band sound level exceeds the sound level of each adjacent one-third octave band;

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

GENERAL SPECIFICATIONS

1. The Licencee shall comply with all applicable federal and provincial regulations.
2. The Licencee shall, at all times during the operation of the Development, ensure that a high standard of equipment maintenance and good housekeeping and operational practices are implemented.
3. The Licencee shall reduce the production and dissemination of wastes by initiating and maintaining waste reduction and waste recycling programs.

LIMITS, TERMS AND CONDITIONS

I - AIR EMISSIONS

4. The Licencee shall not emit particulate matter from the Development such that:
 - i. particulate matter:
 - a. 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;
 - b. exhibits a visible plume with an opacity of greater than 5 percent at any point beyond the property line of the Development; or
 - c. results in the deposition of visible particulate residue at any time beyond the property line of the Development; or
 - ii. opacity from any point source of the Development equals or exceeds:
 - a. 20 percent for a four minute period(s) in the aggregate in any one hour; or
 - b. 40 percent at any time.
5. The Licencee shall not emit sound from any part or process of the Development, such that any emission when measured at a point of reception within an area which is zoned as residential, exceeds the following {Leq(1)} limits:
 - i. subject to sub-Clause 5 (ii):
 - a. 60 dBA during the daytime hours of 7:00 a.m. to 10:00 p.m., local time; or
 - b. 50 dBA during the nighttime hours of 10:00 p.m. to 7:00 a.m., local time; or
 - ii. when the sound has an appreciable impulsive or impact character or a predominant discrete tone:
 - a. 55 dBA during the daytime hours of 7:00 a.m. to 10:00 p.m., local time; or
 - b. 45 dBA during the nighttime hours of 10:00 p.m. to 7:00 a.m., local time.

6. The Licencee shall not emit sound from any part or process of the Development, such that any emission when measured at a point of reception within an area which is zoned as commercial, exceeds the following {Leq(1)} limits:
 - i. 70 dBA during the daytime hours of 7:00 a.m. to 10:00 p.m., local time; or
 - ii. 60 dBA during the nighttime hours of 10:00 p.m. to 7:00 a.m., local time.
7. The Licencee shall ensure that there is no emission of sound from any part or process of the Development, such that when measured at a point of reception, beyond the property line of the Development and within an area which is zoned as industrial, exceeds an Leq(1) of 70 dBA at any time.

II - LIQUID EMISSIONS

8. The Licencee shall not direct any spillage, contaminated run-off or pollutant, other than sewage, to an approved sewage disposal system.
9. The Licencee shall contain and clean up immediately any chemical spills in order to prevent soil, surface water or ground water contamination.
10. The Licencee shall establish and maintain a minimum of two monitoring wells around the area 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 within ninety (90) days of the date of this Licence.
12. The Licencee shall sample each well referred to in Clause 10 of this Licence:
 - i. within 30 days after the installation;
 - ii. once each year between April 15 and June 15; and
 - iii. once each year between September 15 and October 15.
13. The Licencee shall have each collected sample analysed by a laboratory using methods approved by the Director for the following parameters:
 - i. pesticides; and
 - ii. 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 taking the samples.

III - REMEDIAL ACTION

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

IV - EMERGENCY CONTINGENCY PLAN

16. 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.

V - FERTILIZER PRODUCTS

17. 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.

18. 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.
19. The Licencee shall provide containment within any diked or curbed liquid fertilizer storage area for a volume of liquid equal to:
 - i. 110% of the volume of the largest storage tank located therein; plus
 - ii. the effective displacement volume of all other tanks and structures located therein.
20. The Licencee shall maintain the containment area volume capacity in the preceding clause by the immediate removal and disposal, in a manner approved by the Director, of all accumulated fluids.
21. The Licencee shall ensure that the containment area is protected with a minimum 45 cm of low permeability compacted clay material or other materials approved by the Director.
22. The Licencee shall ensure that the surface of the containment area is inspected semiannually for desiccation cracks, and that the containment area's continuity is maintained.

VI - SAMPLING AND ANALYSIS

23. The Licencee, at the request of the Director, shall conduct soil, air (stack and/or ambient), ground water, surface water or noise monitoring at or adjacent to the Development.
24. The Licencee shall have each soil, air or water sample collected pursuant to Clause 23 of this Licence, analyzed by a laboratory approved by the Director, using methods approved by the Director for any of the following analytes as may be specified by the Director:
 - i. NH₃ - N (Sol.);
 - ii. NO₃ -NO₂ - N (Diss.);
 - iii. Kjeldhal, Total - N;
 - iv. P - Total; and
 - v. Particulate Matter (in air).
25. The Licencee shall submit a copy of the sampling report complete with analytical results as specified pursuant to Clauses 23 and 24 of this Licence, to the Director within 60 days of the completion of the sampling program.

VII - SITE DECOMMISSIONING

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

REVOCATION

If in the opinion of the Director the Licencee has exceeded or is exceeding the limits, or has not or is not complying with the specifications, terms or conditions set out herein, the Director may revoke, temporarily or permanently, this Licence.

"original signed by"
Larry Strachan, P. Eng.
Director
Environment Act

Client File No.: 4099.00

