



**Conservation**

Environmental Stewardship Division  
Environmental Assessment and Licensing Branch  
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[www.gov.mb.ca/conservation/envapprovals](http://www.gov.mb.ca/conservation/envapprovals)

**FAXED**

**CLIENT FILE NO.: 5240.00**

July 27, 2009

Glen W. Agar  
Thompson Dorfman Sweatman LLP  
2200 – 201 Portage Avenue  
Winnipeg MB R3B 3L3

Dear Mr. Agar:

Our records have been updated to reflect the transfer of Shape Foods Inc. Environment Act Licence No. 2766 to 5842264 Manitoba Inc. Enclosed is Revised Environment Act **Licence No. 2766 R** dated July 27, 2009 re-issued in the name of **5842264 Manitoba Inc.**

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with.

For further information on the administration and application of the Licence, please feel free to contact Peter Crocker, Environment Officer at (204) 726-6565.

Yours truly,

Tracey Braun, M. Sc.  
Director  
Environment Act

Enc.

c: Don Labossiere, Director, Environmental Operations  
Peter Crocker, Environment Officer

**NOTE:** Confirmation of Receipt of this Licence No. 2766 R (*by the Licencee only*) is required by the Director of Environmental Assessment and Licensing. Please acknowledge receipt by signing in the space provided below and faxing a copy back to the Department by August 10, 2009.

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On behalf of 5842264 Manitoba Inc.

Date

**\*\*A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES\*\***

# LICENCE

Licence No. / Licence n° 2766 R

Issue Date / Date de délivrance April 24, 2007

Revised July 27, 2009

In accordance with The Environment Act (C.C.S.M. c. E125) /  
Conformément à la Loi sur l'environnement (C.P.L.M. c. E125)

Pursuant to Section 10(1) / Conformément au Paragraphe 10(1)

**THIS LICENCE IS ISSUED TO : / CETTE LICENCE EST DONNÉE À :**

**5842264 Manitoba Inc.; "the Licencee"**

for the construction and operation of the Development being an 80 tonne/day flax and a 40 tonne/day sunflower seed processing plant, located at Lot 1, Plan 39283 BLTO, SW 19-10-18 WPM in the City of Brandon, in accordance with the Proposal filed under The Environment Act on February 15, 2007 and subsequent information supplied in a letter on March 27, 2007, subject to the following specifications, limits, terms and conditions:

## **DEFINITIONS**

In this Licence,

**"accredited laboratory"** means facilities accredited by the Standard Council of Canada (SCC), or facilities accredited by another accrediting agency recognized by Manitoba Conservation to be equivalent to the SCC, or facilities which can demonstrate to Manitoba Conservation, upon request, that quality assurance/quality control (QA/QC) procedures are 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;

**"approved"** means approved by the Director in writing;

**"dangerous goods"** means any product, substance or organism designated in the regulations, or conforming with the criteria set out in the regulations, or in any regulation adopted in accordance with The Dangerous Goods Handling and Transportation Act, and includes hazardous wastes;

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

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

**"hazardous waste"** means any substance or group of substances so designated by the regulations, or conforming to criteria set out in the regulations;

**"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; or
- e) is the subject of at least one written complaint, received by the Director in a form satisfactory to the Director, from a person falling within clauses a), b), or c), and the Director is of the opinion that if the unwanted sound had occurred in a more densely populated area there would have been at least 5 written complaints received within a 90 day period from 5 different persons who do not live in the same household;

**"odour nuisance"** means a continuous or repeated odour, smell or aroma, in an affected area, which is offensive, obnoxious, troublesome, annoying, unpleasant, 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 odour, smell or aroma

- 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; or
- e) is the subject of at least one written complaint, received by the Director in a form satisfactory to the Director, from a person falling within clauses a), b), or c), and the Director is of the opinion that if odour, smell of aroma had occurred in a more densely populated area there would have been at least 5 written complaints received within a 90 day period from 5 different persons 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;

**"PM<sub>2.5</sub>"** means particulate matter with a mean aerodynamic diameter equal to or less than 2.5 microns;

**"PM<sub>10</sub>"** means particulate matter with a mean aerodynamic diameter equal to or less than 10 microns;

**"QA/QC"** means quality analysis/quality control;

**"total particulate matter (TPM)"** means the combined mass of filterable and condensable particulate matter;

**"wastewater"** means any liquid containing a pollutant as defined in The Environment Act, associated with or resulting from the Development which is discharged into the environment.

### 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 implement a high standard of equipment maintenance and good housekeeping and operational practices with respect to the Development, at all times.
2. The Licencee shall reduce the production and dissemination of wastes by initiating and maintaining waste reduction and waste recycling programs.
3. The Licencee shall, upon the request of the Director and in addition to any of the limits, terms or conditions specified in this Licence:
  - a) sample, monitor, analyze and/or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, treatment, handling, disposal or emission systems, for such pollutants or ambient quality, aquatic toxicity, leachate characteristics and discharge or emission rates, for such duration and at such frequencies as may be specified;

- b) determine the environmental impact associated with the release of any pollutants from the said Development; or
  - c) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, descriptions of sampling and analytical procedures being used, bioassay data, flow rate measurements and such other information as may from time to time be requested.
4. The Licencee shall, unless otherwise specified in this Licence:
  - a) carry out all preservations and analyses on liquid samples in accordance with the methods prescribed in the most current edition of Standard
  - b) Methods for the Examination of Water and Wastewater or in accordance with equivalent preservation and analytical methodologies approved by the Director;
  - c) carry out all sampling of, and preservation and analyses on, soil and air samples in accordance with methodologies approved by the Director;
  - d) ensure that all analytical determinations are undertaken by an accredited laboratory; and
  - e) report the results to the Director within 60 days of the samples being taken.
5. The Licencee shall provide to the Director, upon request, all information required under this Licence, in writing and in such form and content (including number of copies), as may be specified by the Director.
6. The Licencee shall not store flax seeds and/or sunflower seeds on the ground outside of the development and shall promptly clean up and dispose of any spilled flax or sunflower material in an appropriate manner.
7. The Licencee shall direct all wastewater generated at the Development to the City of Brandon wastewater collection system.
8. The Licencee shall, within 45 days of the issuance of this Licence, or other time frame approved by the Director, submit for the Director's approval a standard operating manual and a maintenance schedule for each air emission pollution control device or system at the Development based on the manufacturer's recommendations.
9. The Licencee shall not operate any process directing an emission to an air pollution control device or system at the Development unless the operating and maintenance measures and status of the device or system are in full compliance with the approved procedure and schedule.
10. The Licencee shall maintain a log book of the most recent 24 month period to record all events and maintenances for each air pollution control device or system. The log book shall be kept at the Development and shall be available upon request for inspection by an Environment Officer. The log book shall record, at minimum, the following information:

- a) Identification of the unit and the process(es) served;
- b) Time/date of log entry; and
- c) Nature of event/maintenance.

11. The Licencee shall handle, store and dispose of all pollutants collected by the air pollution control equipment in a manner suitable to their characterization as type of waste or dangerous good.
12. The Licencee shall, in case of physical or mechanical equipment breakdown or process upset where such breakdown or upset may result in the emission, release, or discharge of a pollutant, notify the Director:
  - a) As soon as possible but no later than within 12 hours of the occurrence; or
  - b) Before noon of the first business day following an occurrence on a weekend or statutory holiday.

Such notification shall be by facsimile or any other notification procedure approved by the Director, stating the nature of the occurrence, the time and estimated duration of the event and the reason for the occurrence.

13. The Licencee shall construct a stack or stacks, at the request of the Director and in such location(s) and to specifications as may be requested by the Director, for the sampling of emissions.
14. The Licencee shall submit, within 90 days of the Director's written request, a proposal for the approval of the Director for the characterization, sampling and analysis of emissions from any process at the Development.
15. The Licencee shall complete the sampling of emissions requested in Clause 14 of this Licence in accordance with the approved proposal, and within a time frame approved by the Director.
16. The Licencee shall submit to the Director, within 90 days of receipt of the analytical results of the sampling performed per Clause 14 of this Licence, a report that discusses the characterization, sampling and analysis project and the results of that project. This report shall address any potential health or environmental impacts of the Development that might be caused by the emissions sampled.
17. The Licencee shall, upon the request of the Director:
  - a) commence consultations with Manitoba Conservation, within 30 days of the request from the Director, respecting the undertaking of air dispersion modelling of all the air emissions being released by the Development, whereby:
    - i) the methodology shall utilize the U.S. EPA Screen 3 or AERMOD air dispersion model;

- ii) the pollutants to be modeled shall include TPM, PM<sub>10</sub>, PM<sub>2.5</sub>, and odour.
  - iii) meteorological data representative of the area shall be used;
  - iv) the assessment of concentrations shall focus on off-site receptors within 3 kilometres of the Development;
- b) complete the air dispersion modelling within a timeframe determined by the Director; and
- c) submit a report, that is satisfactory to the Director, within 90 days of the completion of the modelling exercise, outlining descriptions of:
- i) the air dispersion modelling methodology utilized;
  - ii) all the air emission sources (including odour);
  - iii) the receptors (i.e. a listing of residences and other potential receptors within a 3 km radius of the Development);
  - iv) the local meteorology;
  - v) any modelling assumptions made;
  - vi) assessed background air quality levels; and
  - vii) the modelling results versus the applicable air quality criteria;
- together with recommendations, and a proposed implementation schedule, for mitigating, or for further evaluating, those air pollutants determined to be in non-conformance with applicable air quality criteria.

### **LIMITS, TERMS AND CONDITIONS**

#### **Respecting Seed Processing Facility Input Material**

18. The Licencee shall only accept at the development flax and sunflower seeds that are cleaned to food grade quality 99.9% free of dirt, dust and other deleterious material.

#### **Respecting Air Emissions**

19. The Licencee shall not emit from the Development:
- a) particulate matter in any air emission that:
    - 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) particulate matter from any point source with an opacity that 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.
20. The Licencee shall not cause or permit a noise nuisance to be created as a result of the construction, operation, or alteration of the Development, and shall take such steps as the Director may require to eliminate or mitigate a noise nuisance.
21. The Licencee shall not cause or permit an odour nuisance to be created as a result of the construction, operation, or alteration of the Development, and shall take such steps as the Director may require to eliminate or mitigate an odour nuisance.

#### **Respecting Decommissioning**

22. The Licencee shall submit within one year prior to the closure of the Development, for the approval of the Director, a formal detailed decommissioning plan for the Development.
23. The Licencee shall remove any or all material or dangerous goods stored at the Development, upon written request of and in a manner approved by the Director.
24. The Licencee shall decommission and remediate the Development, if so ordered by and to the satisfaction of the Director.

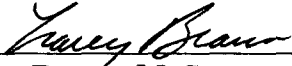
#### **Respecting Emergency Planning**

25. The Licencee shall submit to the Director for approval, prior to operation of the Development, a contingency plan that addresses alternate plans for the management of input and output materials accumulated at the Development if for any reason the flax seed and sunflower seed processing plant is not able to operate for an extended period of time.
26. The Licencee shall submit to the Director for approval, prior to operation of the Development, a contingency plan, in accordance with the Manitoba Industrial Accidents Council (MIAC) *Industrial Emergency Response Planning Guide*, outlining procedures to be used in the event of a leak, spill, fire, or other hazardous condition at the Development.



**REVIEW AND REVOCATION**

- A. This licence replaces Licence No. 2766 which is hereby rescinded.
- B. The Director shall review the specifications, limits, terms, and conditions set out in this Licence on the anniversary date of this Licence or at such other frequency as determined by the Director.
- C. This Director may revoke this Licence within one year from the date of its issuance, if the Director is not satisfied, for any reason, with the progress which is being made at the Development.
- D. 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.
- E. 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.

  
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**Tracey Brauh, M. Sc.**  
**Director**  
**Environment Act**

**Client File No.: 5240.00**