



Sustainable Development

Environmental Stewardship Division
Environmental Approvals Branch
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CLIENT FILE NO: 2754.10

May 31, 2019

Carlie Pauls
HyLife Foods
Box 1000
623 Main Street
Neepawa, MB R3C 1A5

Dear Ms. Pauls:

Re: HyLife Foods LP (HyLife Foods) –Environment Act Licence No. 1102 RR – Notice of Alteration

Receipt of your May 3, 2019 submission is acknowledged as a notice of alteration in accordance with Section 14 of The Environment Act.

The requested change to the Development as Licensed is to increase the hog processing capacity at the plant from 7500 hogs/day to 8000 hogs/day to accommodate growing consumer demands.

Specifically, the request includes the increased delivery of hogs to the receiving facility of up to 2,500 hogs per week, changing variable cuts to take advantage of existing cut floor capacity infrastructure and increase operating staff by approximately 99 employees over two shifts to accommodate the increase in processing.

The increase in wastewater production as a result of the increase in hog processing will be accommodated by alterations at the R3 Innovations Industrial Wastewater Treatment Facility operating in accordance with Environment Act Licence No. 2870 RR.

The potential environmental effect of the requested changes to the Development as Licensed is insignificant and considered to be a minor alteration in accordance with Section 14(2) of The Environment Act. Approval is hereby granted for the alteration to the Development as described in the May 3, 2019 submission and in accordance with revised Environment Act Licence No. 1102 RRR (attached).

If you have any questions, please contact Jennifer Winsor, P.Eng. at 204-945-7012.

Yours truly,

Cordella Friesen
Director
The Environment Act

- c. Scott Davies, A/Director - Environmental Compliance and Enforcement
Peter Crocker – Environmental Compliance and Enforcement
Public Registry

LICENCE

Licence No. / Licence n°	<u>1102 RRR</u>
Issue Date / Date de délivrance	<u>March 24, 2017</u>
Revised / Révisé	<u>May 31, 2019</u>

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 11(1) and 14(2) / Conformément au Paragraphe 11(1) et 14(2)

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

HYLIFE FOODS LP;
"the Licencee"

for the operation of the Development being a hog processing plant located in SW 35-14-15WPM in the Town of Neepawa with all wastewater being discharged to the R3 Innovations Inc. & Town of Neepawa industrial wastewater treatment facility (IWWTF) for treatment and in accordance with the Proposal filed under The Environment Act on June 12, 2013 and additional information provided on November 25, 2013 and notices of alteration submitted on May 22, 2015, May 18, 2016, February 8, 2017 and May 3, 2019 and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"**accredited laboratory**" means an analytical facility accredited by the Standards Council of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba Sustainable Development to be equivalent to the SCC, or be able to demonstrate, upon request, that it has the quality assurance/quality control (QA/QC) procedures in place equivalent to accreditation based on the international standard ISO/IEC 17025, or otherwise approved by the Director;

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

"**approved**" means approved by the Director or assigned Environment Officer in writing;

"ASTM" means the American Society for Testing and Materials;

"day" or "daily" means any 24-hour period;

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

"dissolved air floatation (DAF) system" means an aeration component in an industrial wastewater pre-treatment system;

"effluent" means wastewater flowing or pumped out of the hog processing plant;

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

"Environmental Management System (EMS)" means the part of the overall management system that includes organizational structure, planning activities, responsibilities, practices, procedures, processes, and resources for developing, implementing, achieving, reviewing and maintaining the environmental policy;

"hog processing" means the slaughtering, bleeding, scalding, de-hairing, pasteurization, splitting, eviscerating, cutting or packaging of hogs, the processing or rendering of edible materials, or any combination of these activities;

"hog processing plant" means the main hog processing plant structure;

"Industrial Services Agreement" means a signed and legally binding agreement, arrived at between R3 Innovations Inc. and the Town of Neepawa and the Licencee which outlines clear limits respecting the maximum daily and maximum weekly flow rates, as well as maximum daily and maximum weekly loading limits on such physical, chemical and biological parameters as may be requested of the Licencee by R3 Innovations Inc. and the Town of Neepawa;

"industrial wastewater" means wastewater derived from an industry which manufactures, handles or processes a product and does not include wastewater from commercial and residential buildings;

"IWWTF" means the Industrial Wastewater Treatment Facility owned by the Town of Neepawa and R3 Innovations Inc. and operating under Environment Act Licence No. 2870 RR or subsequent revised licence;

"mg/L" means milligrams per litre;

"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 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 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 the odour, smell or 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;

"process wastewater" means a liquid stream, containing or comprised of process water or any chemicals used by the Development, which is designated for release into the environment;

"pollutant" means a pollutant as defined in The Environment Act;

"record drawings" means engineering drawings complete with all dimensions which indicate all features of the Development as it has actually been built;

"SDS" means safety data sheets;

"sewage" means household and commercial wastewater that contains human waste;

"solid waste" means solid waste as defined in Manitoba Regulation 37/2016, or any future amendments thereto, respecting waste disposal grounds, excluding waste rock;

"Standard Methods for the Examination of Water and Wastewater" means the most recent edition of Standard Methods for the Examination of Water and Wastewater published jointly by the American Public Health Association, the American Waterworks Association and the Water Environment Federation;

"waste disposal ground" means an area of land designated by a person, municipality, provincial government agency, or crown corporation for the disposal of waste and approved for use in accordance with Manitoba Regulation 37/2016, or any future amendments thereto, or a Licence pursuant to The Environment Act;

"wastewater" means the spent or used water of a community or industry which contains dissolved and suspended matter;

"wastewater collection system" means the sewer and pumping system used for the collection and conveyance of domestic, commercial, industrial and process wastewater; and

"WHMIS" means Workplace Hazardous Materials Information System.

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.

Retain Copy of Licence

1. The Licencee shall at all times maintain a copy of this licence at the Development or at the premises from which the Development's operations are managed.

Future Sampling

2. In addition to any of the limits, terms and conditions specified in this Licence, the Licencee shall, upon the request of the Director:
 - 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 pollutant(s) from the Development; or
 - c) conduct specific investigations in response to the data gathered during environmental monitoring programs.

Reporting Format

3. The Licencee shall submit all information required to be provided to the Director or Environment Officer under this Licence, in written and electronic format, in such form (including number of copies) and of such content as may be required by the Director or Environment Officer, and each submission shall be clearly labelled with the Licence Number and Client File Number associated with this Licence.

Equipment Breakdown

4. The Licencee shall, in the case of physical or mechanical equipment breakdown or process upset where such breakdown or process upset results or may result in the release of a pollutant in an amount or concentration, or at a level or rate of release, that causes or may cause a significant adverse effect, immediately report the event by calling the 24-hour environmental accident reporting line at 204-944-4888 (toll-free 1-855-944-4888). The report shall indicate the nature of the event, the time and estimated duration of the event and the reason for the event.
5. The Licencee shall, following the reporting of an event pursuant to Clause 4,
 - a) identify the repairs required to the mechanical equipment;
 - b) undertake all repairs to minimize unauthorized discharges of a pollutant;
 - c) complete the repairs in accordance with any written instructions of the Director; and
 - d) submit a report to the Director about the causes of breakdown and measures taken, within one week of the repairs being done.

Safety and Security

6. The Licencee shall continually maintain an up-to-date inventory of any process and cleaning chemicals used and/or stored on-site that would be captured by any applicable federal/provincial WHMIS regulations and protocols, and make this information and applicable MSDS sheets available to an Environment Officer upon request.
7. The Licencee shall prepare, within 90 days of the date of issuance of this Licence, and maintain an emergency response contingency plan in accordance with the Canadian Centre for Occupational Health and Safety "Emergency Response Planning Guide" or other emergency planning guidelines acceptable to the Director.
8. The Licencee shall, at all times during the operation of the Development, implement a high standard of equipment maintenance and operational practices.
9. The Licencee shall implement and continually maintain in current status, an Environmental Management System (EMS) for the Development which is acceptable to the Director.

Environmental Coordinator

10. The Licencee shall designate an employee, within 60 days of the date of issuance of this Licence, as the Licencee's Environmental Coordinator, whose job description will include assisting the Licencee in complying with the limits, terms and conditions in this Licence and assisting Senior Management of the Licencee to manage environmental issues at the Development. The name of the Environmental Coordinator shall be submitted in writing to the Director within 14 days of appointment and any subsequent appointment.

Industrial Services Agreement

11. The Licencee shall:
 - a) prepare and execute a current comprehensive and enforceable Industrial Services Agreement to be legally entered into with R3 Innovations Inc. and the Town of Neepawa, which is acceptable to the Director, for the purposes of defining maximum daily and maximum weekly influent limits respecting volume and pollutant loading rates which would protect the operational integrity of the IWWTF in terms of the design capability and/or in consideration of the actual performance of the IWWTF relative to the effluent quality limits as specified in Environment Act Licence No. 2870 RR, or any revision thereof;
 - b) provide the Director with a copy of the Industrial Services Agreement upon being signed by all parties; and
 - c) provide the Director with a copy of any future revised Industrial Services Agreement.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Construction

12. The Licencee shall notify the designated Environment Officer not less than two weeks prior to beginning construction of the Development. The notification shall include the intended starting date of construction and the name of the contractor responsible for the construction.
13. The Licencee shall obtain all necessary federal, provincial and/or municipal licences, authorizations, permits and/or approvals for construction of relevant components of the Development prior to commencement of construction.
14. The Licencee shall locate fuel storage and equipment servicing areas established for the construction and operation of the Development a minimum distance of 100 metres from any waterbody, and shall comply with the requirements of Manitoba Regulation 188/2001 respecting Storage and Handling of Petroleum Products and Allied Products or any future amendment thereof.
15. The Licencee shall, during construction of the Development, operate, maintain and store all materials and equipment in a manner that prevents any deleterious substances (fuel,

oil, grease, hydraulic fluids, coolant, paint, uncured concrete and concrete wash water, etc.) from entering watercourses, and have an emergency spill kit for in-water use available on site during construction.

Respecting the Operation of the Development

16. The Licencee shall limit the rate of hog processing at the Development to no more than 40,000 hogs per week averaged over any 12 month period.
17. The Licencee shall direct all delivered, live and unloaded hogs as soon as possible into the hog receiving facility and not exceed the storage of 7,500 hogs at any time.
18. The Licencee shall remove all offal, bones, dead-on-arrival animals and solids regularly from the Development to a third party rendering facility, approved by the Director, which is licensed under The Environment Act.
19. The Licencee shall not direct pollutants into any surface drainage route leading off the property of the Development or into the local groundwater.
20. The Licencee shall actively participate in any future watershed based management study, plan or nutrient reduction program, approved by the Director.

Respecting Air Emissions

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.
22. 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 specify to eliminate or mitigate a noise nuisance.

Respecting Blood Collection

23. The Licencee shall minimize the loss of blood to the process wastewater sewers by maximizing the efficiency of the blood collection to the satisfaction of the Director.
24. The Licencee shall dispose of the blood collected at the Development by having the blood hauled to a facility specializing in blood collection as approved by the Director, using vehicles utilizing containment provisions satisfactory to the Director.

Respecting Solid Wastes

25. The Licencee shall not undertake any on-site burning of solid waste.
26. The Licencee shall minimize the generation of domestic solid waste and maximize, wherever possible, the collection and recycling of recyclable wastes generated through the operation of the Development.

27. The Licencee shall:

- a) collect, store and land apply all dry hog manure and bedding from the unloading docks, truck trailers and holding pens in accordance with the Livestock Manure and Mortalities Management Regulation MR 42/98 or any future amendment thereof; and
- b) direct all of the hog manure collected inside the hog processing plant, or washed off the floor of the hog holding pens, or washed out of the transporting truck trailers, to the process wastewater sewers, unless otherwise approved by the Director.

28. The Licencee shall dispose of all solid waste generated at the Development, which is not recycled, only to a waste disposal ground operating under the authority of a permit issued pursuant to Manitoba Regulation 37/2016 respecting Waste Management Facilities or any future amendment thereof, or a Licence issued pursuant to The Environment Act.

Respecting Dangerous Goods or Hazardous Waste

29. The Licencee shall not release dangerous goods or hazardous wastes into the wastewater collection system.

30. The Licencee shall comply with all the applicable requirements of:

- a) The Manitoba Dangerous Goods Handling and Transportation Act, and regulations issued thereunder, respecting the handling, transport, storage and disposal of any dangerous goods brought onto or generated at the Development; and
- b) Manitoba Storage and Handling of Petroleum Products and Allied Products Regulation 188/2001, or any future amendments thereto.

31. The Licencee shall collect, transport and store used oil or hydraulic fluids removed from on-site machinery in secure, properly labeled, non-leaking containers and shall regularly send them to a recycling or disposal facility approved to accept hazardous wastes.

32. The Licencee shall install and maintain spill recovery equipment at the Development at all times.

Respecting Process Wastewater

33. The Licencee shall operate and maintain the screening and DAF unit to pre-treat all process wastewater prior to discharging to the IWWTF.

34. The Licencee shall direct all solids from the DAF unit to an off-site rendering facility that is licensed under The Environment Act or under the appropriate legislation of another corresponding jurisdiction.

35. The Licencee shall not release any process wastewater or sanitary wastewater from the Development except through the wastewater collection system to the industrial wastewater treatment facility (IWWTF).

MONITORING AND REPORTING

Respecting Monitoring

36. The Licencee shall:

- a) monitor, determine and record the number of hogs processed by the end of each week;
- b) monitor, determine and record the total weekly quantity (cubic meters) of raw water used by the Development; and
- c) maintain the recorded information in a monthly report and make the report available to the Environment Officer upon request.

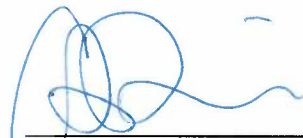
Record Drawings

37. The Licencee shall:

- a) prepare "record drawings" for the Development and shall label the drawings "Record Drawings"; and
- b) provide to the Director, within six months from the date of this Environment Act Licence, two electronic copies of the "record drawings".

REVIEW AND REVOCATION

- A. This Licence replaces Environment Act Licence No. 1102 RR which is hereby rescinded.
- B. 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.
- 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 11 of The Environment Act.



Cordella Friesen
Director
The Environment Act