Manitoba

Conservation

Climate Change and Environmental Protection Division
Environmental Assessment and Licensing Branch
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Client File No.: 3520.00

September 23, 2010

Mr. Andrew Kammerloch
Project Manager, Engineering Services
Richardson International Limited
2800 One Lombard Place
Winnipeg MB R3B 0X8

Dear Mr.Kammerloch:

Re: Richardson Pioneer Limited – Bulk Materials Handling Facility – Starbuck

Enclosed is the revised **Environment Act Licence No. 1872 RRR** dated September 23, 2010 issued in accordance with *The Environment Act* to Richardson Pioneer Limited, located at SW ¼ 25-9-2 WPM, near the town of Starbuck in the Rural Municipality of Macdonald

Environment Act Licence No.1872 RR was amended based on the Notice of Alteration request submitted by Richardson International Limited dated September 10, 2010 to update the Licence to reflect the proposed upgrades to the liquid fertilizer facility and the transfer of Pioneer Grain Company Ltd. to Richardson Pioneer Limited.

Environment Act License 1872 RR is hereby rescinded.

Ms. Krystal Penner may be contacted by phone at (204) 945-2819 or by e-mail at Krystal.Penner@gov.mb.ca if further information is required.

Yours truly,

Tracey Braun

Tracey Braun, M. Sc.
Director
Environment Act

Enc.
c: Don Labossiere, Director, Environmental Operations
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 1872 RRR *(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 (letter only) to the Department by September 23, 2010.

On behalf of Richardson Pioneer Ltd. - Starbuck **Date**

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

THE ENVIRONMENT ACT
LOI SUR L'ENVIRONNEMENT

LICENCE

Manitoba

Licence No. / Licence n°	**1872 RRR**
Issue Date / Date de délivrance	**July 11, 1994**
Revised :	**August 23, 2004**
Revised :	**January 22, 2008**
Revised :	**September 23, 2010**

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) and 14(2) / Conformément au Paragraphe 10(1) and 14(2)

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

RICHARDSON PIONEER LIMITED - STARBUCK;
"the Licencee"

for the construction and operation of the Development being a crop protection products warehouse, bulk granular/liquid fertilizer blending/storage and handling facilities, grain elevator and including all related activities, to be located on the SW ¼ 25-9-2 WPM, near the town of Starbuck in the Rural Municipality of Macdonald, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means an analytical facility accredited by the Standard Council of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba Conservation 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;

"**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;

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

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

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

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

"LLDPE" means linear low density polyethylene;

"mil" means one-thousandth of a inch;

"**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; and

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 household and commercial wastewater that contains human 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 meet or exceed the guidelines for Agrichemical Warehousing Standards Association (AWSA) certification.

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, implement a high standard of equipment maintenance and operational practices.

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 obtain all necessary municipal, provincial and federal permits and approvals for construction of relevant components of the Development prior to commencement of construction.

6. The Licencee shall ensure that, during construction or operation of the Development, spills of fuels or other contaminants are reported to an Environment Officer in accordance with the requirements of *Manitoba Regulation 439/87* respecting *Environmental Accident Reporting* or any future amendment thereof.

7. The Licencee shall, during construction and operation of the Development:
   a) immediately report any reportable spills to Manitoba Conservation's Accident Reporting Line at (204) 944-4888; and
   b) provide a follow-up report to the Director on a reportable environmental accident outlining the cause(s) and proposing corrective action to prevent reoccurrence.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Construction and Operation of the Development

8. The Licencee shall protect the site retention area with a minimum of 45 centimetres of compacted clay material or other materials approved by the Director.

9. The Licencee shall inspect the surface of the site retention area semiannually for desiccation cracks, and maintain the site retention area's continuity.

10. The Licencee shall adequately dyke the Development and install mechanical control culverts at the low end of the dyked area. Those control culverts shall remain in the closed position unless authorized by the Regional Office of Manitoba Conservation in Winnipeg. If the accumulated liquid may be contaminated, it shall be sampled and tested by an accredited laboratory prior to requesting authorization for release.

11. The Licencee shall construct and maintain concrete floors with a minimum 10 centimetres retention curbing around the perimeter of all pesticide storage structure(s) so as to prevent spilled liquids from leaking into the soil.

12. The Licencee shall surface all areas of the Development where granular fertilizer is stored, loaded, blended, transferred or otherwise handled, in a manner and using materials approved by the Director.

13. The Licencee shall grade, dike or curb all areas where granular 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.

Respecting Construction and Operation of the Liquid Fertilizer Vessels

14. The Licencee shall construct and maintain a site retention area for liquid fertilizer vessels such that:
    a) the site retention area is constructed of concrete or materials as approved by the Director and is joined to a impermeable, continuous liner in a manner capable of preventing infiltration at the base of the interface;
    c) the liner is constructed from LLDPE geomembrane;
    d) all sections of the liner are joined by double channel fusion seaming;
    e) in accordance with ASTM Standard D-4437, the integrity of all field seams are tested by non-destructive test methods, a testing report is prepared and submitted to the Director within 30 days of commencing the installation of the liner; and
    f) the liner has a minimum thickness of 30 mils.

15. The Licencee shall notify the assigned Environment Officer one week prior to commencing the installation of the liner underlying the liquid fertilizer site retention area of the Development.

16. The Licencee shall cover all surfaces of the liner underlying the liquid fertilizer site retention area of the Development with 0.3 metres of cover material.

17. The Licencee shall not cover the liner underlying the liquid fertilizer retention area of the Development until receiving approval of the assigned Environment Officer.

18. 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.

19. The Licencee shall maintain the containment area volume capacity in Clause 18 of the Licence by the immediate removal and disposal, in a manner approved by the Director, of all accumulated fluids.

Respecting Emissions

20. 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 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.

21. The Licencee shall not cause or permit a noise nuisance to be created as a result of the operation or alteration of the Development, and shall take such steps as the Director may require to eliminate or mitigate a noise nuisance.

22. 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.

23. 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 Methods for the Examination of Water and Wastewater or in accordance with equivalent preservation and analytical methodologies approved by the Director;
b) carry out all sampling of, and preservation and analyses on, soil and air samples in accordance with methodologies approved by the Director;
c) only utilize an accredited laboratory for analytical determinations; and
d) report the results to the Director within 60 days of the samples being taken, or within another timeframe as specified by the Director.

24. The Licencee shall contain on the Development:
a) any on-site chemical spill;
b) waste water generated from any response action due to an on-site release of chemicals; and
c) contaminated water resulting from the extinguishing of any fire involving chemicals.

25. The Licencee shall clean up immediately any chemical spills in order to prevent soil, surface water or ground water contamination.

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

27. The Licencee shall not direct any spillage, contaminated run-off or pollutant, other than sewage, to an approved sewage disposal system.

Respecting Pesticides

28. 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.

29. The Licencee shall store only pesticides registered under the federal *Pest Control Products Act* at the Development.

30. The Licencee shall locate 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).

Respecting Emergency Response Planning

31. 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; and fire and other response arrangements.

Respecting Site Decommissioning

32. 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.

33. The Licencee shall implement, on closure of the facility, the approved Decommissioning Plan.

REVIEW AND REVOCATION

A. This Licence replaces Licence No. 1872 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 10 of The Environment Act.

Tracey Braun, M.Sc.
Director
Environment Act

Client File No.: 3520.00