



Conservation

Environmental Stewardship Division
Environmental Assessment and Licensing Branch
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FAXED

CLIENT FILE NO.: 340.30

March 8, 2010

Blair Waldvogel
General Scrap Partnership
P.O. Box 67, St. Boniface Postal Stn.
Winnipeg MB R2H 3B4

Dear Mr. Waldvogel:

Enclosed is revised Environment Act **Licence No. 2865 R** dated March 8, 2010 issued in accordance with The Environment Act to **General Scrap Partnership, a Division of Evraz Inc. NA** for the continued operation of the Development being a scrap metal processing and auto wrecking facility located at 135 Bismarck Street in Winnipeg in accordance with the Environmental Act Proposal submitted on August 5, 2008.

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, Ryan Coulter, Environmental Engineer at (204) 945-7023.

Yours truly,

Tracey Braun, M. Sc.
Director
Environment Act

Enc.

c: D. Labossiere, Director, Environmental Operations
City of Winnipeg Community Committee
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 2865 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 (letter only) to the Department by March 17, 2010.

On behalf of General Scrap

Date

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

LICENCE

Licence No. / Licence n° 2865 R

Issue Date / Date de délivrance March 8, 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) / Conformément au Paragraphe 10(1)

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

**GENERAL SCRAP PARTNERSHIP, A DIVISION OF
EVRAZ INC. NA; "the Licencee"**

for the continued operation of the Development being a scrap metal processing and auto wrecking facility located at 135 Bismarck Street in Winnipeg in accordance with the Environmental Act Proposal submitted on August 5, 2008, and 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 good**" 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;

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

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

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"noise nuisance" means a continuous or repeated noise 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 noise

- 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 the unwanted 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;

"point source" means any point of emission from the Development where pollutants are emitted to the atmosphere by means of a stack;

"QA/QC" means quality assurance/quality control;

"Shredder Residue" means the residue generated by shredding a motor vehicle, an appliance or another source of recyclable steel, after removing the reusable or recyclable materials; and

"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.

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 at the Development 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 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) ensure that all analytical determinations are undertaken by an accredited laboratory; and
 - d) 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 prior to processing scrap metal assemblies and components:
 - a) carry out a thorough and continuous program of inspection of the said scrap metal to discover potentially explosive components;
 - b) remove or render inexplusive all tanks, pressure vessels or other potentially explosive components;
 - c) reject man-made detectable radioactive isotopic materials, dangerous goods, and hazardous waste materials that are not in accordance with the Licencee's acceptance protocols, and return rejected materials still owned by scrap suppliers to the scrap suppliers;
 - d) remove man-made detectable radioactive isotopic materials, dangerous goods, and hazardous waste materials erroneously accepted from scrap suppliers and dispose of said materials in accordance with applicable legislation; and
 - e) maintain and keep available for inspection by an Environment Officer, a log of:
 - i) all inspections carried out pursuant to (a) that required action by the Licencee;
 - ii) all and any explosions that take place on the site of the said operation giving time, intensity and cause; and
 - iii) all potentially explosive components removed prior to processing together with a description of the assemblies removed and where practical, identification of the source or supplier of the said assemblies.
7. The Licencee shall report all explosions to the Director within 24 hours of their occurrence, on a form approved by the Director.
8. The Licencee shall ensure that combustible materials collected from the shredding process are disposed of at an approved waste disposal ground, or are properly recycled, and are not burned at the Development.
9. The Licencee shall store materials only in a manner that prevents significant adverse effect upon groundwater, surface water, and/or soil.
10. 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.
11. The Licencee shall dispose of wood and office 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 150/91 or any future amendment thereof, or a Licence issued pursuant to The Environment Act.

12. 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.

LIMITS, TERMS AND CONDITIONS

Respecting Shredder Residue

13. The Licencee, unless otherwise approved by the Director, shall
 - a) dispose of part of or all shredder residue generated at the Development at a waste disposal ground operating under the authority of a permit issued pursuant to Manitoba Regulation 150/91 or any future amendment thereof, or a Licence issued pursuant to The Environment Act; or
 - b) send part of or all shredder residue generated at the Development to a recycling facility operating in accordance with Manitoba law.
14. The Licencee shall facilitate compliance with Manitoba Regulation 113/2003 respecting Special Waste (Shredder Residue) whenever shredder residue generated at the Development is disposed of at a waste disposal ground.
15. The Licencee shall sample the shredder residue in accordance with the sampling protocol described in Appendix 7 of the Environment Act Proposal, and shall provide to the Director an annual report of the sampling prior to June 1 of the following calendar year, with the first report due June 1, 2009.

Respecting Noise Management

16. 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.
17. The Licencee shall maintain a noise management program consisting of, but not limited to:
 - a) a supplier information and education program regarding acceptable scrap materials;
 - b) thorough inspection to characterize all inbound scrap metal loads; and
 - c) regular investigation of new noise reduction and explosion prevention technologies.

Respecting Air Emissions – Limits

18. 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 from any stationary 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 stationary 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.
19. The Licencee shall direct all air streams, which contain a pollutant(s) of concern to the Director, to a pollution control device which has been designed for and demonstrated to be capable of reducing, altering, eliminating or otherwise treating the pollutant(s).
20. The Licencee shall cease operation of any facilities or equipment served by air pollution control equipment during the time the said air pollution control equipment is inoperable and shall not resume operation of the said facilities until the air pollution control equipment is again placed in operation.

Respecting Stormwater Management

21. The Licencee shall direct all surface water runoff from the non-paved areas of the property to the stormwater management pond located at the eastern portion of the Development.
22. The Licencee shall, within 90 days of the date of this Licence, provide to the Director design details of the stormwater management pond located at the eastern portion of the Development and details regarding the geotechnical conditions at the Development.
23. The Licencee shall, upon the request of the Director pursuant to the requirements of Clause 22 of this Licence, undertake any necessary modifications to the design of the stormwater management pond located at the eastern portion of the Development to ensure the protection of groundwater.

Respecting Monitoring

24. The Licencee shall conduct a stormwater monitoring program as described in Clauses 25 to 27 of this Licence, for a period of two years commencing on the date of this Licence. Following this period, the duration of the monitoring program may be extended by the Director if the results, in the opinion of the Director, indicate that a longer monitoring period is appropriate.
25. The Licencee shall, prior to discharge to the municipal drain, sample and analyze the water within the stormwater management pond located at the eastern portion of the Development for Arsenic, Cadmium, Chromium, Copper, Lead, Mercury, Nickel, Selenium, Silver, and Zinc, or any other compound as directed by the Director.
26. The Licencee shall, on a semi-annual basis for the duration of the stormwater monitoring program sample and analyze the water within the stormwater management pond located at the eastern portion of the Development for benzene, toluene, and ethylbenzene.
27. The Licencee, for the duration of the stormwater monitoring program shall not discharge water from the stormwater management pond located at the eastern portion of the development into the municipal drain if the analysis as required by Clause 25 or 26 of this Licence indicates that the concentration of any parameter exceeds the concentrations listed in the Manitoba Water Quality Standards, Objectives, and Guidelines for the protection of aquatic life.
28. The Licencee shall submit for the Director's approval, within 90 days of the issuance of this Licence, a monitoring plan with respect to air (including noise), soil, groundwater and surface water quality at the Development. This plan shall include, but not be limited to, a description of sampling methodology, frequency, and analysis techniques.
29. The Licencee shall undertake the monitoring plan as described in Clause 28 of this Licence as approved by the Director.
30. The Licencee shall submit, by June 1 of each calendar year and beginning in 2010, an annual report regarding the details of the air, soil, and water monitoring plan results required by Clause 29 of this Licence.

Respecting Financial Assurance

31. The Licencee shall post with the Manitoba Department of Conservation in the amount of \$200,000 Cdn:
 - a) a permit bond issued by a surety company licenced to do business in the Province of Manitoba;

- b) an irrevocable letter of credit; or
- c) another acceptable security satisfactory to the Director.

This permit bond, irrevocable letter of credit, or other security and renewals thereof shall remain in place for the duration of the operation and decommissioning of the facility. The Director may order forfeiture of the permit bond, irrevocable letter of credit, or other security, either in whole or in part, by giving written notice to that effect to the Licencee, upon the Director confirming that the Licencee is in breach of any specification, limit, term or condition of this Licence, or for reimbursement of any costs or expenses incurred by the Province of Manitoba in rectifying environmental damage caused or contributed to by the operation of the facility.

- 32. The Licencee shall, on an annual basis, provide evidence of environmental liability insurance that meets Manitoba Conservation's minimum requirement of \$1,000,000 of insurance coverage for the Development and includes the following:
 - a) coverage for gradual as well as sudden and accidental pollution at the Development; and
 - b) coverage for on-site and off-site clean up costs.
- 33. The insurance as required by Clause 32 of this Licence shall be held with insurers satisfactory to the Province of Manitoba, shall include the Province of Manitoba as an Additional Insured on the policy, and shall contain a clause stating that the Insurer will give Manitoba 60 days prior written notice in case of significant reduction in coverage or policy cancellation.

Respecting Decommissioning

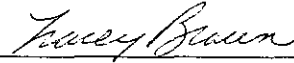
- 34. The Licencee shall submit within one (1) year prior to closure of the facility, for the approval of the Director, a formal detailed Decommissioning Plan for the facility.
- 35. The Licencee shall implement, on closure of the facility, the approved Decommissioning Plan.

Respecting Emergency Response Planning

- 36. The Licencee shall submit to the Director for approval, within 90 days of the date of this Licence, 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. 2865 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.: 340.30