

Licence No.: 2174 S3 E
Licence Issued: December 27, 1996
Revised: July 31, 1997

IN ACCORDANCE WITH THE MANITOBA ENVIRONMENT ACT (C.C.S.M. c. E125)
THIS LICENCE IS ISSUED PURSUANT TO SECTION 27(2) TO:

MCCAIN FOODS LIMITED; "the Licence"

STAGE 3 LICENCE

for the operation of the Development being a potato processing plant, located on Lot 1 on Ninth Avenue in the Industrial Park in the City of Portage la Prairie, in accordance with the Proposal filed under The Environment Act on March 21, 1996, and the letter of alteration dated May, 10, 1996, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"affected area" means a geographical area affected by a noise or odour nuisance, excluding the property of the Development;

"appurtenances" means machinery, appliances or auxiliary structures attached to a main structure to enable it to function, but not considered an integral part of it;

"conveyance systems" means any pipes or conduits used for the movement of wastewater;

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

"duct" means a pipe, stack, chimney, vent, opening or other device through which pollutants may be emitted to the atmosphere;

"industrial use agreement" means an agreement to discharge industrial wastewater to municipal wastewater collection and treatment systems;

"Industrial Services Agreement" means the industrial use agreement dated April 18, 1996, between the City of Portage la Prairie and McCain Foods Limited;

"LRAR" means a low rate anaerobic reactor;

"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;

"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;

"opacity" means the degree to which emissions reduce the transmission of light and obscure the view of an object in the background;

"Operating Agreement" means the Operating Agreement dated April 18, 1996, between the City of Portage la Prairie and McCain Foods Limited;

"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 ducted into the atmosphere;

"security" means a letter of credit provided by a Canadian Chartered Bank in the favour of the City of Portage La Prairie and the Minister of Finance of Manitoba;

"waste(s)" means waste products of any kind whatsoever or the run-off from such waste products and includes both liquid and solid materials; and

"wastewater" means the spent or used water of the Development which contains dissolved and suspended matter.

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 Methods for the Examination of Water and Wastewater" published jointly by the American Public Health Association, the American Waterworks Association and the Water Pollution Control Federation, or in accordance with an equivalent analytical methodology approved by the Director;
 - b. carry out all sampling of, and preservation and analyses on, air samples in accordance with methodologies approved by the Director;
 - c. ensure that all analytical determinations are undertaken by an accredited laboratory or a laboratory approved by the Director; 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 carry out, as deemed necessary by the Director, any remedial measures or modifications in respect to matters authorized under this Licence.
7. The Licencee shall maintain the security of five million dollars (\$5,000,000), as approved by the Director on December 19, 1996, until June 30, 2003.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

8. 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 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) 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.
9. The Licencee shall not cause or permit a noise nuisance to be created as a result of the operation of the Development, and shall take such steps as the Director may require to eliminate or mitigate a noise nuisance.
10. The Licencee shall not cause or permit an odour nuisance to be created as a result of the operation of the Development, and shall take such steps as the Director may require to eliminate or mitigate an odour nuisance.
11. The Licencee shall, in the event that the wastewater discharged from the wastewater clarifier(s) or associated lift station for any reason, causes or contributes to a non-compliance of the limits set out in Schedule "1" attached to this Licence, and the effluent from the sewage treatment plant does not exceed a limit, term, condition, or specification set out in Environment Act Licence No. 1906 RRR:
 - a. determine the cause of the event;
 - b. determine the duration of the event and estimate the frequency of any future events resulting from a similar cause;
 - c. assess the impact of the event on the downstream components of the sewage treatment plant;
 - d. assess the risk of causing the effluent from the sewage treatment plant to exceed a limit, term, condition, or specification set out in Environment Act Licence No. 1906 RRR;
 - e. determine the alternatives and need to stop the event and any future events;

- f. develop a preferred course of action to mitigate any adverse impacts of the event and any future similar events on the downstream components of the sewage treatment plant;
- g. report the above determinations and assessments to the Director within 60 days from the identification of the event or such other date as may be approved in advance by the Director; and
- h. take any action deemed necessary by the Director to stop the event or any future events.

The Licencee may submit, to the Director for approval, proposed amendments to the course of action to stop the event or any future events. The Licencee shall implement any amendments approved by the Director, in a manner and within the time frames specified by the Director.

12. The Licencee shall, in the event where the wastewater discharged from the wastewater clarifier(s) or associated lift station for any reason, causes or contributes to a non-compliance of the limits set out in Schedule "1" attached to this Licence, and the effluent from the sewage treatment plant exceeds a limit, term, condition, or specification set out in Environment Act Licence No. 1906 RRR:
 - a. notify the Director by facsimile or any other notification procedure approved by the Director, stating the nature of the event, the time and estimated duration of the event and the reason for the event as follows:
 - i. as soon as possible but no later than within 12 hours of the event; or
 - ii. before noon of the first business day following an event on a weekend or statutory holiday;
 - b. restrict the loading from the wastewater clarifier(s) or associated lift station or take any other action deemed necessary by the Director to stop the event or future events where the limits set out in Schedule "1" attached to this Licence are exceeded, within the time frame specified by the Director;
 - c. assess the impact of the wastewater clarifier(s) or associated lift station discharge an effluent that exceeds the limits set out in Schedule "1" attached to this Licence, on the downstream components of the sewage treatment plant;
 - d. determine the alternatives and need to stop the discharge of effluent from the sewage treatment plant that is in excess of a limit, term, condition, or specification set out in Environment Act Licence No. 1906 RRR, where the effluent from the wastewater clarifier(s) or associated lift station is determined to cause or contribute to the discharge of effluent from the sewage treatment plant in excess of a limit, term, condition, or specification set out in Environment Act Licence No. 1906 RRR;
 - e. develop a preferred course of action;
 - f. report the above determinations and assessments to the Director within 30 days from the identification of the event or such other date as may be approved in advance by the Director; and
 - g. take any actions, deemed necessary by the Director in a manner and within the time frames specified by the Director, respecting the operation of the wastewater clarifier(s) or associated lift station to stop the discharge of effluent from the sewage treatment plant that is in excess of a limit, term, condition, or specification set out in Environment Act Licence No. 1906 RRR.

The Licencee may submit, to the Director for approval, proposed amendments to the course of action to mitigate the impacts of the event and any similar future events. The Licencee shall implement any amendments approved by the Director, in a manner and within the time frames specified by the Director.

13. The Licencee shall, in addition to the other requirements of this Licence, carry out all aspects of the operation of the LRAR in compliance with the Industrial Services Agreement and the Operating Agreement.
14. The Licencee shall, in the case of a physical or mechanical breakdown of the wastewater clarifier(s) or the lift station or the associated appurtenances or conveyance systems; or in the case of bypassing any wastewater from treatment in the clarifier(s):
 - a. notify the Director by facsimile or any other notification procedure approved by the Director, stating the nature, the time and estimated duration, and the reason for the occurrence:
 - i. as soon as possible but no later than 12 hours from the initiation of the occurrence; or
 - ii. before 12:00 P.M. of the first business day following an occurrence being on a weekend or statutory holiday;
 - b. identify the repairs required to the wastewater clarifier(s) or the lift station or the associated appurtenances or conveyance systems; and

c. complete the repairs in accordance with any written instructions of the Director.

REVIEW AND REVOCATION

- A. 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.
- B. 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.

"original signed by"

James C. McCrae
Minister

Client File No.: 1713.30

Schedule 1 To Environment Act Licence No. 2174 S3 E

INDUSTRIAL PRE-TREATMENT EFFLUENT LIMITS

| Parameter | | | 0 - 12 Months | 13th to 18th Month | 19th Month On |
|-----------------------------|---------|-----------------|---------------|--------------------|---------------|
| Flow (m ³ /d) | Average | Vpi | 8,222 | 7,422 | 6,602 |
| | Peak | | 10,970 | 9,970 | 8,970 |
| COD (kg/d) | Average | Cpi | 5,844 | 5,313 | 5,056 |
| | Peak | | 11,691 | 10,624 | 10,111 |
| SS (kg/d) | Average | Sp _i | 4,013 | 3,623 | 3,276 |
| | Peak | | 7,643 | 6,946 | 6,610 |
| TKN (kg/d) | Average | Tp _i | 1,361 | 1,361 | 1,361 |
| | Peak | | 2,686 | 2,686 | 2,686 |