

(In reply, please refer to)

Our File: 13-7596



May 29, 2013

Ms. Tracey Braun, Director
Environmental Approvals Branch
Manitoba Conservation
Suite 160 – 123 Main Street
Winnipeg, Manitoba R3C 1A5

1558 Willson Place
Winnipeg
Manitoba
Canada
R3T 0Y4
Telephone
(204) 453-2301
Fax
(204) 452-4412

Re: Dangerous Goods Handling and Transportation Act Application

Dear Ms. Braun:

On behalf of Gerdau Ameristeel Corporation (Gerdau), we have completed and have enclosed for your review, an application under the Manitoba Dangerous Goods Handling and Transportation Act for the continued operation of a waste lead acid battery transfer facility (the facility) located at 314 Dawson Road North in Winnipeg, Manitoba (the site).

We trust the information included below will satisfy the requirements as identified within the document entitled "Information Bulletin – Environmental Act Proposal Report Guidelines" and on the application form. Due to the limited scope of the application, we have aimed to provide a concise information package.

In addition, we have included a drawing outlining the current site layout and drainage within **Appendix A**.

Please do not hesitate to contact me if you have any questions.

Regards,

A handwritten signature in blue ink, appearing to read "Dennis Heinrichs".

Dennis Heinrichs, M.Sc., P.Eng.
Partner

DMH/jar

Attachment

O:\PROJECTS\FINAL\137596\Reports\Final\Battery Permit Application\Gerdau Dawson Road - Battery Permit Application v09.docx

The material below outlines the requirements as identified in the document entitled “Information Bulletin – Environmental Act Proposal Report Guidelines:”

Please find enclosed with this application package a cheque payable to the “Minister of Finance” in the amount of \$250.00, the application fee.

Executive Summary

The main purpose of this site is to receive, collect, store, and load scrap prior to transfer of the material to Gerdau’s primary recycling facility in Selkirk. The site also collects and stores waste lead acid batteries for the sole purpose of transferring these batteries to a buyer.

Five to seven pallets of waste lead acid batteries are stored for transfer at any given time. The duration of storage ranges from one week to three months (maximum). The average duration of storage is two weeks. Pallets are loaded to a maximum of three levels.

Waste batteries are stored indoors within the non-ferrous warehouse. The building is constructed of concrete brick, is fully covered by a metal roof, and is finished with a concrete floor. A battery acid spill kit will be on hand for any incidents of leakage or spillage.

It is the opinion of Dillon Consulting Limited (Dillon) that the risk of environmental impacts is insignificant.

Introduction and Background

An auto recycling yard was operated at 314 Dawson Road North, Winnipeg (the site) for numerous years as Select Auto Sales Ltd. Select Auto Sales Ltd. utilized the site for the purposes of salvaging and storing scrap automobiles. Approximately 450 automobiles were present on site.

The site was purchased by Gerdau Ameristeel Corporation on December 29, 2011 and was renamed Gerdau Winnipeg Metallics Raw Materials (Gerdau). During the 2012 calendar year, Gerdau proceeded to incorporate changes to optimize operations at the site (please refer to **Appendix A** for relative locations):

- The existing 450 automobiles were transported off site to Gerdau’s facility in Selkirk for recycling.
- All buildings, with the exception of the existing non-ferrous warehouse, were demolished due to their state of disrepair.
- A new scale was installed by Superior Technology.
- A radiation detector attached to the new scale was installed by Radcomm Radiation Systems.

- A SEDA fluid extraction system was installed to remove waste fluids from scrap automobiles. Waste fluids are collected in double-walled tanks located directly adjacent to the system.
- A new operations building was constructed. This new building will allow for scrap peddlers to unload material indoors (one-way traffic). It will also house the scale office, a waiting area for drivers, offices, a lunch room/meeting room, and locker room/change room facilities.
- Temporary portables were installed for use during the construction of the new operations building.

Phase 1 and Phase 2 Environmental Assessments were conducted in 2011 by Dillon.

Gerdau began to receive scrap at the site on January 9, 2013. The main purpose of this site is to receive, collect, store, and load scrap prior to transfer of the material to Gerdau's primary recycling facility in Selkirk. The site also collects and stores waste lead acid batteries for the sole purpose of transferring these batteries to a buyer for ultimate recycling. Approximately 90% of scrap material collected is transferred to Gerdau's recycling facility in Selkirk. The only materials not sent to Selkirk are non-ferrous materials and waste lead acid batteries. Since commencing operations on January 9, 2013, scrap quantities received per month have varied between approximately 200 and 550 tonnes.

Gerdau moved into the new operations building in April 2013 and the temporary portables were removed off-site. Photographs of the current site are provided in **Figures 1 to 7**.

The site is currently staffed by one manager and three employees (a scale operator, a routine operator, and a mobile equipment operator). The mobile equipment on site consists of two loaders, one skid steer, and one Liebherr 954 mobile crane. It is anticipated that the Liebherr 954 crane will be replaced with a newer Liebherr 944 crane in the near future.

The site operates from Monday to Friday, from 8:00 am to 5:00 pm each day. No one is present on site outside of these operating hours and a perimeter chain link fence surrounds the property. The main gate is closed and locked outside operating hours.

The scale is operated remotely from the scale office, with the use of cameras.

The only access to the site is from an access gate at Dawson Road. Traffic on site is kept one way for health and safety purposes.

The site mainly receives and handles automobiles, scrap recreational vehicles (RVs, campers), and other loose scrap materials. When an automobile arrives on site, it is first unloaded by Gerdau. The waste lead acid battery/batteries are then removed immediately from the scrap automobile. The batteries are then brought into the non-ferrous warehouse (the facility) for proper storage. Waste batteries are immediately transferred to the warehouse as there is a high

chance of a battery getting run over in the high traffic area. The waste batteries are placed on a wooden pallet. Cardboard is placed between each level of batteries. Pallets are loaded to a maximum of three levels. When each pallet is full, it is wrapped in plastic. At any given point, five to a maximum of seven pallets are stored at the facility. The duration of storage ranges from one week to three months (maximum). The average duration of storage is two weeks. A licensed buyer purchases the waste batteries from Gerdau and picks up the pallets from the site. Batteries are not transported by Gerdau.

All waste lead acid batteries stored on site for transfer are from automobiles or similar vehicles. Other battery types, beyond waste lead acid batteries are not accepted.

Currently, waste lead acid batteries are stored on wooden pallets (“skids”) in the concrete-block and concrete-floor non-ferrous warehouse (the facility). **Please see Figures 8 to 11.** This building is also used for the consolidation of non-ferrous materials. Access to this building is through sliding doors on the east side or a man door on the northwest corner. The facility has a metal roof, which is in good condition. Walls consist of concrete bricks. The facility has a concrete floor. No cracks are present in the floor. There is one contained sump pit (concrete), which is bailed periodically. This sump pit does not drain, nor does it discharge into any water source. In the event of any spillage reaching the sump, the pit can be evacuated and any waste liquids would not enter the environment. Lastly, the facility is used to store motor oils (engine oils) and hydraulic oils. Because maintenance is not completed on-site, no other industrial oils, chemicals, or solvents are present in the building. Diesel and gasoline is transported from off-site by a pump truck approximately every two days.

It is proposed that waste lead acid batteries continue to be stored in the same facility for transfer. Additional containment infrastructure is proposed. An outline of this infrastructure is provided below in the “Mitigation Measures and Residual Environmental Effects” section.

Description of the Proposed Development

A Certificate of Title identifying the legal description is enclosed in **Appendix B**. The mineral rights are identified as owned by the Province of Manitoba.

The land use designation was not modified from the previous landowner.

The site and all of the adjacent parcels are zoned “M3 – Manufacturing Heavy.” The specific purpose of M3 zones, as outlined by the zoning bylaw is:

“The Manufacturing Heavy (M3) district is intended to provide light or heavy industrial development, including heavy manufacturing, storage, major freight terminals, waste and salvage, resource extraction, processing, transportation, major utilities, and other related uses, particularly those that require very large buildings, frequent heavy truck traffic for supplies or shipments, or that may require substantial mitigation to avoid sound, noise, and odour impacts to neighbouring properties. New M3 zone districts should not be established within 300 feet of an existing residential zone district.”

Considering the purpose of this site, it is permitted in the M3 zone.

No further construction or development on site is planned for the foreseeable future. As mentioned the site commenced operations on January 9, 2013. Operations moved to the new building in April 2013.

Description of Existing Environment in the Project Area

The site is located in an industrial area and is thus surrounded by numerous industrial facilities.

To the north, separated by one CN Rail track, Western Industrial Services operates a paint and blast shop. Directly to the east, there is some green space with Manitoba Hydro transmission lines and towers. Behind the transmission lines and towers are the Lafarge plant and a City of Winnipeg yard. Directly to the south there exists a land drainage ditch; further east Great Western Container operates an oil drum and chemical container cleaning shop. To the west, separated by three CN Rail tracks, Bituminex operates an asphalt plant.

In summary, the site is surrounded on all four sides by other industrial facilities.

Description of Environmental Effects of the Proposed Development

A site visit was conducted on April 10, 2013. The sole risk of storage of waste lead acid batteries is leakage of acids from the waste batteries. Potential environmental impacts from this leakage may include ground water, surface water, and soil contamination.

The risk of these impacts is considered extremely low, as the batteries are stored indoors within a building with a full concrete floor (as shown in **Figures 8 to 11**).

Mitigation Measures and Residual Environmental Effects

For further containment, it is proposed that plastic containment trays be placed under the wooden pallets during storage. Each pallet will be lined with a plastic containment tray below. These plastic containment trays are reusable and will remain on-site. These trays have elevated sides at the edge and will therefore provide full containment in the event of any leakage from batteries. A battery acid spill kit will be on hand for any incidents of leakage or spillage. This kit will consist of basic chemicals and absorbent materials to neutralize and collect any acid leaked.

Note that the only storage location on site for the waste lead acid batteries is indoors and contained within the non-ferrous warehouse, which is fully covered by a metal roof and which has a concrete floor throughout.

As mentioned, the waste batteries are removed from scrap automobiles immediately after they arrive on site and the waste batteries are moved to the storage facility as soon as they are removed, as to minimize the exposure to risk of physical damage of each battery.

Currently, training is provided to all employees on site who handle the waste lead acid batteries. A Routine Procedure entitled “Lead Acid Battery Handling” guides all operations. A copy of the current version of this Routine Procedure is provided in **Appendix C**. This document was last updated on May 26, 2011 and will be updated on an as-required basis.

The following requirements, as outlined in the Routine Procedure, will apply to the handling of waste batteries:

- Personal protective equipment requirements – eye protection, hand protection, metatarsal hard-toed boots, long sleeve shirts and pants.
- No smoking in proximity to waste batteries.
- Sparks and open flames kept away from batteries.
- Metal objects not to be placed on top of batteries.
- Cardboard or other type of acceptable insulation placed between levels of batteries on pallet.
- Batteries and pallets to be kept right side up at all times.
- When full, pallets will be immediately wrapped in plastic stretch wrap and labeled according to WHIMIS symbols indicating the hazard.

Lastly, good housekeeping practices will be maintained at the storage area at all times. The area will be left uncluttered. All non-ferrous recyclable materials are stored in steel drums or other containers.

Follow-up Plans, including Monitoring and Reporting

Each day, employees on site work hourly within the storage facility. Therefore, in the event of any leakage, this would be spotted very quickly.

No further construction or development on site is planned for the foreseeable future. As mentioned the site commenced operations on January 9, 2013. Operations moved to the new building in April 2013.

For future operations, Gerdau plans to process up to 1300 tonnes per month of scrap.

No grant or loan was received from any Government Agency.

Conclusions

Waste lead acid batteries are stored on wooden pallets in the concrete-block and concrete-floor non-ferrous warehouse. This building is also used for the consolidation of non-ferrous materials. A battery acid spill kit will be on hand for any incidents of leakage or spillage.

It is the opinion of Dillon Consulting Limited that the risk of environmental impacts is extremely low and therefore not significant.

FIGURES



Figure 1: Access to site from 314 Dawson Road North, looking directly west.



Figure 2: New weigh scale, radiation detector, and non-ferrous warehouse, looking west.



Figure 3: Interior of new building, looking west from the northeast entrance. This area will be used for indoor unloading of scrap by peddlers.



Figure 4: Ferrous storage area, looking east towards the new building.



Figure 5: Ferrous storage area, looking west.



Figure 6: SEDA drain tower and fluid extraction system located near the west perimeter of the site. Waste fluids are stored in the double-walled tanks behind the system.



Figure 7: Ferrous storage area at the northwest corner of the site.



Figure 8: Alternate view of the non-ferrous warehouse that is used for storage of waste lead acid batteries, looking directly south.



Figure 9: Current indoor waste battery storage area contained within the non-ferrous warehouse. 5 to 7 pallets of waste lead acid batteries are stored for transfer at any given time. Duration of storage ranges from 1 week to 3 months (maximum). The average duration of storage is 2 weeks. A battery acid spill kit will be on hand for any incidents of leakage or spillage. Pallets are loaded to a maximum of 3 levels.

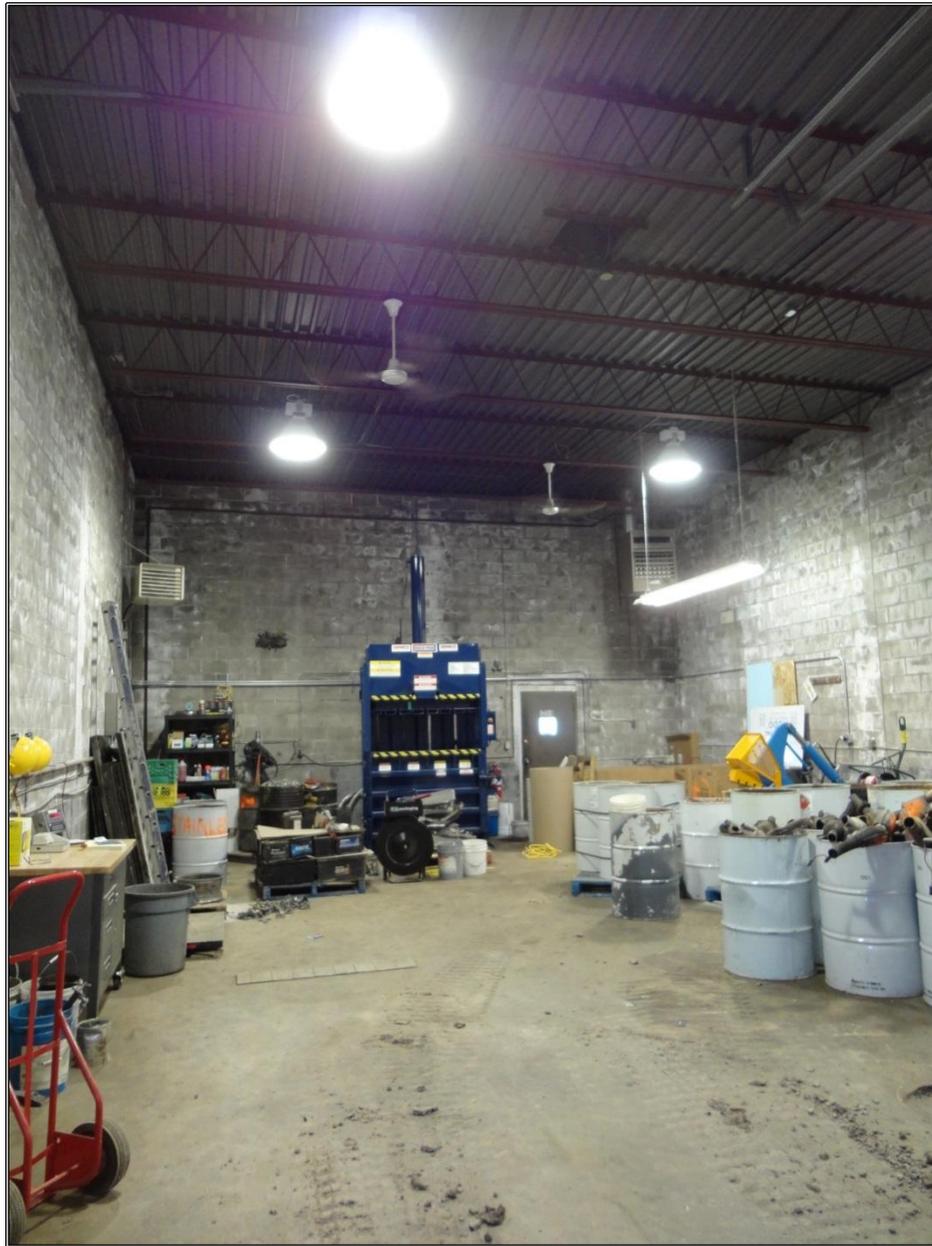


Figure 10: Expanded view of waste battery storage area inside the non-ferrous warehouse, looking east from the northwest entrance. Note the concrete flooring, concrete brick walls, metal roof, and sump pit.



Figure 11: Closer view of the sump pit inside the non-ferrous warehouse. This is a closed pit and is bailed periodically. This sump pit does not drain, nor does it discharge into any water source. In other words, this sump pit is fully contained. In the event of a spillage, the pit can be simply baled and acids would not be discharged into the environment.

APPENDIX A

Site Plan Showing Drainage

APPENDIX B

Certificate of Title

DATE: 2012/05/02
TIME: 15:00

MANITOBA

TITLE NO: 2572388/1

STATUS OF TITLE

PAGE: 1

STATUS OF TITLE.....	ACCEPTED	PRODUCED FOR..	MMM GROUP
ORIGINATING OFFICE...	WINNIPEG	ADDRESS.....	111-93 LOMBARD AVE
REGISTERING OFFICE...	WINNIPEG		WPG R3B 3B1
REGISTRATION DATE....	2011/12/29		
COMPLETION DATE.....	2012/01/04		
		CLIENT FILE...	NA
		PRODUCED BY...	M.DERKSEN

LEGAL DESCRIPTION:

GERDAU AMERISTEEL CORPORATION

IS REGISTERED OWNER SUBJECT TO SUCH ENTRIES RECORDED HEREON
IN THE FOLLOWING DESCRIBED LAND:

PARCEL 1 PLAN 6737 WLTO
IN LOT "G" ROMAN CATHOLIC MISSION PROPERTY

ACTIVE TITLE CHARGE(S):

NO ACTIVE TITLE CHARGES EXIST ON THIS TITLE

ADDRESS(ES) FOR SERVICE:

EFFECT	NAME AND ADDRESS	POSTAL CODE
ACTIVE	GERDAU AMERISTEEL CORPORATION 27 MAIN ST SELKIRK MB	R1A 2B4

ORIGINATING INSTRUMENT(S):

REGISTRATION NUMBER	TYPE	REG. DATE	CONSIDERATION	SWORN VALUE
4166933/1	T	2011/12/29	\$605,000.00	\$605,000.00
PRESENTED BY:	MONK, GOODWIN			
FROM:	SELECT AUTO SALES LTD.			
TO:	GERDAU AMERISTEEL CORPORATION			

FROM TITLE NUMBER(S):

1461020/1 ALL

LAND INDEX:

LOT	BLOCK	SURVEY PLAN
1		6737

NOTE: LOT G, RC

ACCEPTED THIS 29TH DAY OF DECEMBER, 2011
BY F.GREENGRASS FOR THE DISTRICT REGISTRAR OF
THE LAND TITLES DISTRICT OF WINNIPEG.

CERTIFIED TRUE EXTRACT PRODUCED FROM THE LAND TITLES DATA
STORAGE SYSTEM ON 2012/05/02 OF TITLE NUMBER 2572388/1.

***** END OF STATUS OF TITLE 2572388/1 *****

APPENDIX C

Routine Practice – Lead Acid Battery Handling

Lead Acid Battery Handling

ID
Version 1

Authorized by:
Authorized date:

Last Modification: 05/26/2011
Last Modification by: cstolare

Preparation

Assumptions

- Policy: Gerdau Ameristeel recognizes the fact that there exists the potential for Environmental Occurrences during the operation and maintenance of the processes.
- Gerdau Ameristeel will develop and maintain an Environmental Control Program which will ensure that processing operations are designed, installed, commissioned, operated and decommissioned in a safe and environmentally sound manner.
- Environmental control will include the handling of CFC's and other process related programs, procedures or standards that the company identifies.
- Lead Acid batteries contain sulfuric acid, which may cause a burn to skin.
- While handling a car battery, all applicable pre-cautions must be adhered to and followed.

Tools & Materials

Controls Required

Related Workflows

Process Instructions

 Chemicals, Toxic, Poison	 Eye Protection	 Hand Protection	 Metatarsal Boots
 Caution			

Step 1 - Health and safety

Step 2 - Caution

Lead Acid Battery Handling

Version 1

Step 2 - Caution (Continued)

-
1. Keep sparks and flames away from batteries and don't smoke nearby.

Step 3 - Precautions

-
1. Never place metal objects on top of the batter because it can cause sparks. If necessary remove rings, chains, and other metallic items before handling. When stacking batteries always separate layers of batteries using cardboard, or other acceptable forms of dunnage.

Step 4 - Batteries right side up

-
1. Keep batteries right side up.

Step 5 - Storing

-
1. Carry and/or store on top of a non-metallic, leak proof container. Batteries should be neatly palletized utilizing cardboard or another acceptable form of dunnage on the skid and between each layer of batteries and on the top of the pallet. The skids need to be wrapped in stretch wrap and properly labeled with WHMIS labels indicating the hazard and which direction the skid should be handled. See your supervisor for proper pallet labels for scrap batteries.

Step 6 - Battery handling



-
1. Handling batteries should always be done with all the proper PPE. This includes long sleeve shirts, pants, eye protection, approved safety footwear, and acid resistant and/or leather gloves. Face Shields, acid resistant aprons and battery handling clamps are to be used if required.

Step 7 - Contact

Step 7 - Contact (Continued)

1. If acid comes into contact with your eyes or skin, flush the area with water or an eye wash bottle immediately, and seek medical attention if the burning continues. Always report any injuries or near misses to your supervisor immediately.