

Manager, Operations Compliance Environmental, Health & Safety randi.kozak@cpsagu.ca

January 7, 2016

Krystal Penner Manitoba Conservation and Water Stewardship 123 Main Street, Suite 160 Winnipeg MB R3C 1A5

Re: Notice of Alteration - Carman, MB - License 1868 R

Dear Krystal,

This letter is to inform you that Crop Production Services (Canada) Inc. took over the property lease from Agrotak Ltd. in December of 2010. License No. 1868 R was issued to Agrotak Ltd. and Crop Production Services (Canada) Inc. requests that a name change be conducted at this time. This letter is to request constructional approval for the Crop Production Services (Canada) Inc. Carman, Manitoba facility, located on the NE ¼ of 13-6-5 WPM in the Rural Municipality of Dufferin.

This application includes:

- A hard copy of the new license proposal, and
- CPS site plan drawings; and
- License of Occupation.

The target date of construction for this project is February 1, 2016. Please contact me to indicate if you will not be able to review and approve this application in time for this deadline.

If you have any questions regarding this notice of alteration request please direct any questions to myself.

Sincerely,

Randi Kozak

Manager, Operations Compliance Crop Production Services (Canada) Inc.

Crop Production Services (Canada) Inc. Carman, MB

Site Information

This property is located on the NE ¼ of 13-6-5 WPM in the Rural Municipality of Dufferin and is currently leased by Crop Production Services (Canada) Inc.

Changes Within the Development

While License No. 1868 R shows that the site was licensed for the operation of a crop protection products warehouse, a bulk granular fertilizer blending/storage, an anhydrous ammonia storage tank, and distribution facilities, Crop Production Services (Canada) Inc. is submitting this Notice of Alteration to request constructional approval to perform a number of upgrades to the bulk granular fertilizer plant to improve efficiency.

The site currently has a maximum capacity of 2,040 tonne of various bulk granular fertilizers which is stored in hopper bottom bins and 120 tonne of available storage in a vertical tower, an inload u-trough screw conveyor that feeds the inload bucket elevator, an underbin conveyor which feeds the tower bucket elevator, a Layco outload conveyor, and an 11 tonne Layco vertical granular fertilizer blender.

At this time, CPSC would like to notify Manitoba Conservation that it intends to replace the current inload bucket elevator with a newer inload bucket elevator and a tower for structural support to replace the current cable system. This will be placed on an existing concrete pad and will include four 16' x 32' piles drilled and poured to support the tower. Plans are also in place to remove one 80 tonne hopper bottom bin and to add four additional hopper bottom granular fertilizer bins with each having a maximum capacity of 160 tonne of various bulk granular fertilizers.

The current plans are for construction to commence on February 1, 2016.

At this time, we would also like to notify you that at some point over the last 10 years, a bulk liquid fertilizer plant was constructed at this location. We do not wish to have this added to our license as we are in the process of closing this tank farm and removing the assets. We anticipate this being completed by the end of August 2016.

Maps, Drawings, Site Plans, etc.

Two sites plans have been attached for Manitoba Conservation's files. The first shows the current site configuration. The second shows the proposed changes.

Identification and Quantification of Changes to the Type or Quantity of Raw Materials or Substances Used or Processed

It is anticipated that with the replacement of the inload screw conveyor and the bucket elevator system that our granular fertilizer plant should process approximately 65 tonne/hr which does not represent a change to

the current handling capabilities. Total available bulk granular fertilizer storage will increase from 2,160 tonne to 2,720 tonne, depending on product density.

Quantification of Change in the Environmental Effects as a Result of the Alteration

With no anticipated changes to the production rate, no significant changes in the environmental effects are anticipated from the alteration of this development. Respecting granular fertilizer spillage, the proposed upgrades should reduce the spillage from normal operation. This coupled with the timely cleanup of any minor spillage that may occur during normal operation should contain all product. Also respecting air emissions, the upgrades will include covers on the inload conveyor which should ensure that minimal product is airborne and is contained within the property line of the site.