GLOBAL SUPPLY

Diageo Canada Inc., PO Box 2000 19107 Seagram Road Gimli, Manitoba, Canada R0C 1B0

Tel: (204) 642-5123 Fax: (204) 642-1640

Notice of Alteration Request

Tracy Braun, Director Manitoba Conservation and Water Stewardship Environmental Approvals 2nd Floor 123 Main Street (Box 80) Winnipeg MB R3C 1A5

March 11, 2016

Dear Ms. Braun,

RE: Notice of Alteration Request - Diageo Canada Inc. (Diageo) Gimli Plant

Please accept this letter as a Request for Alteration submitted on behalf Diageo to temporarily suspend operation of the Wastewater Treatment Plant at the Diageo Gimli Plant (Diageo WWTP) for a period up to 6 months.

The alteration would allow Diageo to pump clean water, boiler condensate and sanitary waste (black water) to the Rural Municipality of Gimli's Wastewater Treatment Plant (Gimli WWTP) as covered under Diageo and RM of Gimli Service Agreement, and temporarily suspend the operation of the Diageo WWTP for the duration of the current labour dispute at the Diageo Gimli Plant. The Diageo WWTP equalization cell, aeration cells and clarifier will be drained. The contents of the digesters will be allowed to separate the sludge from the supernatant, with the resultant sludge volumes pumped to the Diageo on-site drying bed (s). Following this, the clarifier sludge blanket will be pumped to the digesters and allowed to settle prior to transferring to Diageo on-site drying bed (s). The lagoons will remain in their current state, with the aerators taken out of service; however, the Diageo Gimli Plant will not send wastewater to Lake Winnipeg while operation of the WWTP is suspended.

The R.M. of Gimli has agreed to accept Diageo's wastewater, per our Service Agreement, has as indicated that the acceptance of this wastewater will not have a negative impact on the operation of the Gimli WWTP. The Diageo Facility flow equalization system (which consists of two pump houses pH monitoring and control, and flow monitoring and control) will be used to pump clean water, boiler condensate, and sanitary waste to the Gimli WWTP via a force mina belonging to the R.M. of Gimli. The proposed alteration will eliminate all wastewater discharged to Lake Winnipeg during the suspension period. No additional sludge will be produced during this period, and there will be no effect on air emissions.

Diageo's intent is to place the Diageo WWTP back into service upon cessation of the labour dispute. Once the wastewater plant is back in service, Diageo intends to being formal transfer of its wastewater to the R.M. Gimli WWTP as described in the Notice of Alteration submitted to Manitoba Conservation and Water Stewardship on September 29, 2015.

We trust that this submission meets your needs. Should you have any further questions regarding this request, please do not hesitate to contact the undersigned. Thank you.

Regard

Roman J. Pietrus, P. Eng.

Engineering & Maintenance Manager (Diageo Canada Inc. - Gimli)

Desk +1 204 642 1631 Cell +1 204 651 0019 Roman.Pietrus@diageo.com

Cc: Jennifer Winsor, Environmental Engineer (Government of Manitoba)
Craig Dryburgh, Site Director (Diageo Canada Inc. – Gimli)

Leilanie Schmietenknop, Risk Manager (Diageo Canada Inc. - Gimli) Murray Stewart, Distillation Manager (Diageo Canada Inc. - Gimli)

Joann King (CMMA CAO- Rural Municipality of Gimli)