

SUMMARY OF COMMENTS/RECOMMENDATIONS

PROPONENT: MR. HANS MUSTER
PROPOSAL NAME: BROKENHEAD RIVER BIO-FUELS LTD.
CLASS OF DEVELOPMENT: 1
TYPE OF DEVELOPMENT: MANUFACTURING -
INDUSTRIAL PLANT-BIODIESEL
CLIENT FILE NO.: 5349.00

OVERVIEW:

On June 3, 2008, Manitoba Conservation received a Proposal dated May 28, 2008, for the operation and construction of a manufacturing plant to crush canola oilseed and produce biodiesel fuel and distribution facilities to be located on the N½ of the SE¼ 12-13-7 EPM in the Rural Municipality of Brokenhead. The proponent intends to construct/install an approximate 60 ft. x 95 ft. building to encompass an approximate 4 million litre/year batch continuous reaction system biodiesel production facility, outside tank storage area for biodiesel, methanol and canola. The site will also contain an office/reception area and laboratory for process analysis. The hours of operation when the plant is at capacity will be 24 hours per day, 7 days per week for an estimated 340 days per year. Truck delivery and pick-up will occur during the 8 am to 5 pm business day.

No public concerns were received in response to the advertisement of this proposal in the Beausejour Clipper published on Monday June 16, 2008. The proposal was placed in the Public Registries at the Millennium Public Library, the Manitoba Eco-Network, the Brokenhead River Regional Library and the Environment Library (Main). The proposal was distributed to the Technical Advisory Committee on June 4, 2008, with the closing date for TAC and Public comments on July 8, 2008.

COMMENTS FROM THE PUBLIC:

No public concerns were received.

COMMENTS FROM THE TECHNICAL ADVISORY COMMITTEE:

Historic Resources Branch has no concern with regard to this project's potential to impact on heritage resources.

Canadian Environmental Assessment Agency state that based on their staff survey, application of the *Canadian Environmental Assessment Act* with respect to this proposal is not able to be determined. Agri-Food Canada has advised that it may be providing funds for the project and, therefore, it would then be required to conduct an environmental assessment under the Act. Environment Canada states the proponent should be aware of several regulations including the "Sulphur in Diesel Fuel Regulations, Environmental Emergency Regulations, National Pollutant Release Inventory and the New Substance

Notification Regulations”. Natural Resources Canada and Health Canada stated they possess specialist advice that may be relevant to the project.

Disposition:

The comments/concerns have been provided to the proponent for response. Proponent stated he would comply with federal regulations.

Wildlife & Ecosystem Protection Branch state that there is an occurrence of Western Silvery Aster north of this site and request the proponent conduct a ground survey of their site for this rare plant. It is the proponent’s responsibility prior to and during construction to determine if rare or endangered species may be impacted. If rare or endangered species are found, the Biodiversity Conservation Section must be contacted to discuss possible mitigation options. They also have concerns that migratory birds are not killed or harmed or nests destroyed.

Disposition:

The information was provided to the proponent. The proponent states that the biodiversity as it currently exists in and around the building site will not be affected by this project. Other concerns are addressed in the draft licence.

Transportation & Government Services state the proposed manufacturing plant is located on lands adjacent to Provincial Trunk Highway (PTH) No. 12. This is a Limited Access Highway under the jurisdiction of the Highway Traffic Board and requires a permit to be obtained.

Disposition:

The comments/concerns have been provided to the proponent for response. Proponent stated site has existing driveway off PTH No. 12. which meet access requirements.

Ecological Services-Water Stewardship stated that if the site requires drainage, a Water Rights Licence to construct is required. In addition any sanitary sewage must be captured in a holding tank and removed by a licenced operator. If any industrial waste is to be disposed in the Town of Beausejour, the proponent should ensure that the wastewater treatment technology in the Town of Beausejour is sufficient to remove or breakdown potentially persistent compounds. They recommend that sufficient containment be provided for bio-diesel and methanol storage and that no contaminated water be directed to municipal or provincial waterways including ditches. An emergency response and decommissioning plans should be developed as required.

Disposition:

The comments/concerns have been provided to the proponent for response. The proponent supplied additional information in that consumption of water is minimal. The concerns are addressed in the draft licence.

Community Planning Services state that the proponent made an application for subdivision and received conditional approval. The applicant is now required to make

application to the RM of Brokenhead to have the zoning changed from “A80-Agriculture” to “M-Industrial”.

Disposition:

The comments/concerns have been provided to the proponent for action.

Operations Division-have reviewed the proposal and identified no concerns.

PUBLIC HEARING:

A public hearing is not recommended.

RECOMMENDATION:

TAC concerns are addressed in the draft licence.

The responsibility for enforcement of the Licence should remain with the Environmental Assessment & Licensing Branch until the proponent complies with Clauses 5, 7, 16, 17, 18, 19 and 21.

A draft Environment Act Licence is attached for the Director's consideration.

PREPARED BY:

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October 10, 2008

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