Licence No.: 163 HW Issue Date: May 8, 2003

In accordance with The Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12) THIS LICENCE IS ISSUED TO:

MOTOR COACH INDUSTRIES INC.; "the Licencee"

for the development and continued operation of a heat cleaning oven (the facility) for the treatment of cured paint waste, and paint residue at 1475 Clarence Avenue, in the City of Winnipeg, Province of Manitoba, in accordance with The Dangerous Goods Handling and Transportation Act Application filed on June 11, 1998 and the additional information dated February 11, 2003, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means an analytical facility accredited by the Standard Council of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba Conservation to be equivalent to the SCC, or be able to demonstrate, upon request, that it has the quality assurance/quality control (QA/QC) procedures in place equivalent to accreditation based on the international standard ISO/IEC 17025, or otherwise approved by the Director;

"affected area" means a geographical area, excluding the property of the facility;

"approved" means approved in writing;

"cured paint" means paint attached to racks and hooks used in the electrostatic paint line;

"Director" means an employee of the Department who has been designated or appointed by the Minister;

"heat cleaning oven" means the Armature Coil Equipment Inc. (ACE) Model 260 R Heat Cleaning Oven the operation of which is used for the treatment of paint residue on spent paper filters from paint spray booths and for the removal of cured paint from electrostatic paint line hanging fixtures;

"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: or
- e. is the subject of at least one written complaint, received by the Director in a form satisfactory to the Director, from a person falling within clauses a), b), or c), and the Director is of the opinion that if the odour, smell or aroma had occurred in a more densely populated area there would have been at least 5 written complaints received within a 90 day period from 5 different persons who do not live in the same household;

[&]quot;paint" means substances that are used as metal coatings, stains and thinners;

[&]quot;paint residue" means paint attached to a paper filter for use in spray booths to collect paint overspray;

"treat" means destruction of paint residue from spray booth filters; and

"waste paint substances" means paint residue and cured paint.

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, at all times during the operation of the facility, ensure that a high standard of equipment maintenance and operational practices are implemented.
- 2. 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 facility; 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.
- 3. The Licencee shall, unless otherwise specified in this Licence:
 - a. carry out all sampling, preservation and analyses of, water, soil or air samples in accordance with methodologies approved by the Director;
 - b. certify that all analytical determinations are undertaken by an accredited laboratory; and
 - c. report the results to the Director within 60 days of the samples being taken.
- 4. 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.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

- 5. The Licencee shall treat all paint residue and cured paint generated from the spray paint booths and the electrostatic paint lines in the heat cleaning oven or dispose of these waste paint substances in a manner approved by the Director.
- 6. The Licencee shall allow only personnel trained in the handling of dangerous goods to operate the heat cleaning oven at the facility.
- 7. The Licencee shall display in a conspicuous location near the heat cleaning oven the rated capacity, the type of waste material for which the heat cleaning oven is designed, and the detailed instructions for the operation of the heat cleaning oven.
- 8. The Licencee shall not accept paint residue or cured paint at the facility that were generated at any location other than 1475 Clarence Avenue, Winnipeg, Manitoba.
- 9. The Licencee shall provide to an Environment Officer on request, a certificate of analysis or MSDS showing the formula of the paint residue or cured paint for all waste paint substances that are treated at the facility.

- 10. The Licencee shall not treat paint residue or cured paint at the facility that contain chlorine in the formula of the waste paint substance.
- 11. The Licencee shall properly equip the facility with all the necessary spill cleanup equipment and supplies.
- 12. The Licencee shall maintain an on-site daily record of the volume of waste paint substances stored and treated at the facility.
- 13. The Licencee shall submit to the Director, beginning in the year 2004 and continuing on an annual basis thereafter, and within 30 days of the end of each calendar year, a monthly summary of the volume of waste paint substances treated at the facility for the previous 12 months.
- 14. The Licencee shall maintain all records required by this Licence, for a minimum period of five years, and shall make these records available for inspection by an Environment Officer upon request.
- 15. The Licencee shall not cause or permit an odour nuisance to be created as a result of the operation or alteration of the facility, and shall take such steps as the Director may require to eliminate or mitigate an odour nuisance.
- 16. The Licencee shall operate the facility so that at any point of impingement beyond the boundaries of the facility ground level concentrations of any of the following air contaminants do not exceed the following limits for the measurement criteria:

Air Contaminant	Period of time the Contaminant is Measured	Concentration Limit
Total Hydrocarbons	24 Hour Average	32 mg/m^3
Benzene	24 Hour Average	150 ug/m ³
Toluene	24 Hour Average	2000 ug/m ³
Xylenes	24 Hour Average	2300 ug/m ³

- 17. The Licencee shall obtain written approval from the Director for any proposed changes to the facility, which may affect the operation of the facility, prior to implementing the changes.
- 18. The Licencee shall analyse a representative sample of ash generated at the facility:
 - a. within two months of the date of this Licence; and
 - b. thereafter at a frequency as requested by the Director for leachate characteristics in accordance with Manitoba Regulation 282/87 or any future amendment thereof for the applicable list of metal contaminants.
- 19. The Licencee shall dispose of the ash generated at the facility at a licenced hazardous waste disposal facility.
- 20. The Licencee shall dispose of the spent sand generated at the facility at a licenced hazardous waste disposal facility.
- 21. The Licencee shall submit to the Director for approval, within 30 days of the date of this Licence, a contingency plan, in accordance with the Manitoba Industrial Accidents Council (MIAC) *Industrial Emergency Response Planning Guide*, outlining procedures to be used in the event of a leak, spill, fire, or other hazardous condition at the facility.

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 The Dangerous Goods Handling and Transportation Act.

"original signed by"

Larry Strachan, P. Eng.

Director

Dangerous Goods Handling and Transportation Act

Client File No.: 4939.00

Consignor Registration No. MB G 02759