THE DANGEROUS GOODS HANDLING and TRANSPORTATION ACT LA LOI SUR LA MANUTENTION ET LE TRANSPORT DES MARCHANDISES DANGEREUSES



LICENCE

Conservation Manitoba

Licence No./Licence n°	197 HW	
Issue Date/Date de délivrance	September 22, 2005	

In accordance with the Manitoba Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12)/ Conformément à la Loi sur la manutention et le transport des marchandises dangereuses (C.P.L.M. c. D12)

THIS LICENCE IS ISSUED TO:/CET LICENCE EST DONNÉ À:

FAROEX LTD.; "the Licencee"

for the operation of a heat cleaning oven for the stripping of hydrocarbons and other contaminants from metal parts at 123 Anson Street, in the Rural Municipality of Gimli, Province of Manitoba, in accordance with the Dangerous Goods Handling and Transportation Act Application filed on April 25, 2005 and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence.

"accredited laboratory" means facilities accredited by the Standard Council of Canada (SCC), or facilities accredited by another accrediting agency recognized by Manitoba Conservation to be equivalent to the SCC, or facilities which can demonstrate to Manitoba Conservation, upon request, that quality assurance/quality control (QA/QC) procedures are in place equivalent to accreditation based on the Canadian Standard Can/CSA-Z753, extension of the international standard ISO 9000, Guide 25;

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

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

"Environment Officer" means a department employee so designated or appointed by the minister;

"facility" means all areas of 123 Anson Street in the Rural Municipality of Gimli where the operations of the heat cleaning oven are carried out;

"hydrocarbon" means an organic compound consisting exclusively of the elements carbon and hydrogen;

Faroex Ltd. Licence No. 197 HW Page 2 of 5

"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;

"treat" means remove solidified resin material from metal substrates.

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:
 - 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.

Faroex Ltd. Licence No. 197 HW Page 3 of 5

- 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) use an accredited laboratory for all analytical determinations; 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 allow only personnel trained in the handling of dangerous goods to operate the heat cleaning oven at the facility.
- 6. The Licencee shall submit to the Director, beginning in the year 2006 and continuing on an annual basis thereafter, and within 30 days of the end of each calendar year, a monthly summary of the number of burns that were carried out in the heat cleaning oven and the estimated weight of resin that was treated at the facility for the previous 12 months.
- 7. The Licencee shall maintain all records required by this Licence, for a minimum period of two years, and shall make these records available for inspection by an Environment Officer upon request
- 8. 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.
- 9. 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.
- 10. The Licencee shall operate the facility so that at any point of impingement beyond the boundaries of the facility, ground level concentrations of the following air contaminant do not exceed the following limit:

Air Contaminant	Period of time the Contaminant is Measured	Concentration Limit
Total Hydrocarbons	24 Hour Average	32 mg/m ³

Faroex Ltd. Licence No. 197 HW Page 4 of 5

- 11. 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.
- 12. The Licencee shall at the request of the Director, conduct soil, air (stack and/or ambient), ground water, or surface water monitoring at or adjacent to the facility.
- 13. The Licencee shall, within 60 days of the Director's written request, submit a plan which is acceptable to the Director for the characterization, sampling and analysis of emissions from any process at the facility.
- 14 The Licencee shall, upon written request from the Director, provide a stack or stacks including all necessary sampling facilities for the sampling of air emissions at the facility. The stack or stacks shall be provided:
 - a) at a location(s) and within a time frame satisfactory to the Director; and
 - b) to the specifications and in accordance with the most recent version of Manitoba Conservation Guideline No. 97-05, *Guideline for Stack Sampling Facilities*, unless otherwise approved by the Director.
- 15. The Licencee shall, at the request of the Director, perform all stack sampling in accordance with the most recent version of Manitoba Conservation Report No. 96-07, *Interim Stack Sampling Performance Protocol*, unless otherwise approved by the Director.
- 16. The Licencee shall have analysed by an accredited laboratory the samples taken pursuant to Clause 12 of this Licence for those parameters specified by the Director.
- 17. The Licencee shall submit a copy of the sampling report complete with analytical results as specified pursuant to Clauses 12 and 16 of this Licence, to the Director within 60 days of the completion of the sampling program.
- 18. The Licencee shall have analysed by an accredited laboratory a representative sample of ash generated at the facility for leachate characteristics in accordance with Manitoba Regulation 282/87 for the applicable list of metal contaminants:
 - a) within two months of the initiation of treatment of resin coated tooling at the facility; and
 - b) thereafter at a frequency as requested by the Director.
- 19. The Licencee shall submit a copy of the ash analysis results as specified in Clause 18 of this Licence, to the Director within 60 days of the completion of the sampling of the ash.
- 20. The Licencee shall properly equip the facility with all necessary spill cleanup equipment and supplies.

Faroex Ltd. Licence No. 197 HW Page 5 of 5

- 21. The Licencee shall submit to the Director for approval, within 60 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.
- 22. The Licencee shall, within 30 days of the date of this Licence, post with the Manitoba Department of Conservation in the amount of \$20,000 Cdn:
 - a) a permit bond issued by a surety company licenced to do business in the Province of Manitoba:
 - b) an irrevocable letter of credit; or
 - c) another acceptable security satisfactory to the Director.

This permit bond, irrevocable letter of credit, or other security and renewals thereof shall remain in place for the duration of the operation of the facility. The Director may order forfeiture of the permit bond, irrevocable letter of credit, or other security, either in whole or in part, by giving written notice to that effect to the Licencee, upon the Director being satisfied that the Licencee is in breach of any specification, limit, term or condition of this Licence, or for reimbursement of any costs or expenses incurred by the Province of Manitoba in rectifying environmental damage caused or contributed to by the operation of 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.

Tracey Braun, M. Sc.

Director

Dangerous Goods Handling and Transportation Act

Client File No.: 5094.00