



**Conservation and Water Stewardship**

Climate Change and Environmental Protection Division  
Environmental Assessment and Licensing Branch  
123 Main Street, Suite 160, Winnipeg, Manitoba R3C 1A5  
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**CLIENT FILE NO.: 5551.00**

March 13, 2012

Chappell Ag Ventures Inc.  
Barry Chappell  
Box 458  
Hamiota MB

Dear Mr. Chappell:

Enclosed is **Environment Act Licence No. 2998** dated March 13, 2012 issued in accordance with *The Environment Act* to Chappell Ag Ventures Inc. for the construction, installation and operation of the Development being a crop protection products warehouse located in the SE ¼ 24-15-23 WPM in the Rural Municipality of Hamiota, and in accordance with the Proposal filed under *The Environment Act* on November 14, 2011.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with. A Notice of Alteration must be filed with the Director for approval prior to any alteration to the Development as licensed.

For further information on the administration and application of the Licence, please feel free to contact Peter Crocker, Environment Officer @ (204) 726-6565.

Pursuant to Section 27 of *The Environment Act*, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation within 30 days of the date of the Licence.

Yours truly,

Tracey Braun, M.Sc.  
Director  
Environment Act

Enc.

c: Don Labossiere, Director, Environmental Operations  
David Klassen, Kelsen Agritech  
Public Registries

**NOTE: Confirmation of Receipt of this Licence No. 2998 (by the Licensee only) is required by the Director of Environmental Assessment and Licensing. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department by March 27, 2012.**

\_\_\_\_\_  
On behalf of Chappell Ag Ventures Inc.

\_\_\_\_\_  
Date

**\*\*A COPY OF THIS LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES\*\***

# LICENCE

Licence No. / Licence n° 2998

Issue Date / Date de délivrance March 13, 2012

In accordance with The Environment Act (C.C.S.M. c. E125) /  
Conformément à la Loi sur l'environnement (C.P.L.M. c. E125)

Pursuant to Section 10(1) / Conformément au Paragraphe 10(1)

**THIS LICENCE IS ISSUED TO: / CETTE LICENCE EST DONNÉE À:**

**CHAPPEL AG VENTURES INC. – R.M. OF HAMIOTA:**  
**"the Licencee"**

for the construction, installation and operation of the Development being a crop protection products warehouse located in the SE ¼ 24-15-23 WPM in the Rural Municipality of Hamiota, and in accordance with the Proposal filed under *The Environment Act* on November 14, 2011 and subject to the following specifications, limits, terms and conditions:

## DEFINITIONS

In this Licence,

**"accredited laboratory"** means any facility accredited by the Standard Council of Canada (SCC); or accredited by another accrediting agency recognized by Manitoba Conservation and Water Stewardship 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 Development;

**"chemical"** includes, but is not limited to petroleum products, fertilizers and pesticides;

**"Director"** means an employee so designated pursuant to *The Environment Act*;

**"Environment Officer"** means an employee so designated pursuant to *The Environment Act*;

**"noise nuisance"** means an unwanted sound in an affected area, which is annoying, troublesome, 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 members of the public;  
if the sound
- 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 noise 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;

**"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 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 unwanted odour, smell of 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;

**"opacity"** means the degree to which emissions reduce the transmission of light and obscure the view of an object in the background;

**"particulate matter"** means any finely divided liquid or solid matter other than water droplets;

**"particulate residue"** means that part or portion of an atmospheric emission which is deposited onto a surface;

**"pesticide storage structure(s)"** means any building(s) where agricultural crop protection products are stored for either commercial or retail purposes;

**"point source"** means any point of emission from a Development where pollutants are ducted into the atmosphere;

**"secondary containment area"** means an area designed and constructed to contain any liquids, including chemicals and fire water, resulting from a significant event such as a fire, and prevents the release of pollutants beyond the containment area; and

**"sewage"** means human body, toilet, liquid, waterborne culinary, sink or laundry waste.

### **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 submit all information required to be provided to the Director under this Licence, in writing, in such form (including number of copies) and of such content as may be required by the Director, and each submission shall be clearly labelled with the Licence Number and Client File Number associated with this Licence.
2. The Licencee shall, in addition to any of the following specifications, limits, terms and conditions specified in this Licence, upon the request of the Director:
  - a) sample, monitor, analyse 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 Development;
  - c) conduct specific investigations in response to the data gathered during environmental monitoring programs; or
  - d) 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 preservations and analyses on liquid samples in accordance with the methods prescribed in the most current edition of Standard Methods for the Examination of Water and Wastewater or in accordance with equivalent preservation and analytical methodologies approved by the Director;
  - b) carry out all sampling of, and preservation and analyses on, soil and air samples in accordance with methodologies approved by the Director;
  - c) only utilize an accredited laboratory for analytical determinations; and
  - d) report the results to the Director within 60 days of the samples being taken, or within another timeframe as specified by the Director.

### **SPECIFICATIONS, LIMITS AND CONDITIONS**

#### **Respecting Construction and Operation**

4. The Licencee shall obtain all necessary municipal, provincial and federal permits and approvals for construction of relevant components of the Development prior to commencement of construction.
5. The Licencee shall, at all times during the operation of the Development, implement a high standard of equipment maintenance and operational practices.

6. The Licencee shall reduce the production and dissemination of wastes by initiating and maintaining waste reduction and waste recycling programs.
7. The Licencee shall, in the event of a release, spill, leak or discharge of a pollutant or contaminant in an amount or concentration, or at a level or rate of release, that exceeds the limit that is expressly provided under this Licence, *The Environment Act*, another Act of the Legislature, or an Act of Parliament, or in regulation, licence, permit, order, instruction, directive or other approval or authorization issued or made under one of those Acts, immediately report the release, spill, leak or discharge by calling 204-945-4888. The report shall indicate the nature of the release, leak, spill or discharge, the time and estimated duration of the event and the reason for the release, spill leak or discharge.

### **Respecting Pesticides**

8. The Licencee shall meet or exceed the current guidelines for Agrichemical Warehousing Standards Association (AWSA) certification regarding the handling and storage of crop protection chemicals.
9. The Licencee shall adequately dike the Development to provide a secondary containment area, and install a gate valve at the lowest elevation point that controls surface water run-off from the secondary containment area. The gate valve shall remain in the closed position except for the supervised release of the accumulated surface water runoff where there have been no documented spills, or as authorized by an Environment Officer.
10. The Licencee shall ensure that the secondary containment area is protected with a minimum of 45 centimetres of compacted clay material or other materials approved by the Director.
11. The Licencee shall construct and maintain concrete floors with a minimum 10 centimetres retention curbing around the perimeter of all pesticide storage structure(s) so as to prevent spilled liquids from leaking into the soil.
12. The Licencee shall install and maintain, for all pesticide storage structure(s), an automatic system(s) for fire detection and security.
13. The Licencee shall create and maintain a current duplicate inventory of all pesticides stored at the Development, with one copy stored at the premises of the Development, and the other copy stored at a location off-site from the Development.
14. The Licencee shall store only pesticides registered under the federal *Pest Control Products Act* at the Development.
15. The Licencee shall not mix pesticide chemicals or fill or re-fill pesticide chemical containers at the Development.
16. The Licencee shall locate pesticide storage structure(s) a minimum distance of:
  - a) 100 metres from any property zoned residential; and
  - b) 100 metres from single residencesunless a written consent form is obtained from the owner(s).

### **Respecting Air Emissions**

17. The Licencee shall not emit particulate matter from the Development such that:
- a) particulate matter:
    - i) exceeds 0.23 grams per dry standard cubic metre calculated at 25 degrees Celsius and 760 millimetres of mercury, corrected to 12 percent carbon dioxide for processes involving combustion from any point source of the Development;
    - ii) exhibits a visible plume with an opacity of greater than 5 percent at any point beyond the property line of the Development; or
    - iii) results in the deposition of visible particulate residue at any time beyond the property line of the Development; or
  - b) opacity from any point source of the Development equals or exceeds:
    - i) 20 percent as the average of any 24 consecutive opacity observations taken at 15 second intervals;
    - ii) 20 percent for more than 16 individual opacity observations within any 1 hour period; or
    - iii) 40 percent for any individual opacity observation.
18. The Licencee shall not cause or permit a noise nuisance to be created as a result of the operation of the Development, and shall take such steps as the Director may require to eliminate or mitigate a noise nuisance.
19. The Licencee shall not cause or permit an odour nuisance to be created as a result of the construction, operation or alteration of the Development, and shall take such steps as the Director may require to eliminate or mitigate an odour nuisance.

### **Respecting Liquid Emissions**

20. The Licencee shall notify Manitoba Conservation and Water Stewardship when any spill has occurred in the secondary containment area. If the accumulated liquid within the secondary containment area may be contaminated, it shall be sampled and the sample shall be analyzed by an accredited laboratory prior to requesting authorization for release. The results of the analysis shall be included in the request for authorization for release. Following a spill, no accumulated liquid within the secondary containment area shall be released with the prior authorization of an Environment Officer.
21. The Licencee shall not direct any spillage, contaminated run-off or pollutant, other than sewage, to an approved sewage disposal system.
22. The Licencee shall contain and clean up immediately any pesticide or chemical spills in order to prevent soil, surface water or ground water contamination.

### **Respecting Emergency Contingency Plans**

23. The Licencee shall submit, within ninety (90) days of the issuance of this Licence, an emergency response contingency plan to be approved by the Director. This plan shall include, but not be limited to, items which will address: measures implemented for spill prevention and containment; security; personnel training; fire and other response arrangements.

**Respecting Site Decommissioning**

- 24. The Licencee shall submit within one (1) year prior to closure of the facility, for the approval of the Director, a formal detailed Decommissioning Plan for the facility.
- 25. The Licencee shall implement, on closure of the facility, the approved Decommissioning Plan.

**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 construction of the development is not commenced within three years of the date of this Licence, the Licence is revoked.
- C. 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 Section 10 of *The Environment Act*.



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Tracey Braun, M.Sc.  
Director  
Environment Act

Client File No.: 5551.00