In accordance with the Manitoba Environment Act (C.C.S.M. c. E125)

THIS LICENCE IS ISSUED TO:

UNITED GRAIN GROWERS LIMITED - RESTON; "the Licencee"

for the upgrading and operation of the Development being a crop protection products warehouse distribution centre, a bulk granular fertilizer blending/storage, and distribution facilities to be located on land leased from the Canadian Pacific Limited on Lot 3, Plan 27006 BLTO on the NW 1/4 9-7-27 WPM in the Rural Municipality of Pipestone, subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"A-weighted sound level" means the sound level measured in dBA units with a sound level meter set on the A-weighting network, being a filter designed to approximate the relative sensitivity of the normal human ear to different frequencies of sound;

"ambient concentration" means the measurement of a substance contained in an air sample (corrected to a temperature of 25 °C and to a pressure of 101.3 kilopascals) which has been collected from any point beyond the property line of the Development;

"appreciable impulsive or impact character" means sound which has a significant amount of impulsive or impact nature, such as hammering, explosions and clanking or banging. Impulsive or impact sounds are sounds of short duration, usually less than one second, characterized by an abrupt onset followed by a rapid decay;

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

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

"dB" (decibel) means a dimensionless measure of sound level or sound pressure level, where,

\[
\text{sound level} = 20 \log_{10} \left( \frac{\text{sound pressure (actual)}}{\text{sound pressure (reference)}} \right);
\]

"4 minute period(s) in the aggregate" means any 16 readings, not necessarily contiguous, taken at 15 second intervals within a 1 hour sampling period;

"Leq (energy equivalent level)" means the A-weighted sound level (as decibels (dBA)) of a constant or steady sound, for a stated period, which has an amount of acoustic energy equivalent to that contained in the sound being measured;
"Leq(1)" means the Leq for a one hour period;

"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;

"predominant discrete tone" means sound (for example a whine or hum) having a one-third octave band sound level which, when measured in a one-third octave band, exceeds the arithmetic average of the sound levels of the two adjacent one-third octave bands on either side of such one-third octave band by:

i) 5 dB for such one-third octave band with a center frequency from 500 Hertz to 20,000 Hertz, inclusive, provided such one-third octave band sound level exceeds the sound level of each adjacent one-third octave band;

ii) 8 dB for such one-third octave band with a center frequency from 160 Hertz to 400 Hertz, inclusive, provided such one-third octave band sound level exceeds the sound level of each adjacent one-third octave band; or

iii) 15 dB for such one-third octave band with a center frequency from 25 Hertz to 125 Hertz, inclusive, provided such one-third octave band sound level exceeds the sound level of each adjacent one-third octave band;

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

**GENERAL SPECIFICATIONS**

1. The Licensor shall comply with the current edition of the Crop Protection Institute of Canada’s warehousing standards regarding the handling and storage of crop protection chemicals, and with all applicable federal and provincial regulations.

2. The Licensor shall install and maintain, for any structures used for the storage of crop protection chemicals, an automatic system(s) for fire detection and security.

3. The Licensor shall ensure that a high standard of equipment maintenance and good housekeeping and operational practices are carried out with respect to the Development, at all times.

4. The Licensor shall reduce the production and dissemination of wastes by initiating and maintaining waste reduction and waste recycling programs.
LIMITS, TERMS AND CONDITIONS

1. AIR EMISSIONS

5. The Licencee shall not emit particulate matter from the Development such that:
   i) particulate matter:
      a) 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;
      b) exhibits a visible plume with an opacity of greater than 5 percent at
         any point beyond the property line of the Development; or
      c) results in the deposition of visible particulate residue at any time
         beyond the property line of the Development; or
   ii) opacity from any point source of the Development equals or
       exceeds:
      a) 20 percent for a four minute period(s) in the aggregate in any one
         hour; or
      b) 40 percent at any time.

6. The Licencee shall not emit sound from any part or process of the Development,
   such that any emission when measured at a point of reception within an area which
   is zoned as residential, exceeds the following (Leq(1)) limits:
   i) subject to sub-Clause 6 (ii):
      a) 60 dBA during the daytime hours of 7:00 a.m. to 10:00 p.m., local
         time; or
      b) 50 dBA during the nighttime hours of 10:00 p.m. to 7:00 a.m., local
         time; or
   ii) when the sound has an appreciable impulsive or impact character or
       a predominant discrete tone:
      a) 55 dBA during the daytime hours of 7:00 a.m. to 10:00 p.m., local
         time; or
      b) 45 dBA during the nighttime hours of 10:00 p.m. to 7:00 a.m., local
         time.

7. The Licencee shall not emit sound from any part or process of the Development,
   such that any emission when measured at a point of reception within an area which
   is zoned as commercial, exceeds the following (Leq(1)) limits:
   i) 70 dBA during the daytime hours of 7:00 a.m. to 10:00 p.m., local time; or
   ii) 60 dBA during the nighttime hours of 10:00 p.m. to 7:00 a.m., local time.

8. The Licencee shall not emit sound from any part or process of the Development,
   such that any emission when measured at a point of reception, beyond the property
   line of the Development and within an area which is zoned as industrial, exceeds an
   Leq(1) of 70 dBA at any time.
II - LIQUID EMISSIONS

9. The Licencee shall not direct any spillage, contaminated run-off or pollutant, other than sewage, to an approved sewage disposal system.

10. The Licencee shall contain and clean up immediately any chemical spills to prevent soil, surface water or ground water contamination.

11. The Licencee shall ensure that the site retention area is protected with a minimum 45 cm of low permeability compacted clay material or other materials approved by the Director.

12. The Licencee shall ensure that the Development is adequately diked and that control culverts are installed at the low end of the Development and remain in the closed position. The Regional Office of Manitoba Environment in Virden shall be contacted for approval to open the control culverts to permit land drainage.

13. The Licencee shall ensure that the surface of the containment area is inspected semiannually for desiccation cracks, and that the containment area's continuity is maintained.

III - REMEDIAL ACTION

14. The Licencee, upon obtaining approval from an Environment Officer, shall immediately dispose of any contaminated material in accordance with the approval.

IV - EMERGENCY CONTINGENCY PLAN

15. 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.

V - FERTILIZER PRODUCTS

16. The Licencee shall surface all areas of the Development where fertilizer is stored, loaded, blended, transferred or otherwise handled in a manner and using materials approved by the Director.

17. The Licencee shall grade and/or curb all areas where fertilizer is stored, loaded, blended, transferred or otherwise handled, in a manner and using materials approved by the Director, such that all product spillage and contaminated run-off water from these areas is contained within the Development.

VI - PESTICIDES

18. The Licencee shall construct and maintain the concrete floors and curbs of all pesticide storage structure(s) so as to prevent spilled liquids from leaking into the soil.
19. 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.

20. The Licencee shall store only pesticides registered under the Pest Control Products Act of Canada at the Development.

21. The Licencee shall contain on the Development:
   i) any on-site pesticide spill;
   ii) wastewater generated from any response action due to an on-site release of pesticides; and
   iii) contaminated water resulting from the extinguishing of any fire involving pesticides.

22. The Licencee shall locate the pesticide storage structure(s) a minimum distance of:
   i) 100 metres from any property zoned residential; and
   ii) 100 metres from single residences
   unless a written consent form is obtained from the owner(s).

VI - SAMPLING AND ANALYSIS

23. The Licencee, at the request of the Director, shall conduct soil, air (stack and/or ambient), ground water, surface water or noise monitoring at or adjacent to the Development.

24. The Licencee shall have each soil, air or water sample collected pursuant to Clause 23 analyzed by a laboratory approved by the Director and using methods approved by the Director for any of the following analytes as may be specified by the Director:
   i) NH₃ - N (Sol.);
   ii) NO₃ - NO₂ - N (Diss.);
   iii) Kjeldhal, Total - N;
   iv) P - Total;
   v) Particulate Matter (in air); and
   vi) Pesticides.

25. The Licencee shall submit a copy of the sampling report complete with analytical results as specified pursuant to Clauses 23 and 24, to the Director within 60 days of the completion of the sampling program.

REVOCATION

If in the opinion of the Director the Licencee has exceeded or is exceeding the specifications, limits, terms or conditions set out herein, the Director may revoke, temporarily or permanently, this Licence.

[Signature]
Serge Scrailfield
Director
Environment Act

File No.: 3938.00