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

THIS LICENCE IS ISSUED TO:

**UNITED CHEMICAL SERVICES INC.; "the Licencee"**

for the construction and operation of the Development being a chemical warehouse and distribution centre to be located on the property described as Lot 4, Block 8, Plan No. 14629, Title No. RG 25290, (Greenwood Avenue), in the Town of Selkirk, Manitoba, in accordance with the Proposal filed under The Environment Act on December 2nd 1994, and subject to the following specifications, limits, terms and conditions:

**DEFINITIONS**

In this Licence,

"**affected area**" means a geographical area affected by an odour nuisance;

"**hazardous waste**" is as defined under the Dangerous Goods Handling and Transportation Act and Regulations;

"**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 the affected area; or
(c) present at a location in the 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 in a form satisfactory to the Director and from 5 different persons falling within clauses (a), (b) or (c), who are unrelated and who do not live in the same household, received by the Director within a 90 day period; or

(e) is the subject of at least one written complaint 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 from 5 different persons who are unrelated and who do not live in the same household within a 90 day period.

"**permanently closed**" means that the Development has not been operated for a period of 6 months or more;

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

1. The Licencee 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.

2. The Licencee shall create and maintain a current duplicate inventory of all chemicals 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.

3. The Licencee shall ensure that all storage vessels and spill containment systems are visually inspected for leakage on a weekly schedule, and keep available on site for inspection by an Environment Officer a log book of all inspections.

4. The Licencee shall install and maintain, for any structure(s) used for the storage of chemicals, an automatic system(s) for fire detection and security.

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

6. The Licencee shall ensure that whenever chemicals are being transferred to or from a vehicle, or to or from a storage tank, or to or from drums, the transfer is supervised by trained personnel at all times and in such a manner that the flow of chemicals can be immediately shut off, if necessary.

7. The Licencee shall report all spills of chemicals over 100 litres at the Development immediately to the Department in Winnipeg at (204) 944-4888 and ensure that all necessary actions are immediately taken to contain the release, leak, or spill, to manage the impacted environment and to restore the environment to the satisfaction of an Environment Officer or the Director.

8. The Licencee shall not receive at the Development any hazardous waste from any generator off site of the Development.

9. The Licencee shall obtain approval in writing from the Director for any proposed alteration to the Development before proceeding with an alteration.

10. The Licencee shall, in the event that the Development is to be permanently closed as a chemical warehouse and distribution centre, or is offered for sale, conduct an investigation, at the Licencee’s cost, to the satisfaction of the Director, to identify any contamination which may have resulted from the operation of the Development.

11. The Licencee shall, where the investigation referred to in Clause 10 of this Licence shows that contamination of the environment has occurred, submit a remediation proposal to the Director and, upon approval of this proposal by the Director, the required remediation shall be carried out by the Licencee, at the Licencee’s cost.
LIMITS, TERMS AND CONDITIONS

I - FINANCIAL ASSURANCE/INSURANCE

12. The Licencee shall, at least 30 days prior to operation of the Development, post a Permit Bond issued by a surety company licenced to carry out business in Manitoba, an irrevocable letter of credit, or other security with the Manitoba Department of the Environment, to the satisfaction of the Director, in the amount of $20,000.00. This security, and renewals thereof, shall remain in place at all times during the operation and decommissioning of the Development. The Director may order forfeiture of the 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 of the terms 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 Development.

13. The Licencee shall, at least 30 days prior to operation of the Development, provide the Director with proof of Comprehensive General Liability Insurance relating to the operation of the Development providing coverage for third party bodily injury (including death) and accidental property damage subject to a minimum limit of $5,000,000 per occurrence.

14. The Licencee shall, at least 30 days prior to the operation of the Development, provide the Director with proof of Automobile Liability Insurance for all vehicles involved in the transport of chemicals to and/or from the Development, providing minimum limits of $1,000,000 per occurrence.

II - LIQUID EMISSIONS

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

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

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

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

19. 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 Selkirk shall be contacted for approval to open the control culverts to permit land drainage.
III AIR EMISSIONS

20. The Licencee shall not construct, alter or operate the Development, or permit the Development to be constructed, altered or operated, in a way which causes or results in an odour nuisance, and shall take steps as the Director may require to eliminate or mitigate an odour nuisance.

21. The Licencee shall, at the request of the Director:
   a) conduct special studies which include, but are not limited to, the determination of ambient air quality, groundwater quality, or soil quality, within the vicinity of the Development for specified pollutants and in a manner satisfactory to the Director; and
   b) submit a report containing data and all other related information on the study to the Director within 90 days after completion of the study.

IV - EMERGENCY CONTINGENCY PLAN

22. The Licencee shall provide to the Director, at least 30 days prior to the operation of the Development, a current contingency plan, in accordance with the guidelines attached as Appendix A to this Licence, outlining procedures to be used in the event of a leak, spill, fire or other hazardous condition at the Development.

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.

Larry Strachan, P. Eng.
Director
Environment Act

File No.: 3927.00
CONTINGENCY PLAN GUIDELINE

1. GENERAL POLICY STATEMENT
   Provide a general statement on the company's policy as they relate to emergency planning and the way in which the contingency plan addresses these policies.

2. HAZARD IDENTIFICATION
   Describe the types of situations this plan will address. (Hazardous materials releases, fire, severe weather, power outages, etc.)

3. COMPANY EMERGENCY PERSONNEL LIST
   List the company personnel who are assigned specific functions in the case of an emergency. Include job titles, home and office phone numbers, and a description of the person's emergency response duties.

4. OUTSIDE CONTACTS
   List any agencies or individuals outside the company who may have to be contacted in the case of an emergency. Include 24 hour numbers and a description of the agency's function in an emergency. Typical listings in this section would include local fire and police departments, local ambulance and/or hospital, provincial or federal environmental agencies, contractors and suppliers and any other agency that may be of assistance in responding to and mitigating an emergency situation.

5. EVACUATION PLAN
   Describe how employees would be evacuated from various parts of the operation, including alarm or warning procedures, assembly points, rescue operations. This section should address procedures for determining how many employees are in a work area and how those employees can be accounted for during an evacuation. Evacuation co-ordinators for each area should also be identified.

6. EMERGENCY RESPONSE PROCEDURES
   For each of the hazard types identified in Section 2, an outline of the steps to be taken to contain, control and correct the situation should be prepared. The outline should identify who is responsible for initiating the action and some brief statements that can be used to determine what initial actions are required (eg. methods for containing and recovering a petroleum spill).

7. EQUIPMENT LISTING
   List any equipment and supplies available on or off site which may be useful during response to an emergency. This might include spill absorbents, monitoring equipment, communication gear, patching kits, etc. For each item, identify where they are stored and how they can be mobilized.
8. **MAPS/DRAWINGS**

Provide site maps, building plans and any other material which may be required during an emergency to identify evacuation routes, hazardous material storage areas, and any other pertinent site information.

9. **HAZARDOUS MATERIALS LIST**

Provide a complete list of materials stored or used on site which may present a hazard to the environment or public health or safety, if they are involved in a release or impacted by a fire. Where possible, describe the type of containment used, usual volumes on site and where they are stored.

**GENERAL COMMENTS**

A contingency plan should be a quick reference to be used as an information source either for pre-planning or during an emergency. The sections of the plan should be written in point form in clear, concise wording with clear headings and a comprehensive table of contents. Since some of the information in the plan will change periodically, it is important that the plan be reviewed and updated on a regular basis. A current distribution list for plan copies should be kept with the original. The contingency plan should not be used as a "how-to" manual for responding to an accident. This should be addressed in the company training and pre-planning procedures.