

Sustainable Development Environmental Stewardship Division Environmental Approvals Branch

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www.gov.mb.ca/conservation/eal

File: 3023.00 Lic#: 1339 RR

March 21, 2018

Jayne Sheppard, P. Eng Environmental Superintendent Canadian Kraft Paper Industries Ltd Box 1590 The Pas, MB | R9A 1L4 | Hwy #10 North Via Email: jayne.sheppard@ckpi.com

Dear Ms. Sheppard:

Re: Canadian Kraft Paper Industries Ltd. - Notice of Alteration to Licence 1339 RR

Thank you for the Notice of Alteration (NoA) dated January 29, 2018 with additional information on February 26, 2018 that proposes the following alterations at your Canadian Kraft Paper Industries Ltd. facility located at The Pas, Manitoba:

- To upgrade the over fire air system and to install a vibrating continuous grate on the power boiler and to use a temporary packaged boiler for the 2-month period when the power boiler is out of service.
- 2. To defer the internal inspection of 2 bunker C oil tanks, north waste oil tank and light oil tank until the summer of 2019 and to relax the integrity test requirement of the secondary containment system of the fuel storage tanks.
- 3. Due to the boiler upgrade work, to defer the bi-annual stack testing project until 2019.
- To install a new chip thickness screening system and to upgrade the pulp mill screen room.

The request to remove the requirement of testing the integrity of the secondary containment system is denied. This testing is required before September 30, 2018. Apart from this I have reviewed the proposed alteration and concluded that the environmental effects from the NoA are insignificant; and, therefore, in accordance with Section 14(2) of The Environment Act you are hereby authorized to carry out the proposed alteration as described in the January 29, 2018 and February 26, 2018 NoA. However, this approval is conditional on the following requirements:

- 1. Notify the regional Environment Officer one week prior to commissioning and decommissioning of the temporary packaged boiler.
- 2. Continued submission of monthly reports of visual inspections of the fuel storage system and its secondary containment, including the following:
 - o Documented routine in-service inspections in conformance with
 - Section 8.4 of the CCME Code of Practice for Aboveground and Underground Storage Tank Systems Containing Petroleum and Allied Petroleum Products; and
 - Section 6.3 of API Standard 653
- 3. Testing the integrity of the secondary containment system of the fuel storage tanks before September 30, 2018.
- 4. Further permitting of the four tanks under Permit # 20966 will not be considered past September 30, 2019 without proof of formal external and internal inspection as per Section 6 of API Standard 653.
- 5. Stack testing performed in the summer of 2019.
- 6. Acceptance of a revised Environment Act Licence to be issued in the near future.

If you have any questions regarding this matter please contact Cristal Huculak, Regional Supervisor, at (204) 627-8248.

Yours sincerely,

Siobhan Burland Ross, M. Eng., P. Eng.

A/Director

 c: Don Labossiere/ Tim Prawdzik/ Cristal Huculak - Environmental Compliance and Enforcement Branch
Eshetu Beshada/ Kim Fedick - Environmental Approvals Branch
Public Registry