



Conservation and Climate

Environmental Stewardship Division
Environmental Approvals Branch
1007 Century Street, Winnipeg, Manitoba R3H 0W4
T 204 945-8321 F 204 945-5229

CLIENT NO.: 3285.10

February 13, 2020

Richard Fay
26 Elm Avenue
Box 159
Grunthal, MB R0A 0R0
Email: Richard_fay@parmalat.ca
Fax: 204-434-6408

Dear Mr. Fay:

Enclosed is **Environment Act Licence No. 3316**, issued to **Lactalis Canada Inc.** for the continued operation of the Development being a milk processing plant located at 26 Elm Avenue in Grunthal with all wastewater being discharged to the R.M. of Hanover collection system and in accordance with the Proposal filed under The Environment Act on September 6, 2019.

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.

If you have any questions on this matter, please contact Larry Markwart, Environment Officer, at 204-392-3227 or Larry.Markwart@gov.mb.ca.

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 and Climate within 30 days of the date of the Licence.

Sincerely,

Original Signed by

Shannon Kohler
Director
The Environment Act

- c: Larry Markwart: Environmental Compliance and Enforcement
- Siobhan Burland Ross: Environmental Approvals
- Public Registries

NOTE: Confirmation of receipt of this Licence No. 3316 (by the Licensee only) is required by the Director of Environmental Approvals. Please acknowledge receipt by signing in the space below and email a copy of this letter to Jennifer.Winsor@gov.mb.ca by February 27, 2020.

On behalf of Lactalis Canada Inc.

Date

LICENCE

CLIENT NO.: 3285.10

Licence No. / Licence n° 3316

Issue Date / Date de délivrance February 13, 2020

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 11(1) / Conformément au Paragraphe 11(1)

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

LACTALIS CANADA; "the Licencee"

for the continued operation of the Development being a milk processing plant located at 26 Elm Avenue in Grunthal with all wastewater being discharged to the R.M. of Hanover collection system and in accordance with the Proposal filed under The Environment Act on September 6, 2019 and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means an analytical facility accredited by the Standards Council of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba Conservation and Climate 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;

"approved" means approved by the Director or assigned Environment Officer in writing;

"dangerous good" means a product, substance or organism as defined in The Dangerous Goods Handling and Transportation Act, or any amendments thereto;

"day" or "daily" means any 24-hour period;

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

"effluent" means wastewater flowing or pumped out of the milk processing plant;

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

"Environmental Management System (EMS)" means the part of the overall management system that includes organizational structure, planning activities, responsibilities, practices, procedures, processes, and resources for developing, implementing, achieving, reviewing and maintaining the environmental policy;

"Industrial Services Agreement" means a signed and legally binding agreement, arrived at between the Licencee and the R.M. of Hanover which outlines clear limits respecting the maximum daily and maximum weekly flow rates, as well as maximum daily and maximum weekly loading limits on such physical, chemical and biological parameters as may be requested by the Licencee and/or the R.M. of Hanover;

"industrial wastewater" means wastewater derived from an industry which manufactures, handles or processes a product and does not include wastewater from commercial and residential buildings;

"milk processing plant" means the main milk processing plant structure;

"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 unwanted 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 unwanted sound 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 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;

"Operator" means a person certified to operate the wastewater collection system and the water treatment plant employed by the Licencee to manage the functional day-to-day operation of the wastewater collection system and the water treatment plant within the constraints of this Licence;

"process wastewater" means a liquid stream, containing or comprised of process water or any chemicals used by the Development, which is designated for release into the environment;

"pollutant" means a pollutant as defined in The Environment Act;

"record drawings" means engineering drawings complete with all dimensions which indicate all features of the Development as it has actually been built;

"SDS" means safety data sheets;

"Standard Methods for the Examination of Water and Wastewater" means the most recent edition of Standard Methods for the Examination of Water and Wastewater published jointly by the American Public Health Association, the American Waterworks Association and the Water Environment Federation;

"waste disposal ground" means an area of land designated by a person, municipality, provincial government agency, or crown corporation for the disposal of waste and approved for use in accordance with Manitoba Regulation 37/2016, or any future amendments thereto, or a Licence pursuant to The Environment Act;

"wastewater" means the spent or used water of a community or industry which contains dissolved and suspended matter;

"wastewater collection system" means the sewer and pumping system used for the collection and conveyance of domestic, commercial, industrial and process wastewater;

"whey" means the serum portion of the milk separated from the milk coagulated during the manufacture of cheese or Casein; and

"WHMIS" means Workplace Hazardous Materials Information System.

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.

Retain Copy of Licence

1. The Licencee shall at all times maintain a copy of this licence at the Development or at the premises from which the Development's operations are managed.

Future Sampling

2. In addition to any of the limits, terms and conditions specified in this Licence, the Licencee shall, upon the request of the Director:
 - a) 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 pollutant(s) 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, compost, and air samples in accordance with methodologies approved by the Director;
 - c) have all analytical determinations undertaken by an accredited laboratory; and
 - d) report the results to the Director, in writing and in an electronic format acceptable to the Director, within 60 days of the samples being taken.

Reporting Format

4. The Licencee shall submit all information required to be provided to the Director or Environment Officer under this Licence, in written and electronic format, in such form (including number of copies) and of such content as may be required by the Director or Environment Officer, and each submission shall be clearly labeled with the Licence Number and Client Number associated with this Licence.

Equipment Breakdown

5. The Licencee shall, in the case of physical or mechanical equipment breakdown or process upset where such breakdown or process upset results or may result in the release of a pollutant in an amount or concentration, or at a level or rate of release, that causes or may cause a significant adverse effect, immediately report the event by calling the 24-hour environmental accident reporting line at 204-944-4888 (toll-free 1-855-944-4888). The report shall indicate the nature of the event, the time and estimated duration of the event and the reason for the event.
6. The Licencee shall, following the reporting of an event pursuant to Clause 5,
 - a) identify the repairs required to the mechanical equipment;
 - b) undertake all repairs to minimize unauthorized discharges of a pollutant;
 - c) complete the repairs in accordance with any written instructions of the Director; and
 - d) submit a report to the Director about the causes of breakdown and measures taken, within one week of the repairs being done.

Safety and Security

7. The Licencee shall continually maintain an up-to-date inventory of any process and cleaning chemicals used and/or stored on-site that would be captured by any applicable federal/provincial WHMIS regulations and protocols, and make this information and applicable MSDS sheets available to an Environment Officer upon request.
8. The Licencee shall prepare, within 90 days of the date of issuance of this Licence, and maintain an emergency response contingency plan in accordance with the Canadian Centre for Occupational Health and Safety “Emergency Response Planning Guide” or other emergency planning guidelines acceptable to the Director.
9. The Licencee shall implement and continually maintain in current status, an Environmental Management System (EMS) for the Development which is acceptable to the Director.

Environmental Coordinator

10. The Licencee shall designate an employee, within 60 days of the date of issuance of this Licence, as the Licencee’s Environmental Coordinator, whose job description will include assisting the Licencee in complying with the limits, terms and conditions in

this Licence and assisting Senior Management of the Licencee to manage environmental issues at the Development. The name of the Environmental Coordinator shall be submitted in writing to the Director within 14 days of appointment and any subsequent appointment.

Certification

11. The Licencee shall obtain and maintain classification of the Development pursuant to Manitoba Regulation 77/2003 respecting Water and Wastewater Facility Operators or any future amendment thereof and maintain compliance with all requirements of the regulation including, but not limited to, the preparation and maintenance of a Table of Organization, Emergency Response Plan and Standard Operating Procedures.
12. The Licencee shall carry out the operation of the Development with individuals properly certified to do so pursuant to Manitoba Regulation 77/2003 respecting Water and Wastewater Facility Operators or any future amendment thereof.

Industrial Services Agreement

13. The Licencee shall:
 - a) prepare and execute a current comprehensive and enforceable Industrial Services Agreement, which is acceptable to the Director, for the purposes of defining maximum daily and maximum weekly influent limits respecting volume and pollutant loading rates which would protect the operational integrity of the R.M. of Hanover wastewater treatment lagoon in terms of the design capability and/or in consideration of the actual performance of the R.M. of Hanover wastewater treatment lagoon relative to the effluent quality limits as specified in this Licence, or any revision thereof;
 - b) provide the Director with a copy of the Industrial Services Agreement upon being signed by all parties; and
 - c) provide the Director with a copy of any future revised Industrial Services Agreement.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Approvals and Permits

14. The Licencee shall obtain all necessary federal, provincial and/or municipal licences, authorizations, permits and/or approvals for construction and operation of the Development.

Respecting the Operation of the Development

15. The Licencee shall implement a high standard of equipment maintenance and good housekeeping and operational practices with respect to the Development, at all times.

16. The Licencee shall not direct pollutants into any surface drainage route leading off the property of the Development or into the local groundwater.

Respecting Chemical Storage and Spill Containment

17. The Licencee shall comply with all the applicable requirements of:
- a) Manitoba Regulation 188/2001, or any future amendment thereof, respecting the Storage and Handling of Petroleum Products and Allied Products;
 - b) The Dangerous Goods Handling and Transportation Act, and regulations issued thereunder, respecting the handling, transport, storage and disposal of any dangerous goods brought onto or generated at the Development; and
 - c) the Office of the Fire Commissioner – Province of Manitoba.
18. The Licencee shall provide containment for all vessels containing chemicals in each area of the development where the chemicals are stored, loaded, transferred, used or otherwise handled, in compliance with the National Fire Code of Canada (2010), or any future amendment thereof, such that any product leakage or spillage and any contaminated liquid generated is contained within the Development and contamination of groundwater and surface water is prevented.

Respecting Air Emissions

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.
20. The Licencee shall not cause or permit a noise 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 specify to eliminate or mitigate a noise nuisance.

Respecting Air Pollution Control Equipment

21. The Licencee shall direct all air streams that contain a pollutant(s) of concern to the Director to a pollution control device which has been designed for and demonstrated to be capable of reducing, altering, eliminating or otherwise treating the pollutant(s).
22. The Licencee shall prepare, within 90 days of the issuance of this Licence, and maintain the following manuals which shall be kept at the Development and available for review upon request by an Environment Officer:
- a) a standard operating procedural manual and a maintenance schedule for each air emission pollution control device based on the manufacturer's specifications and recommendations;
 - b) an updated standard operating procedural manual and a maintenance procedure for each air emission pollution control device within 120 days of the addition, elimination or change regarding any air emission control device; and
 - c) a copy of the manufacturer's operational and maintenance manual.

23. The Licencee shall not operate any process directing an emission to an air pollution control device at the Development unless:
- a) the operating and maintenance measures and status of the device are in full compliance with the procedures and timetables as per Clause 22;
 - b) all emissions from the process are directed to the fully operational air pollution control device;
 - c) all discharges of treated emissions from the air pollution control devices are immediately directed to a stack; and
 - d) the emissions do not contain concentrations of pollutants which:
 - i. are in violation of any other applicable legal instrument including an Act, Regulation or by-law; or
 - ii. otherwise create a significant negative environmental or health impact in the affected area.
24. The Licencee shall maintain a log of the most recent 24 month period to record any downtime of an air pollution control device due to either the breakdown or maintenance of that air pollution control device. The log shall be kept at the Development and shall be available upon request for inspection by an Environment Officer. The log shall record, at minimum, the following information:
- a) identification of the air pollution control device and the process(es) it serves;
 - b) time/date of log entry;
 - c) nature of event;
 - d) time and duration of event;
 - e) action taken;
 - f) the accumulated downtime of this air pollution control device for the events for each calendar year; and
 - g) approval by the Environmental Coordinator.
25. The Licencee shall handle, store and dispose of all pollutants collected by the air pollution control equipment in a manner suitable to their characterization as type of waste or dangerous good.

Respecting Solid Wastes

26. The Licencee shall not undertake any on-site burning of solid waste.
27. The Licencee shall minimize the generation of domestic solid waste and maximize, wherever possible, the collection and recycling of recyclable wastes generated through the operation of the Development.
28. The Licencee shall dispose of solid waste from the Development at a waste disposal ground operating under the authority of a permit issued pursuant to Manitoba Regulation 37/2016 respecting Waste Management, or any future amendment thereof, or a Licence issued pursuant to The Environment Act.

Respecting Dangerous Goods or Hazardous Waste

29. The Licencee shall not release dangerous goods or hazardous wastes into the wastewater collection system.
30. The Licencee shall comply with all the applicable requirements of:
 - a) The Manitoba Dangerous Goods Handling and Transportation Act, and regulations issued thereunder, respecting the handling, transport, storage and disposal of any dangerous goods brought onto or generated at the Development; and
 - b) Manitoba Storage and Handling of Petroleum Products and Allied Products Regulation 188/2001, or any future amendments thereto.
31. The Licencee shall collect, transport and store used oil or hydraulic fluids removed from on-site machinery in secure, properly labeled, non-leaking containers and shall regularly send them to a recycling or disposal facility approved to accept hazardous wastes.
32. The Licencee shall install and maintain spill recovery equipment at the Development at all times.

Respecting Process Water and Whey

33. The Licencee shall direct all whey from the production process to a Reverse Osmosis (RO) filtration system and polisher for the treatment.
34. The Licencee shall maximize the volume of treated process water recycled at the Development.
35. The Licencee shall not dispose, or allow the overflow, of any whole milk or whey from the Development:
 - a) into the decommissioned wastewater lagoon which previously served the Development;
 - b) into the Village of Grunthal sewage collection system; or
 - c) in any manner or location not authorized through Manitoba Regulation 90/88R, or any future amendment thereof, respecting the disposal of whey.
36. The Licencee shall not release any wastewater from the Development except to the Rural Municipality of Hanover wastewater treatment lagoon in accordance with the requirements of the Industrial Services Agreement with the Rural Municipality of Hanover.

Respecting Compliance

37. The Licencee shall submit a Notice of Alteration and obtain Director's approval for proposed changes to the Development as licensed prior to implementing any changes.

MONITORING AND REPORTING

Respecting Monitoring

38. The Licencee shall:
- a) record the total volume and organic loading of all wastewater discharged to the Rural Municipality of Hanover wastewater treatment lagoon;
 - b) record the total volume of process water used and recycled at the facility on a monthly basis; and
 - c) maintain the recorded information in a monthly report and make the report available to the Environment Officer upon request.

Respecting Closure and Post Closure

39. Within one year prior to imminent closure of the Development, the Licencee shall submit, for the approval of the Director, a formal detailed Closure and Post-Closure Plan for the Development.
40. The Licencee shall implement and maintain the approved Closure and Post-Closure Plan identified in Clause 39 of this Licence.

Record Drawings

41. The Licencee shall:
- a) prepare "record drawings" for the Development and shall label the drawings "Record Drawings"; and
 - b) provide to the Director, within one year from the date of this Environment Act Licence, two electronic copies of the "record drawings".

REVIEW AND REVOCATION

- A. This Licence replaces Environment Act Licence No. 2266 which is hereby rescinded.
- B. 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.
- 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 11 of The Environment Act.

Original Signed by _____
Shannon Kohler
Director
The Environment Act