

Licence No.: 138 HW

Licence Issued: December 27, 2001

In accordance with The Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12)

THIS LICENCE IS ISSUED TO:

GRAYMONT WESTERN CANADA INC.; "the Licencee"

for the operation of the facility, being the disposal of used oil generated on site in the existing lime kiln, which is part of the lime kiln plant located at Section 23, Township 28, Range 10 WPM in the Rural Municipality of Grahamdale, Manitoba, in accordance with the Dangerous Goods Handling and Transportation Act Application received on September 28, 2001, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means facilities accredited by the Standard Council of Canada (SCC), or facilities accredited by another accrediting agency recognized by Manitoba Conservation to be equivalent to the SCC, or facilities which can demonstrate to Manitoba Conservation, upon request, that quality assurance/quality control (QA/QC) procedures are in place equivalent to accreditation based on the Canadian Standard Can/CSA-Z753, extension of the international standard ISO 9000, Guide 25;

"container" means any vessel used for the containment of used oil at the facility;

"Director" means an employee of the department who has been designated or appointed by the Minister;

"oil" means any petroleum or synthetic crankcase oil, engine oil, hydraulic fluid, transmission fluid, gear oil, heat transfer fluid, or other fluid capable of use for lubricating purposes in machinery or equipment; and

"used oil" means oil that through use, storage, handling, defect, damage, expiry of shelf life or other similar circumstances can no longer be used for its original purpose.

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 implement a high standard of equipment maintenance and good housekeeping and operational practices with respect to the facility, at all times.
2. The Licencee shall reduce the production and dissemination of wastes by initiating and maintaining waste reduction and waste recycling programs.
3. The Licencee shall, upon the request of the Director and in addition to any of the limits, terms or conditions specified in this Licence:
 - 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 pollutants from the said facility; or
 - c. 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.

4. The Licencee shall, unless otherwise specified in this Licence:
 - a. carry out all sampling of, and preservation and analyses on, water, soil or air samples in accordance with methodologies approved by the Director;
 - b. ensure that all analytical determinations are undertaken by an accredited laboratory; and
 - c. report the results to the Director within 60 days of the samples being taken.
5. The Licencee shall provide to the Director, upon request, all information required under this Licence, in writing and in such form and content (including number of copies), as may be specified by the Director.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting the Handling of Used Oil

6. The Licencee shall allow only personnel trained in the handling of dangerous goods to handle used oil at the facility.
7. The Licencee shall ensure that all containers of used oil stored at the facility are handled in a manner so that the probability of a spill is minimized.
8. The Licencee shall, upon the request of the Director, have the bulk used oils that are stored at the facility analyzed by an accredited laboratory, and provide to the Director a certification of analysis of the used oil for the following parameters:
 - a. Lead (Pb);
 - b. Chromium (Cr);
 - c. Cadmium (Cd);
 - d. Arsenic (As);
 - e. Polychlorinated Biphenyls (PCB);
 - f. Flash Point;
 - g. Total Halogen; and

other parameters as determined by the Director.

9. The Licencee shall ensure that reports containing the information prescribed in Clause 8 of this Licence are forwarded to the Director within 30 days of a request by the Director for the information.
10. The Licencee shall not combust any used oil at the facility that contains any contaminant that does not meet the listed criteria:

Contaminant	Criteria
Pb	less than 100 parts per million (mg/kg)
Cr	less than 2 parts per million (mg/kg)
Cd	less than 2 parts per million (mg/kg)
As	less than 5 parts per million (mg/kg)
PCB	less than 2 parts per million (mg/kg)
Flash Point	greater than 38 degrees Celsius

Total Halogen ||less than 1000 parts per million (mg/kg)||

Respecting Record Keeping

11. The Licencee shall maintain on-site a monthly record of the volume of all used oil combusted at the facility.
12. The Licencee shall submit to the Director, within 30 days of the end of each calendar year, beginning in the year 2003, and continuing on an annual basis thereafter, a monthly summary of the volume of used oil combusted at the facility for the previous 12 months.
13. The Licencee shall maintain all records required as a limit, term or condition of this Licence, for a minimum period of two years, and shall make these records available for inspection by an Environment Officer upon request.

Respecting Emergency Response

14. The Licencee shall properly equip the facility with all spill cleanup equipment and supplies that may be needed in the event of spill.
15. The Licencee shall submit to the Director for approval, within 60 days of the date of this Licence, a contingency plan, in accordance with the Manitoba Industrial Accidents Council (MIAC) *Industrial Emergency Response Planning Guide*, outlining procedures to be used in the event of a leak, spill, fire, or other hazardous condition at the facility.

Respecting Financial Assurance

16. The Licencee shall, within 30 days of the date of this Licence, post with the Manitoba Department of Conservation in the amount of \$20,000 Cdn:
 - a. a permit bond issued by a surety company licenced to do business in the Province of Manitoba;
 - b. an irrevocable letter of credit; or
 - c. another acceptable security satisfactory to the Director.

This permit bond, irrevocable letter of credit, or other security and renewals thereof shall remain in place for the duration of the operation. The Director may order forfeiture of the permit bond, irrevocable letter of credit, or other 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 specification, limit, term or condition 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 facility.

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, 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 application pursuant to The Dangerous Goods Handling and Transportation Act.

"original signed by"

Larry Strachan, P. Eng.

Director

Dangerous Goods Handling and Transportation Act

Client File No.: 4698.00

Consignee No. MB 3007023