

Licence No.: 156 HW

Licence Issued: December 12, 2002

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

THIS LICENCE IS ISSUED TO:

SUN LINE LTD.; "the Licencee"

for the construction and operation of a used oil products and material collection facility ("the facility") located at Lot 11, Block 2 Plan 37465 MLTO, known as 460 George Avenue in the Town of Winkler, and in accordance with the Application filed under The Dangerous Goods Handling and Transportation Act on June 6, 2002, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

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

"contaminant" means any solid, liquid, gas, waste, radiation or any combination thereof that is foreign to or in excess of the natural constituents of the environment and:

- a. that affects the natural, physical, chemical or biological quality of the environment; or
- b. that is or is likely to be injurious or damaging to the health or safety of a person;

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

"Environment Officer" means a department employee designated or appointed under Section 6 of The Dangerous Goods Handling and Transportation Act;

"licenced carrier" means a person who has a valid licence to transport hazardous waste pursuant to Manitoba Regulation 175/87, as amended from time to time, under The Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12);

"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;

"operator" means a person who is responsible for the day-to-day maintenance and operation of the facility;

"permanently closed" means that the facility is not operated for a period of 6 months or more;

"registered generator" means a person who is registered as a hazardous waste generator pursuant to Manitoba Regulation 175/87, as amended from time to time, under The Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12);

"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; and

"used oil products and material" means used oil, used oil filters or used oil containers.

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, upon the request of the Director and in addition to any of the specifications, 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 contaminant storage, containment, treatment, handling, disposal or emission systems, for such contaminants 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 contaminants 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.
3. 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 in writing by the Director;
 - b. certify 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.
4. 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.
5. The restrictions and conditions of this Licence are severable. If any restriction or condition of this Licence, or the application thereof, to any circumstances is held invalid, the application of such restriction or condition to other circumstances and the remainder of this Licence shall not be affected thereby.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Facility Operation

6. The Licencee shall not receive hazardous waste other than used oil products and material at the facility.
7. The Licencee shall:
 - a. post legible, weatherproof signs at the entrance to the facility identifying the area as a used oil products and material collection facility; and
 - b. indicate on the signs, the hours of operation, a contact number and a warning not to leave used oil products and material at the facility when the operator or other trained personnel is not available to accept delivery.
8. The Licencee shall, when the operator or other trained personnel is not present at the facility, lock the facility in a manner that prevents unauthorized delivery of used oil products and material into the facility.
9. The Licencee shall have trained personnel at the facility at all times when the facility is open to receive used oil products and material.

10. The Licencee shall not receive used oil products and material at the facility from commercial or industrial generators that are not registered generators.
11. The Licencee shall transport hazardous waste to or from the facility only when the hazardous waste is accompanied by a hazardous waste manifest, or a dangerous goods shipping document, as appropriate.
12. The Licencee shall use only licenced carriers to transport hazardous wastes to or from the facility.
13. The Licencee shall have a written agreement in place for transport of hazardous waste with a licenced hazardous waste carrier at all times during the lifetime of the facility.
14. The Licencee shall transport all used oil received at the facility to a recycling or disposal facility operating under the authority of a Licence issued pursuant to The Dangerous Goods Handling and Transportation Act in Manitoba, or under an approval of similar type in another jurisdiction.
15. The Licencee shall keep records, including but not limited to tank collection logs, used oil filter logs, manifests, shipping documents, sample analyses, and spill reports, and on request, make the records available for inspection by an Environment Officer.
16. The Licencee shall, unless otherwise specified by this Licence, retain all records during the full life of operation of the facility, and after closure, for such period of time as may be specified by the Director. Records may be transferred from their original form to other accepted forms for information storage.

Respecting Used Oil Products and Material

Respecting Used Oil

17. The Licencee shall only have storage tanks with an aggregate capacity of 55, 000 litres, as referred to in the Application dated June 3, 2002, to collect used oil at the facility.
18. The Licencee shall only accept containers of used oil that have been inspected visually by the operator for contamination before the contents are transferred to the collection tank.
19. The Licencee shall not accept at the facility any used oil that is deemed to be contaminated and any oil that appears to be contaminated is to be returned to the person who previously possessed the used oil.
20. The Licencee shall only accept used oil that is transferred into the used oil collection by the operator or other trained personnel employed by the Licencee.
21. The Licencee shall maintain for each tank in the process of being filled, a tank collection log, containing, at minimum:
 - a. the date and time of receipt of oil;
 - b. the name and address (or vehicle licence number) of the person who delivered the oil;
 - c. the quantity of oil received;
 - d. the signature of the person who delivered the oil; and
 - e. for commercial or industrial generators, the Manitoba Generator Registration Number.
22. The Licencee shall make available for inspection by an Environment Officer, upon request, a summary of the record referred to in Clause 21, of this Licence.
23. The Licencee shall have the operator representatively sample each full tank of collected used oil. The operator shall retain the sample until verification of destruction or recycling of the oil is received.

24. The Licencee shall, upon the request of the Director, have the sample of used oil referred to in Clause 23, of this Licence, analyzed by an accredited laboratory for parameters specified by the Director.

Respecting Used Oil Filters

25. The Licencee shall store used oil filters received at the facility in containers that have a maximum capacity of 205 liters and are designed so that they will contain any used oil which may drain from the filters.
26. The Licencee shall store the containers for oil filters referred to in Clause 25, of this Licence, in a manner which provides protection from precipitation.
27. The Licencee shall process all used oil filters by:
 - a. puncturing and then draining the filters for a 24-hour period; and
 - b. crushing the filters to a minimum of 75% volume compaction.
28. The Licencee shall keep a log regarding the daily quantity (in kilograms) of used oil filters processed at the facility.
29. The Licencee shall make available a summary of the record referred to in Clause 28 of this Licence for inspection by an Environment Officer upon request.

Respecting Training

30. The Licencee shall provide training for all persons who will be assigned duties at the facility in:
 - a. Transportation of Dangerous Goods Regulations; and
 - b. procedures pertaining to the operation of the facility.

Respecting Spills

31. The Licencee shall immediately report all spills of used oil in excess of 100 litres at the facility to the 24 hour emergency response line at Manitoba Conservation at (204) 944-4888.
32. The Licencee shall report within one working day all spills of used oil in excess of 5 litres but less than 100 litres at the facility to the Winkler office of Manitoba Conservation at (204) 325-1750.
33. The Licencee shall properly equip the facility with spill cleanup equipment and supplies.
34. The Licencee shall in the event of an Environmental Accident as defined in The Dangerous Goods Handling and Transportation Act and Regulations thereunder, take all necessary actions to contain the spill, manage the impacted environment and to restore the environment to the satisfaction of the Director.

Respecting Financial Assurance

35. The Licencee shall maintain the following throughout the term of this Licence:
 - a. \$50, 000.00 Property Insurance;
 - b. \$5, 000, 000.00 General Comprehensive Liability Insurance; and
 - c. \$1, 000, 000.00 Environmental Impairment Liability Insurance.
36. The Licencee shall, within 30 days of issuance of this Licence, post a Permit Bond issued by a security company licenced to carry out business in Manitoba, an irrevocable letter of credit, or other security with Manitoba Conservation, 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 facility. 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 facility is in breach of any 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 facility.

Respecting Alterations and Decommissioning

37. The Licencee shall obtain approval in writing from the Director for any proposed alteration to the facility before proceeding with the alteration.
38. The Licencee shall, at the request of the Director, in the event that the facility is permanently closed, conduct an investigation in accordance with "Manitoba Conservation's Guideline for Environmental Site Investigations in Manitoba", (March 1998), to identify any contamination which may have resulted from the operation of the facility.
39. The Licencee shall, where the investigation referred to in Clause 38 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 carry out the required remediation.

Respecting Emergency Response

40. The Licencee shall provide to the Director, within 30 days of the issuance of this Licence, a current contingency plan consistent with 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.

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.: 4822.00

Consignor Registration No. MB G005000

Consignee Registration No. MB R004782