



Conservation

Environmental Stewardship Division
Environmental Assessment and Licensing Branch
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November 30, 2007

Files 173.30 & 1819.00

Ms. Cheryl Daher
Environmental Coordinator
Tembec - Pine Falls Operations
Mill Road and Hwy 11, P.O. Box 10
Pine Falls, MB R0E 1M0

Dear Ms. Daher:

Further to your letter of January 31, 2007 advising the company name change of Tembec Industries Inc. to Tembec Enterprises Inc. enclosed are the following revised Environment Act Licences re-issued in the name of Tembec Enterprises Inc.:

- **Licence No. 764VOO RR** for the operation of a newsprint manufacturing process with resultant emissions to the air, located at 25-18-9 EPM in Pine Falls;
- **Licence No. 1876 S2 E RR** for the continued operation of the existing pulp and paper mill complex; the de-inking plant; and the wastewater treatment facility, all located in Pine Falls.

Please note that Licence No. 764VOO RR has been revised to reflect reduced air emission limits as described in your Air Emissions Management Plan submitted on March 31, 2006

In addition to the enclosed revised Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with.

For further information on the administration and application of the revised Licences, please feel free to contact the Eastern Regional Operations Office at (204) 345-1433

Yours truly,

Tracey Braun, M.Sc.
Director
Environment Act

Enc.

cc: John Irwin, Regional Director, Eastern Region, Conservation

NOTE: Confirmation of Receipt of these Licences No. 764VOO RR & 1876 S2 ERR (by the Licencee only) are required by the Director of Environmental Assessment and Licensing. Please acknowledge receipt by signing in the space provided below and faxing a copy back to the Department by December 7, 2007.

On behalf of Tembec Enterprises Inc.

Date

****A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES****

Manitoba
spirited energy

LICENCE

Licence No. / Licence n° 764VOO RR

Issue Date / Date de délivrance May 18, 1984

Revised/Révisé December 21, 2001
November 30, 2007

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 10(1) / Conformément au Paragraphe 10(1)

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

TEMBEC ENTERPRISES INC.; APPLICANT

- WHEREAS pursuant to the provisions of The Clean Environment Act, Abitibi Paper Company Ltd. submitted an application to The Clean Environment Commission to prescribe limits in connection with the operation of a newsprint manufacturing process with resultant emissions to the air, located at Section 25, Township 18, Range 9 EPM in the unorganized townsite of Pine Falls, Manitoba;
- AND WHEREAS by its Order No. 764 of the 19th day of December, 1977, the Commission prescribed limits in connection with the said operation;
- AND WHEREAS an appeal from that order was filed with the Minister by Fillmore and Riley, Barristers and Solicitors, on behalf of the Abitibi Paper Company Ltd., on the 16th day of January, 1978, pursuant to Section 17(1) of The Clean Environment Act;
- AND WHEREAS on the 26th day of April, 1979, the Minister directed the Commission to vary Order No. 764 to comply with the intent of Order-in-Council No. 387 issued on the 18th day of April, 1979;
- AND WHEREAS in accordance with the Minister's direction, the Commission issued varied Order No. 764VO on the 11th day of May, 1979;
- AND WHEREAS on the 4th day of May, 1982, the Abitibi-Price Inc. requested that Order No. 764VO be reviewed;

AND WHEREAS on the 26th day of May, 1982, the Minister agreed to a review pursuant to Section 17(3.1) of The Clean Environment Act and requested that new evidence be directed to the Minister by the 1st day of November, 1982;

AND WHEREAS on the 24th day of November, 1982, Abitibi-Price Inc. submitted new evidence to the Minister;

AND WHEREAS on the 7th day of February, 1983, he, the Minister, directed The Clean Environment Commission, pursuant to Section 17(3.1) of The Clean Environment Act, to hold a public hearing to review the new evidence;

AND WHEREAS the Commission held a hearing in St. Georges, Manitoba, on the 27th day of June, 1983, and submitted its report to the Minister on the 29th day of September, 1983;

AND WHEREAS on the 8th day of May, 1984, he, the Minister, directed the Commission, pursuant to the provisions of Section 17(3.1) of the said Act, to vary the terms of Order No. 764VO to conform with the provisions of Order-in-Council No. 521/84 dated the 2nd day of May, 1984;

AND WHEREAS in accordance with the Minister's direction, the Commission issued varied Order No. 764VOO on the 18th day of May, 1984.

IT IS HEREBY ORDERED THAT

1. The Applicant shall limit the emission of contaminants from the said operation to such an extent that:
 - a) downwind ground level concentrations of the following air contaminants beyond the property line of the said operation are not in excess of the following limits:

Air Contaminant	Period of Time Air Contaminant is Measured	Concentration (Per Cubic Metre)	Parts of Pollutant Per One Million Parts of Air by Volume
i) Sulphur Dioxide	1-hour average	900 micrograms	.34
	24-hour average	300 micrograms	.11
	annual arithmetic mean	60 micrograms	.02
ii) suspended Particulate Matter	24-hour average	120 micrograms	
	annual geometric mean	70 micrograms	

- b) the combined particulate emission from the four power boilers is not in excess of 0.90 grams per standard cubic metre of dry flue gas calculated at 25 degrees Celsius and 760 millimetres of mercury, corrected to a carbon dioxide content of 12 per centum by volume, at the point of emissions;
 - c) the sulphur dioxide emission from the power boilers stack is not in excess of 0.69 kilograms of sulphur dioxide per 10^6 kilojoules heat input;
 - d) the combined sulphur dioxide emission from the sulphur dioxide absorption process and the digester relief process is not in excess of 2 kilograms per TADP;
 - e) the sulphur dioxide emission from the digester blowing process is not in excess of 5 kilograms per TADP;
 - f) the total sulphur dioxide emission from the mill is not in excess of 17.5 kilograms per TADP.
2. After December 31, 2010, the Applicant shall not cause or permit:
- a) visible emissions from any point of emission of the said operation that exhibit an opacity greater than or equal to:
 - i) 60 percent at any time;
 - ii) 40 percent for a period or periods exceeding 4 minutes in the aggregate in any one hour;
 - b) emission of solid particulate matter from any point or process in excess of 0.23 grams per standard cubic metre of dry flue gas calculated at 25 degrees Celsius and 760 millimetres of mercury, corrected to a carbon dioxide content of 12 percent by volume, at the point of emission;
 - c) any emissions in excess of the limits prescribed in Clauses 1 and 3 of this Licence.
3. The Applicant shall ensure that sound emissions, as measured within 15 metres of an occupied permanent dwelling beyond the property line of the mill operation and excluding any significant interfering sounds from other sources, do not result in hourly equivalent continuous sound levels in excess of the following limits:
- a) subject to Clause 3(c), during the summer months [May to September, inclusive]:
 - i) 65 dBA during the daytime hours of 7:00 a.m. to 10:00 p.m., local time; and
 - ii) 55 dBA during the nighttime hours of 10:00 p.m. to 7:00 a.m., local time;
 - b) subject to Clause 3(c), during the winter months [October to April, inclusive]:
 - i) 70 dBA during the daytime hours of 7:00 a.m. to 10:00 p.m., local time; and
 - ii) 60 dBA during the nighttime hours of 10:00 p.m. to 7:00 a.m., local time;
 - c) where subjective evaluation of measurements indicate the sound has a predominant discrete tone [whine, hum] or significant impulsive character [hammering, clanging], the hourly equivalent continuous sound level limits of Clause 3(a) and/or 3(b) of this Licence shall be reduced by 5 decibels [dBA].
4. The Applicant shall at all times carry out an efficient program of general housekeeping and equipment maintenance to meet the requirements of this Licence.

5. The Applicant shall install, on or before the 1st day of September, 1984, a ground level, high volume monitoring programme for the vicinity of Pine Falls, Manitoba, to the satisfaction of the Director.

6. In this Licence:

"heat input" means the amount of heat potential applied to the said operation, calculated on the basis of the quantity of fuel burned and on a laboratory analysis of heating value of the said fuel;

"TADP" means ton of air dried paper per day;

"hourly equivalent sound level" is the sound level as measured in terms of the equivalent continuous sound level averaged over a one hour period (60 minutes) using a sound level monitoring device which equals or surpasses the requirements of Canadian Standards Association Standard Z 107.1 - 1973 (or the equivalent) for Type 2 sound level meters, operated on the "A-weighting network" and "slow" meter response;

"predominant discrete tone(s)" means a sound having a one-third octave band sound level which, when measured in a one-third octave band, exceeds the arithmetic average of the sound levels on the two adjacent one-third octave bands on either side of such one-third octave band by:

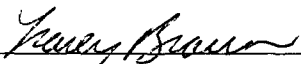
- i) 5 dB for such one-third octave band with a center frequency from 500 Hertz to 20,000 Hertz, inclusive, provided such one-third octave band sound level exceeds the sound level of each adjacent one-third octave band; or,
- ii) 8 dB for such one-third octave band with a center frequency from 160 Hertz to 400 Hertz, inclusive, provided such one-third octave band sound level exceeds the sound level of each adjacent one-third octave band; or,
- iii) 15 dB for such one-third octave band with a center frequency from 25 Hertz to 125 Hertz, inclusive, provided such one-third octave band sound level exceeds the sound level of each adjacent one-third octave band; and

"impulsive characteristics" means hammering type sound having peaks one second or more apart - i.e. less than 60 impacts per minute.

REVIEW AND REVOCATION

- A. This Licence replaces Licence No. 764VOO R 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 10 of The Environment Act.



Tracey Braun, M.Sc.
Director
Environment Act

Client File No.: 1819.00