REPORT ON PUBLIC HEARINGS
RESPECTING A PROPOSAL FILED BY
THE RURAL MUNICIPALITY OF RHINELAND
AND THE TOWN OF ALTONA REGARDING
ONGOING DISPOSAL PRACTICES FOR
SOAPSTOCK AND BLEACHING CLAY
GENERATED BY CANAMERA FOODS LTD.

NOVEMBER, 1992

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PREFACE

This report contains a summation of the evidence presented at the public hearings convened by the Manitoba Clean Environment Commission to hear evidence on a proposal filed by the Rural Municipality of Rhineland and the Town of Altona. The proposal is in regard to the ongoing disposal practices for soapstock and bleaching clay generated by CanAmera Foods Ltd. in Altona.

A detailed account of the evidence presented before the Commission is contained in the <u>Verbatim Transcript</u> of the hearing and is available for review at the offices of the Clean Environment Commission and at designated *Public Registry* locations. A list of the individuals and organizations who participated in the hearing process, along with a list of the Exhibits filed, is included in this report as Appendix "A" and Appendix "B" respectively.

READERS NOTE

Questions and comments related to specific evidence have been placed in context, and appear in *Italics*.

THE CLEAN ENVIRONMENT COMMISSION

Under The Environment Act (1988) the Manitoba Clean Environment Commission provides a process for the public to participate in the environmental decision making process in Manitoba. The Commission also provides the Environment Minister with advice and recommendations concerning environmental issues and licensing matters.

Commission membership includes a full-time Chairperson and part-time Commissioners appointed by Order in Council. Members come from a wide variety of occupations and reside in different regions of the province.

THE PUBLIC HEARING PROCESS

Public participation in Manitoba's environmental decision-making process is in part facilitated through Clean Environment Commission hearings. The Commission conducts these hearings according to procedures that have been developed to encourage and facilitate public involvement.

The Commission strives to ensure that the evidence and opinions of all participants is treated fairly and with due respect and consideration.

BACKGROUND

CanAmera Foods Ltd. (formerly C.S.P. Foods Ltd.) operates a vegetable oil processing plant located in the Town of Altona. The plant has been at this location since the early 1940's. Oil is extracted from a variety of agricultural crops (principally sunflower and canola) for human consumption.

On June 14, 1989, the Clean Environment Commission held a hearing respecting a proposal filed jointly by the Rural Municipality of Rhineland and the Town of Altona for the continued operation of holding ponds for the discharge of liquid waste soapstock generated at the vegetable oil processing plant. The holding ponds are located on the site of the waste disposal grounds operated by the Applicants and are approximately 9 kilometers NE of the Town of Altona (Figure #1). These holding ponds were designed for the exclusive use of the processing plant.

As a result of questions raised at the 1989 hearing, the disposal of bleaching clay at the waste disposal grounds (another by-product of the Company's operation) came under review.

A sketch of the waste disposal grounds and the liquid waste holding ponds is provided in Figure #2.

Following the Commission's filing of a report on the public hearings, Manitoba Environment issued a licence to the Applicants on October 15, 1989 which included, among other directions, requirements for:

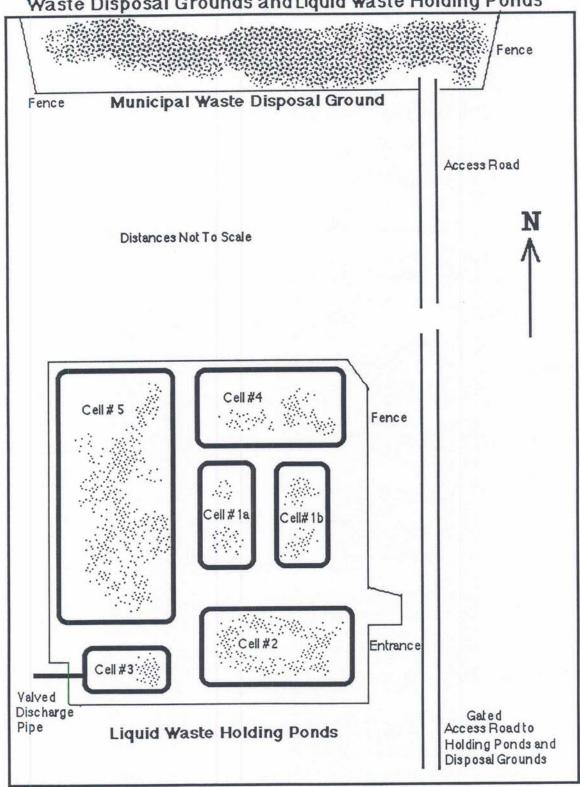
- a) The Applicants to investigate alternatives for the treatment/disposal of soapstock and oil saturated clay; and for
- b) The Applicants to submit a proposal to Manitoba Environment concerning alternate methods for the disposal of both the soapstock and the bleaching clay.

In compliance with the 1989 licence a joint proposal was submitted to Manitoba Environment by the Rural Municipality of Rhineland and the Town of Altona respecting alternate methods of disposal.

R.M. OF RHINELAND/TOWN OF ALTONA

Figure # 2

Rural Municipality of Rhineland and Town of Altona Waste Disposal Grounds and Liquid Waste Holding Ponds



COMMISSION TERMS OF REFERENCE

In a letter dated April 27, 1992, the Minister of Environment requested that the Clean Environment Commission hold a public hearing to review a proposal filed by the Town of Altona and the Rural Municipality of Rhineland regarding ongoing disposal practices for soapstock and bleaching clay generated by CanAmera Foods Ltd. in Altona, Manitoba. The submission was made pursuant to a requirement contained in Clause 11 of Environment Act License No. 1317, which was held by the Applicants.

HEARING PROCESS

The hearing, scheduled for Altona, Manitoba, on September 15, 1992, was advertised in the Winnipeg Free Press and the Red River Valley Echo. The hearing took place in the Rhineland Pioneer Center. The hearing commenced at 7:00 pm and concluded at 10:00 pm.

Commission panel members in attendance included Arnie Barr, Ed Gramiak, and Joan Vestby. The panel was chaired by Dale Stewart, Commission Chairman.

SUMMARY OF THE EVIDENCE

Introductory Statement

Jake Schroeder, Reeve of the Rural Municipality of Rhineland made an introductory presentation on behalf of the Councils of the Town of Altona and the Municipality. He stated that CanAmera Foods Ltd. had taken measures to reduce both the amount of soapstock disposed of in the holding ponds and the bleaching clay deposited in the waste disposal grounds.

He stated it was their understanding that CanAmera Foods had investigated other means of disposing of both soapstock and bleaching clay but that none of the alternate measures were feasible at the present time. The volume reductions that had been achieved for both soapstock and bleaching clay disposal had been the result of more efficient production methods at the CanAmera plant.

Mr. Schroeder indicated that CanAmera Foods was an important segment of the local agricultural economy and that closing CanAmera Foods should not be considered by the Commission as an option.

Responding to a question from the panel on whether the volumes of waste had been reduced to an acceptable level, Mr. Schroeder stated that the disposal of some waste was acceptable.

In response to a question as to whether complaints had been received by the Councils respecting the operation of the disposal grounds, Mr. Schroeder indicated that concerns had been communicated to him indirectly, but that the Councils had not received any written complaints or expressions of concern.

Report on Compliance With the Current Licence

Norm Buhr, Plant Manager for CanAmera Foods Ltd., made a presentation on behalf of the Company and the Applicants confirming that CanAmera Foods had complied with the limits, terms and conditions of Environment Act Licence No. 1317. This included progress reports on the examination of alternate disposal methods for the soapstock and the bleaching clays.

Mr. Buhr indicated that monthly reports had been submitted to show actual disposal of soapstock and bleaching clays. He explained that commencing in 1989, and up until the present, the total volume of soapstock and bleaching clay disposed of by the Company at the municipal facilities had been gradually reduced during each reporting cycle from 2474 cubic meters of soapstock and 2273 cubic meters of bleaching clay on November 1, 1989, to 95 cubic meters of soapstock and 745 cubic meters of bleaching clay for the period ending November 1, 1991. He further advised that since March of 1992, no soapstock had been disposed of at the liquid waste holding ponds and that all soapstock had been incorporated into the animal feed meal stock which is produced as a by-product of the vegetable oil processing process.

Mr. Buhr reported that a change from past operations enabled CanAmera Foods to store both the soapstock and bleaching clay during the brief periods of plant shut-down and gradually incorporate this material back into the process when operations resumed.

Mr. Buhr advised that CanAmera was ready to commit to "no further dumping" of bleaching clays and soapstock except in "emergency" situations.

Regarding the Company's compliance with Clause 9 of their existing Environment Act Licence, which required the investigation of alternatives to the present methods of soapstock and bleaching clay disposal, Mr. Buhr pointed out that:

- (a) alternative beneficial uses for the soapstock had been found;
- (b) extraction of refined oil from the bleaching clay and reuse of the clay in the production process had been achieved;
- (c) the use of aeration equipment and bacteria to improve the treatment of soapstock waste in the holding ponds had been employed; and
- (d) the use of a suitable incinerator designed to burn both soapstock and bleaching clay had been investigated.

Mr. Buhr indicated that in compliance with Clause 10 of the licence, reports had been compiled by CanAmera and submitted to the Applicants and to Manitoba Environment on September 28th, 1990 and September 29th, 1991.

The Company's representative indicated further that in compliance with the requirements of the Environment Act Licence, a proposal was submitted to Manitoba Environment by the Applicants detailing the alternate methods for the disposal of soapstock and bleaching clay as generated by CanAmera Foods Ltd. Mr. Buhr stated that the interpretation of CanAmera Foods and the Applicants was that any method of disposal that would reduce the amount of soapstock that went into the holding ponds satisfied the "alternative disposal requirement" in the licence.

In terms of the examination of incineration as a means of disposal of the soapstock, CanAmera Foods found that suitable incinerators where available, but could not be seriously considered at this time both because of the high development and operating cost and because of environmental pollution concerns regarding emissions. Mr. Buhr stated that incineration may become a viable option for future consideration.

Mr. Buhr advised that reports on the effectiveness of bird scaring devices utilized at the liquid waste holding ponds had been submitted to Manitoba Environment in December of each year. In reviewing the performance of the bird scaring devices, he reported that the use of four propane

cannons had significantly reduced the number of ducks and geese lost "to the holding ponds" and that the practice would be continued along with some additional management techniques.

Mr. Buhr summarized by indicating that the recoveries, and use of what had been dealt with as waste products in the past, were excellent. He indicated that the value CanAmera Foods Ltd. received from the feed meal stock and the oil as a result of the changes to the process were significant.

Manitoba Environment requested clarification as to the categories of clay used in the process. This was prompted by the information provided by the company where they had differentiated between bleaching clay and filtering aid and advised that the bleaching clay was being recycled and the filtering aid continued to present problems. Mr. Buhr stated that the bleaching clay was taken right back to the solvent extraction plant and recovered. Recently, CanAmera found a method which allowed them to reuse the filter aid 5 or 6 times, after which it is added to the soapstock and disposed of in the feed meal.

Responding to a question from the panel on what had prompted the drop in soapstock disposal over the past three years, Mr. Buhr advised that a change in the "trading rules" which now permitted a much higher fat content in the feed meal accounted for the change, although the 1989 Environment Act Licence had prompted CanAmera Foods to look much more closely at the issue. Prior to the change in "trading rules", CanAmera had incorporated approximately 50% of the soapstock into the feed meal. As well, even though the Company had received approval for the construction of an additional cell at the disposal ponds, they had decided against creating more soapstock ponds.

In response to a question on whether the reduction in soapstock was related to volume reductions in the plant, it was pointed out that product volumes had actually increased with the past five months, and were the highest on record.

Seeking clarification on what would constitute an "emergency situation" requiring the shut down of the plant, the Commission was advised that maintenance requirements, vacations, as well as breakdowns might lead to a shutdown. However, it was pointed out that a five day shut down would not necessitate disposal, since the Company could hold the soapstock and gradually incorporate the material into the feed meal over an extended period.

Responding to a question on the combustible properties of the bleaching clay, CanAmera found that the tendency of the clay to combust had been reduced by blowing the presses with nitrogen rather than air. This permitted them to hold the material for longer periods of time and ensure that any clays that were disposed of at the waste disposal ground would be less likely to ignite. Although this process had not been perfected, CanAmera thought it would be fully operational within 6 months.

Responding to a question on the effectiveness of the aeration process in the soapstock ponds Mr. Buhr stated that the process had not been successful. He stated that the expenditure on aeration enhancement was probably not justified.

PUBLIC PRESENTATIONS

Although the Commission received two letters of concern, no members of the public registered to make presentations before the Panel. The Chairman requested that the two letters be read into evidence. Mr. Grewar, Secretary to the Commission, read the contents of the letters received from Art Froese, NE Sec. 21-2-1W, and Henry Heppner, Sec. 34-2-1W. Both indicated concerns over the burning of material at the disposal grounds and one raised concerns respecting odour problems attributed to the liquid waste holding ponds.

Reacting to a request from the Chairman for a response to the letters, Reeve Jake Schroder, representing the Rural Municipality of Rhineland and the Town of Altona, provided some additional information as to the proximity of the landowners to the waste disposal grounds. He stated his disappointment that the Rural Municipality and Council had not previously received any expressions of concern from either of the landowners.

MANITOBA ENVIRONMENT PRESENTATION

Clem Moche, Environmental Engineer with Municipal and Industrial Approvals, Manitoba Environment, indicated that he was the Engineer responsible for the preparation of material considered for the initial license issued in 1989 to the Rural Municipality and the Town of Altona. Following issuance of the licence, Mr. Moche held the position of Environment Officer responsible for the enforcement of the licence.

In his opening remarks, Mr. Moche advised that he had prepared the Department's discussion paper on the <u>original</u> proposal submitted by CanAmera Foods Ltd. He reminded the Commission that this proposal had suggested the <u>continued</u> disposal of limited amounts of waste soapstock and bleaching clays at the disposal facilities. As the Company's position now appeared to have changed to one whereby disposal of wastes would be limited to "emergency" situations, Mr. Moche suggested that his report may now appear to be somewhat outdated.

Mr. Moche explained that the current Environment Act Licence was jointly held by the Rural Municipality of Rhineland and the Town of Altona as co-owners of both the liquid waste holding ponds and the adjacent municipal waste disposal grounds. As such, they both remain responsible for the satisfactory disposal, and environmental impacts, of waste substances accepted from CanAmera Foods. He indicated that the purpose of liquid waste ponds was to facilitate the disposal of waste soapstock from the CanAmera Foods plant. The waste ponds had been formally separated from the boundaries of the municipal waste disposal ground in order to accommodate the licensing of the liquid waste holding facility.

In terms of the provisions for burning of the bleaching clay, Mr. Moche advised that a new regulation dealing with burning at waste disposal grounds (Manitoba Regulation 150/91) prohibits open burning, unless otherwise provided for in a disposal permit.

Mr. Moche emphasized that the existing license had been developed with the understanding that it would be superseded with a new licence, to be issued at a later date and, therefore, did not address the eventual decommissioning of the liquid waste holding ponds. He further stated that a primary purpose of the existing licence was to ensure that the licensee explored better solutions respecting the disposal of soapstock and bleaching clay.

In addressing the proposal, Mr. Moche stated that it was his understanding that the bleaching clay would be fed back to the extraction plant with disposal to the landfill required only when the crushing plant was not operating. He stated that he found the proposal misleading as it referenced both bleaching clay and filtering soils and because of the high amounts of clay that were still being disposed of at the waste disposal grounds.

Speaking further to the proposal, Mr. Moche pointed out to the Commission that the licencee was to submit a proposal detailing an "alternative method of disposal of both soapstock and bleaching clay", however, the proposal submitted called for the recycling of as much of the soapstock

and bleaching clay as feasible. In this respect, it could be argued that an "alternative method of disposal" had <u>not</u> been submitted as specified by the licence. He suggested that this technicality was open to interpretation by the Commission.

When asked to comment further on the suggestion that reduction or near elimination of the need to dispose of soapstock and bleaching clay, through various recycling methods proposed by the Company, would represent a reasonable "alternative disposal method", Mr. Moche stated that in general terms it would. However, he stressed the need to monitor the actual results achieved through this approach.

Clarification was sought from Mr. Moche on the responses to the proposal provided from other government offices and agencies. He indicated that the Regional Office of Manitoba Environment had expressed concern about the spontaneous combustion of the bleaching clay, and had suggested that a means of controlling this burning would have to be found.

In response to clarification on the issue of burning at the waste disposal grounds, Mr. Ritchie from the regional office of Manitoba Environment advised that the permit issued to the Town of Altona and the Rural Municipality of Rhineland had been varied to include the burning of readily combustible material (wood, trees, etc.). He indicated that as this did not include the burning of bleaching clay, the operator of the disposal ground had been instructed to ensure the proper separation of these various items. Mr. Ritchie further stated the Town of Altona and the Rural Municipality of Rhineland had operated the disposal grounds in a very responsible manner.

In response to a question as to the requirements for decommissioning the ponds, Mr. Moche advised that a proposal would be required that would embrace an environmentally sound and acceptable solution to deal with both the wastewater and the sludge. He further stated that this might best be resolved by CanAmera retaining a consultant to develop and recommended decommissioning procedures. He suggested also, however, that one cell should probably be retained as an emergency cell. If the ponds where not decommissioned, Mr. Moche suggested that they would present a safety hazard. In terms of the suitability of the pond wastewater for irrigation purposes, Mr. Moche pointed out that the chemical content of the wastewater rendered it an undesirable application for agricultural land. However, he suggested it could be applied to land not utilized for the growing of crops if it would have no adverse affect on the ground water.

Mr. Buhr was asked to reply to a question as to the amount of soapstock produced at the CanAmera plant and whether or not he anticipated larger volumes of soapstock in the event of poor crop qualities. Mr. Buhr indicated that he did not anticipate poor quality as yet, and that in the event of higher volumes of soapstock, the Company could incorporate additional amounts into the feed stock. He reiterated the position that CanAmera did not want to use the liquid waste disposal ponds except under extraordinary situations.

CLEAN ENVIRONMENT COMMISSION CONCLUSIONS

The proposal filed by the Town of Altona and the Rural Municipality of Rhineland relating to alternative disposal procedures for soapstock and bleaching clay generated by the CanAmera Foods Ltd. plant proposes to reduce the overall volumes of both the soapstock and the bleaching clays to a minimum.

The near elimination of burning at the waste disposal grounds will allay most of the concerns of neighbors. This, coupled with the virtual elimination of the need for disposal of waste soapstock and spent bleaching and filtering clays at the waste disposal grounds should further reduce or eliminate concerns.

CLEAN ENVIRONMENT COMMISSION RECOMMENDATIONS

With respect to the proposal, filed jointly by the Rural Municipality of Rhineland and the Town of Altona, concerning the continued operation of waste disposal grounds and liquid waste holding ponds located at Lot 2, Plan 2137, Pt. SE 1/2 27-2-1 WPM, the Commission recommend the following:

- (1) The routine use of the liquid waste holding ponds for the disposal of waste soapstock shall be discontinued. Use of the holding ponds under exceptional circumstances may occur only upon receipt by the Applicant of approval from Manitoba Environment.
- (2) The Applicants shall ensure that no burning occurs at the liquid waste holding facility.
- (3) The Applicants shall not release or remove any effluent from the liquid waste holding ponds without receipt of written approval from Manitoba Environment.
- (4) The Applicants shall, by May 1, 1993, ensure that the fencing surrounding the liquid waste holding ponds is secure.
- (5) The Applicants shall, by June 1, 1994, file with Manitoba Environment a Decommissioning Plan for the liquid waste holding ponds.
- (6) The Applicants shall continue the program of employing "bird scaring" devices at the liquid waste holding site at such times and in such manner as deemed appropriate by Department of Natural Resources.
- (7) Detailed monthly records shall be maintained by the Applicants as to the total volume of bleaching clays deposited in the waste disposal grounds.
- (8) The Applicants shall ensure that burning of bleaching clays does not occur at the waste disposal grounds.

APPENDIX A: LIST OF PARTICIPANTS

Mr. Jake Bergen Secretary-Treasurer R.M. of Rhineland Box 270 Altona, MB ROG 0B0

Mr. Norm Buhr Plant Manager CanAmera Foods Box 750 Altona, MB ROG 0B0

Mr. Fred Dueck Box 1551 Altona, MB ROG 0B0

Mr. Arthur K. Dyck, Mayor Town of Altona Box 994 Altona, MB ROG 0B0

Mr. Ted Hamill P.O. Box 618 Station A Hamilton, ON L8N 3K7

Mr. Elmer Heinrichs Red River Valley Echo Box 1106 Altona, MB ROG 0B0

Mr. Ed Klassen Councillor Town of Altona Box 211 Altona, MB ROG 0B0 Mr. Rick Martel Councillor Town of Altona Box 1360 Altona, MB ROG 0B0

Mr. Eddy Martens Box 632 Altona, MB ROG 0B0

Mr. Les Martens Box 274 Altona, MB R0G 0B0

Mr. Clem Moche Manitoba Environment Bldg. 2, 139 Tuxedo Ave. Winnipeg, MB R3N 0H6

Mr. Glen Ritchie Manitoba Environment 22 Southland Mall Winkler, MB R6W 2S2

Mr. Jake Sawatzky Administrator Town of Altona Box 1630 Altona, MB ROG 0B0

Mr. Herb Schafer 839 Lindenwood Drive Winnipeg, MB R2P 3H6

Mr. Jake Schroeder, Reeve R.M. of Rhineland Box 270 Altona, MB ROG 0B0 Mr. Serge Scrafield Manitoba Environment Bldg. 2, 139 Tuxedo Ave. Winnipeg, MB R3N 0H6

Mr. Vaughn Stephenson Councillor Town of Altona Box 538 Altona, MB ROG 0B0

Mr. Dave Thiessen Box 1983 Altona, MB ROG 0B0

Ms. Liz Wieler Red River Valley Echo Box 700 Altona, MB ROG 0B0

Mr. Paul Wolters Box 341 Altona, MB ROG 0B0

APPENDIX B: LIST OF EXHIBITS

- Letter, dated April 27, 1992 from Hon. J. Glen Cummings, Minister of Environment, Province of Manitoba, to Dale Stewart, Chairman, Manitoba Clean Environment Commission.
- 2. <u>Brief</u>, "R.M. of Rhineland/Town of Altona Presentation to the Clean Environment Commission September 15th, 1992", submitted by **Town of Altona and R.M. of Rhineland**.
- 3. <u>Letter</u>, dated December 11, 1991 from Norman Buhr, Location General Manager, CSP Foods Ltd. to R.M. of Rhineland, with attachments.
- 4. <u>Brief</u>, "Hearing Altona Pioneer Centre: Clean Environment Commission" submitted by CanAmera Foods, Altona.
- 5. Letter, dated September 10, 1992 from Art Froese to Manitoba Environment.
- 6. Letter, dated September 15, 1992 from Henry Heppner to Clean Environment Commission.
- 7. <u>Letter</u>, dated August 21, 1992 from C. Moche, Environmental Engineer, Municipal & Industrial Approvals, Manitoba Environment to Rory Grewar, Secretary, Manitoba Clean Environment Commission, with attachments (Discussion Paper).