



345 Carlingview Drive
Toronto, Ontario M9W 6N9
Tel.: 416.734.3300
Fax: 416.231.1626
Toll Free: 1.877.682.8772

www.tssa.org

VIA EMAIL

May 7, 2020

File: SR 2746298, 2818064, 2818072, 2818080, 2818084, 2818090

TERRY GIROUX
VALE CANADA LIMITED
487 POWER ST PS & S BUILDING
COPPER CLIFF ON P0M 1N0
terry.giroux@vale.com

Dear TERRY GIROUX,

Re: **Application for a Variance from Clauses 1.3.1, 4.1.8 & 4.3.2.4 of the Liquid Fuels Handling Code, Technical Standards & Safety Act R.S.O. 2000 for Various Locations**

Vale Canada wants to continue operation of six liquid fuel storage and dispensing systems at the addresses listed. The systems at these locations have deficiencies that will be resolved by December 31, 2022.

487 Power Street, Copper Cliff, ON P0M 1N0 - SR 2746298
117 Coleman Mine Road, Levack, ON P0M 2C0 - SR 2818064
1039 Regional Road 24, Lively, ON, P3Y 1H7 - SR 2818072
1702 Godfrey Drive, Copper Cliff, ON P0M 1N0 - SR 2818080
60 Mine Road, Garson, ON P3L 1N6 - SR 2818084
1530 Froad Road, Sudbury, ON P3A 4R7 - SR 2818090

Vale Canada has a project underway to install a new fuel management system to monitor its fuel consumption. Potential system features include:

- cardlock/keylocks at each sit
- upgrades to the existing level controls
- complete storage tank replacements, if necessary

This proposed fuel management system is currently out to tender for a design-build solution. The final vendor decision may not be determined until October 2020. As such, Vale would like to wait until the vendor and project details are confirmed, before making any fuel management system changes.

Current fuel management system deficiencies at the sites—along with their respective mitigation methods—are as follows:

All six sites have fuel hoses that are not certified by the Underwriters' Laboratories of Canada (ULC). Clause 1.3.1 of the Liquid Fuels Handling Code (LFHC) requires that equipment be approved for use. **Mitigation method:** Vale Canada will replace all the hoses with ULC-approved hoses by December 31, 2020, regardless of the final specifications for its new fuel management system.

Five sites (excluding 117 Coleman Mine Rd) do not have pressure relief for the piping. Clause 4.1.8 of the LFHC requires that piping have pressure relief.

Mitigation method: Periodic inspection of the tank systems in accordance with LFHC Section 7 (Table 4). In addition, the variance committee requires that the pressure relief must be compliant before December 31, 2020.

One site (487 Power St) has an emergency vent that is less than six inches above the spill container. Clause 4.3.2.4 of the LFHC requires that emergency vents be at least six inches above the spill container. **Mitigation method:** A new storage tank facility is being constructed at this site. Therefore, the deficient tank will be out of service by June 2021.

One site (1702 Godfrey Drive) has a spill container that has a drilled hole plugged with washers, bolts and silicone. **Mitigation method:** A new approved spill container will be installed, in accordance with clause 1.3.1 of the LFHC, when the facility is upgraded.

Some locations have a horizontal tank in a dike, while others have a double-wall aboveground storage tank. To further mitigate the abovementioned deficiencies, Vale Canada will continue periodic monitoring of the tank systems, in accordance with LFHC Section 7 (Table 4). In addition, the horizontal and the double-wall tanks at each site will be subject to weekly visual inspections performed by a certificate holder and monthly inspections by a petroleum mechanic.

Please be advised that your variance application dated December 20, 2019, has been approved.

Please be advised that this variance will not take effect until 15 days from the date of posting the decision on the environmental registry. This decision of the Director is subject to a right of appeal, under the Environmental Bill of Rights, if such an appeal is filed within 15 days from date of posting. In the event an appeal is filed, this decision of the director may be subsequently stayed, disallowed or significantly altered. Notice of an appeal will be placed on the Environmental Bill of Rights registry.

This variance is allowed under the authority of subsection 36.(3)(c) of the Technical Standards and Safety Act, 2000, (the "Act") and subject to such conditions as may be specified herein, being that:

Non-conformity with the conditions specified shall thereby cause the allowed variance to become null and void;

The applicant accepts full responsibility for any and all damages resulting from the use of the thing to which the variance applies. The applicant further accepts full responsibility for any impacts to the health and safety of any person in consequence of the allowance of the variance or of non-conformity with the conditions specified. The Technical Standards and Safety Authority accepts no responsibility for any such damages or impacts;

In the event of any claims against the Technical Standards and Safety Authority arising from allowance of the variance or non-conformity with the conditions specified, the applicant agrees to indemnify the Technical Standards and Safety Authority and agrees to hold it harmless from such claims and attendant costs;

The variance process is subject to public access under the TSSA Access and Privacy Code (available upon request). The fact that a variance has been granted, and information about any public conditions, such as a requirement to post a sign, may be released on request. Subject to law and the TSSA Access and Privacy Code, proprietary information will not be subject to release;

The applicant shall pay the fee associated with the review of the variance; and

A copy of the variance letter shall always be kept readily available and permanently legible in the vicinity of the appliance/equipment.

This variance only relates to the Act and regulations made thereunder and does not exempt you from compliance with other applicable regulatory requirements. The installation will be subject to an inspection to ensure compliance with the terms of the variance. Please contact Adam Wells at 705-499-4867 to arrange for the inspection.

Should you have any questions or require further assistance, please contact Ann-Marie Barker at

416.734.3354, or by e-mail at abarker@tssa.org. When contacting TSSA regarding this file, please refer to the Service Request number provided above.

Yours truly,

A handwritten signature in blue ink that reads "John Marshall". The signature is written in a cursive style.

John R. Marshall
Director, Fuels Safety Program

c. Adam Wells, TSSA, awells@tssa.org