



Permit No: 4201-60-010

AIR EMISSIONS PERMIT

Issued Pursuant to the *Environment Act* and the *Air Emissions Regulations*

Permittee: Yukon Energy Corporation

Address: Box 5920
Whitehorse, Yukon Y1A 6S7

Facility Locations: Dawson
(Diesel Generating Plants) Faro
Mayo
Whitehorse
Minto Mine

Phone / Fax: 867-633-7000 / 867-393-5357

In accordance with your application and all subsequent supporting information, Yukon Energy Corporation, represented by yourself, is hereby authorized to operate electricity generating facilities with a maximum nameplate capacity equal to or more than 1.0 Megawatt ampere, hereinafter referred to as the source, subject to the conditions listed below:

PART 1. GENERAL CONDITIONS

1. The permittee shall comply with any applicable requirements in all federal, territorial or municipal legislation.
2. The permittee shall ensure that a copy of this permit is kept at each site.
3. All personnel (employees, contractors or volunteers) involved with the operation or maintenance of the source shall:
 - a. have access to a copy of this permit;
 - b. be knowledgeable of the conditions and requirements of this permit; and
 - c. receive the appropriate training for the purposes of operating the source and carrying out the requirements of this permit.

4. The permittee shall allow an environmental protection officer, at any reasonable time, to enter any place or premise under the permittee's ownership or occupation, other than a private dwelling, to inspect any activity which is subject to this permit.
5. The permittee shall provide notice in writing to the Environmental Programs Branch (Branch) prior to any significant change of circumstances at a permitted operation, site or business, including without limitation:
 - a) closure of the facility;
 - b) ownership of the facility; or
 - c) addition, removal or replacement of any equipment related to the release of air emissions.

PART 2. OPERATION & MAINTENANCE

1. In accordance with the manufacturer's recommendations and best management practices, the permittee shall maintain and operate fuel burning equipment, process equipment, emission control devices, and testing and monitoring equipment as necessary to provide optimum control of air contaminant emissions during all operating periods.
2. Except for maintenance or test purposes, the permittee shall use the generators at each site in order of highest possible efficiency under the circumstances. The permittee shall keep record of any instance wherein the most efficient unit was not used, and the reason of use of the less efficient unit.

PART 3. RELEASE OF CONTAMINANTS

1. The permittee shall cause an observation of visible emissions from the exhaust stacks of the source at each site to be conducted by a certified reader, on an annual basis, in accordance with:
 - a) the Code of Federal Regulations of the USA, Title 40, Chapter 1, Part 60 (Standards of Performance for New & Modified Stationary Sources), Appendix A, Reference Method 9; or
 - b) another method as approved by the Branch.

2. If visible emissions from a generator as measured by a certified opacity reader under Part 3.1 exceed an opacity of 20% during steady-state continuous operations, the permittee shall report to the Branch and conduct any necessary repairs or maintenance to cause visible emissions to be reduced so as not to exceed 20% during steady-state continuous operations, as measured by further observations by a certified opacity reader, within 30 days of the initial exceedance.
3. The permittee shall ensure that the fuel used by the source conforms to the most recent Canadian federal *Sulphur in Diesel Fuel Regulations* for off-road applications.

PART 4. MONITORING, REPORTING AND RECORD KEEPING

1. The permittee must contact either an environmental protection officer, or the 24-hour Yukon Spill Report Centre (867-667-7244) as soon as possible under the circumstances in the event of an unauthorized release or emission, such as fugitive emissions or emissions resulting from burning fuel other than that allowed under this permit.
2. The permittee shall:
 - a) carry out additional dispersion modelling for Whitehorse, using the same methodology as in Part 3.0 of the September 18, 2008 report entitled 'Air Quality Assessment for Yukon Energy Corporation Diesel Generator Operations' prepared by SENES Consultants Limited, to estimate the impact on air quality in Whitehorse for instantaneous NO_x, SO₂, CO and PM_{2.5} emission rates that are 25%, 50%, 75% and 100% higher than those assumed in Table 3.3 of the September 18, 2008 report; and
 - b) submit to the Branch a report which fully describes that additional dispersion modelling and identifies the emission rates at which the ambient air quality objectives used in section 5.0 of the September 18, 2008 report entitled 'Air Quality Assessment for Yukon Energy Corporation Diesel Generator Operations' prepared by SENES Consultants Limited, are exceeded for NO₂, SO₂, PM_{2.5}, and CO, at the site boundaries, by October 31st, 2009.
3. The permittee shall submit the total annual operating hours for all generators for the years 2006, 2007 and 2008 by July 31st, 2009.

4. For 2009 and subsequent years, the permittee shall submit the total annual operating hours for each generator at each site by January 31st of the year following the year to which the records pertain.
5. The permittee shall carry out manual stack testing for NO₂, SO₂, PM_{2.5}, and CO, on any diesel generator that exceeded 3% of its annual potential to emit in the previous calendar year, if, in that same calendar year, the total operating time of all the generators at that site exceeded 3% of their total annual potential to emit.
6. If stack tests are required in 2009, results shall be submitted to the Branch by October 31st, 2009 and if the levels identified in Part 4.2 (b) are exceeded, a plan to reduce emissions shall be submitted by December 31st, 2009, and implemented by March 31st, 2010. Another stack test shall then be performed within 6 months of the implementation to confirm that the levels identified in Part 4.2(b) for NO₂, SO₂, PM_{2.5}, and CO are then being met.
7. For years following 2009, the permittee shall submit the results of the stack test(s) required in Part 4.5 to the Branch by July 31st of each year in which stack test(s) are required. If the stack test result(s) for NO₂, SO₂, PM_{2.5}, or CO exceed the levels identified in Part 4.2 (b), the permittee must submit a plan to reduce emissions by September 30th of the same year and the plan must be implemented by December 31st of that year. Another stack test shall then be performed within 6 months of the implementation to confirm that the levels identified in Part 4.2(b) for NO₂, SO₂, PM_{2.5}, and CO are then being met.
8. If additional stack tests under Part 4.6 or 4.7 indicate that the levels identified in Part 4.2(b) for NO₂, SO₂, PM_{2.5} and/or CO emissions are not being met, the Branch may require the permittee to undertake additional stack testing, remodelling and/or other pollution prevention activities under the direction of an environmental protection officer.
9. The permittee shall keep all records for a minimum of three years and make them available upon request for inspection by an environmental protection officer.

This permit replaces permit #4201-60-010, issued on November 29, 2005; is effective from the date of the Director's signature (below); and, shall expire on December 31, 2011.

Director, Environmental Programs Branch

Date

I, TRAVIS RITCHIE (print name clearly), certify that I am an authorized representative of Yukon Energy Corporation and that I have read and understood the terms and conditions of this permit.



Authorized Representative
Yukon Energy Corporation

June 10/09
Date

