



Manitoba Operations



STANDARD PROCEDURE INSTRUCTION

Title		SPI
Handling of Scrap Metals and Material		# 28-7
Department	Supersedes SPI Dated	Effective Date
Purchasing, Warehouse and Traffic	March 2001	Sept. 2002

1.0 PURPOSE

1.1 To prescribe the procedure of handling scrap material within the Thompson Operation, to employees, firms and organizations.

2.0 SCOPE

2.1 Metallic and non-metallic consumable scrap materials such as metals, wood, non-returnable drums, pails, etc., which is of no further use to Vale. Asset removals such as furniture, equipment, and/or buildings need to be referred to SPI 20-6. (Fixed asset removal/transfers)

2.2 See drawing 85-401-B-5372 for accumulation sites for each type of scrap.

3.0 PROCEDURE AND APPROVALS

Segregation and Responsibility of Material

3.1 Each plant will be responsible to segregate all scrap material in their area. Adequate facilities will be provided for proper segregation. Prior to segregating the material into the scrap bins, each plant will have the responsibility to review the material to determine if they can re-use the material in their operation.

3.2 Segregation would be in the following groups; Tires, Metal (segregate to type), Wood, Hazardous Material, and Recyclable. Phone 2330 to determine a storage site if not shown on the drawing. Phone 2491 to rent a dumpster or change frequency of pickup.

- 3.3 When the material is placed in the bins or designated areas, the material will be picked up and delivered to the reusable surplus material storage area. Reusable Surplus Material storage/disposal will be the responsibility of the following:

<u>Material</u>	<u>Picked Up By</u>	<u>Responsible</u>
Tires	T-1 Yard	Environment Control
Box frame/cloth	Canadian Waste	Refinery/Smelter

Conveyor Belts	Transportation	Warehouse
Steel	Canadian Waste	Warehouse
Wood	Canadian Waste	Warehouse
Recycle Material	Warehouse	Warehouse

Hazardous Material (**Must maintain proper WHMIS labeling**)

-Anti-freeze	Transportation	Warehouse
-Oil (SPI28-8)	Transportation	Warehouse
-Batteries	Warehouse	Warehouse
-PCB	Environment Control	Environment Control
-Empty drums	Warehouse	Warehouse

If there is any doubt or questions, call the Warehouse Supervisor at 2507.

- 3.4 The reusable surplus material storage area, under the direction of the warehouse supervisor, will keep the re-usable material in a controlled manner that is accessible to all departments. The material will be available for any VALE use.
- 3.5 All timber clearing must be contracted out. The contractor is then free to sell, burn, or do whatever he deems necessary after the wood is removed from Vale.

4. Disposal of Scrap Metals

- 4.1 Prior to any final disposal of scrap metals, the warehouse supervisor or designate will schedule Environment Control (Ph 2724) to ensure the material does not contain radioactive or hazardous substances.
- 4.2 It is the responsibility of the originating area to segregate their metal scrap by type e.g. stainless, copper, ni-hard, brass etc. and deliver to proper area as shown on drawing 85-401-B-5372
- 4.3 The Warehouse supervisor will call for tenders annually to dispose of all scrap metal accumulated. Should the most economical tender require non VALE personnel on the plant site; then the Engineering contract administrator will issue the contract for removal.
- 4.4 Warehouse employees shall monitor and issue all shipping documentation for the removal of materials. Vale truck and railcar scales will record all shipping weights.
- 4.5 The Warehouse supervisor will compare the VALE weights to the purchaser's weight after deducting pallets and dunnage. Upon reaching agreed weights the warehouse supervisor will forward documentation to the Accounting dept. for

invoicing.

5. Disposal of wood or Miscellaneous Materials

- 5.1 Periodically at the discretion of the warehouse supervisor, items located in the surplus material storage will be available for sale to employees or other firms. Items may be sold at a fixed price or through a bid process. Disposal of all items to VALE employees will be advertised via "the EXTRA" and administered by the warehouse supervisor.
- 5.2 A Scrap Sales Authorization Form #1850rev3 will be completed by the Warehouse supervisor and given to the successful purchaser or firm. The employee or firm will present Form #1850 and payment to the Vale Cashier, General Office, and receipt Form #2380 will be issued by the cashier.
- 5.3 The Pass Out and Receipt Form #0526rev1 will be issued by the Warehouse Supervisor, after inspection of material being removed, and proof of payment has been duly presented. The Pass Out must clearly indicate the nature and quantity of material, and clearly indicate **Scrap Sale**, and state the Cashier receipt number.
- 5.4 Security will inspect the load to ensure it is exactly as specified on the Pass Out. In the event it does not agree, the load is to be returned to the originator of the Pass Out. Security may elect to take a picture of the load, and attach it to the Pass Out.
- 5.5 Surplus material that is donated to any organization or firm must be done so through the Public Affairs department.
- 5.6 Movement of material off the plantsite is at the discretion of the Warehouse Supervisor. Generally the normal hours are 7:30am to 4:00pm Monday to Friday.
- 5.7 Copies of all sales slips are retained for the current year plus one year on Warehousing records file for audit purposes.
- 5.8 Sale proceeds are credited to miscellaneous revenue account and to appropriate Manitoba Revenue tax account and the GST account, if applicable.

APPROVED _____ General Manager – Manitoba Operations

DATE _____