Licence No.: 2276
Licence Issued: September 3, 1997

IN ACCORDANCE WITH THE MANITOBA ENVIRONMENT ACT (C.C.S.M. c. E125)
THIS LICENCE IS ISSUED PURSUANT TO SECTION 11(1) TO:

CENTRA GAS MANITOBA INC.; "the Licencee"

for the construction and operation of the Development being the Ste. Agathe - Canada Agra Natural Gas Pipeline. The Development involves the construction of a natural gas pipeline from the TransCanada Pipelines right-of-way located west of PTH #59 in the Rural Municipality of Hanover and extending in a westerly direction to the community of Ste. Agathe and the Industrial Park area located in the Rural Municipality of Ritchot subject to the following specifications, limits, terms and conditions:

GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. The Licencee shall, during construction, ensure that any fuel storage areas established for the construction of the Development are located a minimum distance of 100 meters away from waterbodies including wetlands and ensure the storage areas comply with the requirements of Manitoba Regulation 97/88R - Storage and Handling of Gasoline and Associated Products.

2. The Licencee shall ensure that all used petroleum products and other hazardous wastes generated by the machinery used in the construction and operation of the Development are collected and disposed of in accordance with Manitoba Environment and legislative requirements.

3. The Licencee shall, at the completion of construction, cleanup construction areas and deposit all debris at a Waste Disposal Ground operating under the authority of a permit pursuant to the Waste Disposal Ground Regulation, MR 150/91.

4. The Licencee shall, prior to construction, provide a copy of this Licence and the Environment Act Proposal to the contractor involved in the Development.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS


6. The Licencee shall, prior to construction on the stream crossings related to the Development, provide written evidence to the Director that directional boring of water crossings, if required, is feasible.

7. The Licencee shall, prior to construction of any major stream crossings that require open cut crossings, consult and reach an agreement with the Manitoba Department of Natural Resources Fisheries Branch and the Department of Fisheries and Oceans regarding contingency plans, schedule details, fisheries investigation(s) of the crossing location(s), mitigation and compensation measures.

8. The Licencee shall, prior to construction of any open cut crossings, retain a qualified heritage resource consultant to monitor the construction of any open cut crossings.

9. The Licencee shall prior to the construction of any open cut crossings, obtain approval under the Navigable Waters Protection Act from the Canadian Coast Guard.
10. The Licencee shall, during construction, transport equipment used in pipeline construction along land and bridge routes to avoid the riparian zone at the stream crossing sites. The width of the construction activity shall be minimized near aquatic areas and through riparian zones.

11. The Licencee shall, prior to construction, contact the Manitoba Department of Natural Resources Water Resources Branch to determine if periods of flooding will have an impact on the design and operation of the pipeline at the river crossing locations.

12. The Licencee shall, from spring breakup to the end of July of each year during construction, cease all construction activities that may impact upon the stream channel and which may affect fish mobility and fish habitat and the primary breeding and rearing season for wildlife.

13. The Licencee shall, during any hydrostatic testing of the pipeline, not exceed 10% of instantaneous flow of the source stream. Hydrostatic test water shall not be allowed to directly or indirectly enter the originating water source or any other water body.

14. The Licencee shall screen hydrostatic test intake pipes in accordance with guidelines contained in the Department of Fisheries and Oceans publication *A Fish Screening Guide for Water Intakes*.

15. The Licencee shall, during construction, minimize the loss of wooded habitat along Crown land boundaries.

16. The Licencee shall separate and replace topsoil from backhoe and trenching operations in accordance with the methodology described in Figures 1 and 2 attached to this Licence.

17. The Licencee shall re-establish the profile, compact and seed all excavated areas within the Provincial Highway and Municipal Roads rights-of-way.

18. The Licencee shall seed areas of disturbed natural vegetation with a mixture of native or introduced grasses.

19. The Licencee shall, at the completion of construction, ensure that the banks of stream crossings are stabilized from channel level to high water elevation at bank full conditions.

**REVIEW AND REVOCATION**

A. 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.

B. 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 11 of The Environment Act.

"original signed by"

Larry Strachan, P. Eng.
Director
Environment Act

Client File No.: 4219.00