Licence No.: 2285
Licence Issued: October 8, 1997

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

THE RURAL MUNICIPALITY OF VICTORIA; "the Licencee"

for the construction and operation of the Development being a rural water supply system in the Rural Municipalities of Victoria and Lorne and in accordance with the Proposal filed under The Environment Act and dated June 27, 1997 and 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 ensure that all used oil products and other regulated hazardous wastes generated by the machinery used in the construction and operation of the Development are collected and disposed of in accordance with applicable Manitoba Environment and legislation requirements.

2. The Licencee shall construct waterway crossings by augering, tunnelling or boring. Open cut waterway crossings shall not be made unless prior consultation with Manitoba Natural Resources staff has occurred and the prior written approval of the Director has been obtained.

3. The Licencee shall revegetate soil exposed during the construction of the Development with native or introduced grasses or legumes. Native species shall be used to revegetate areas where native species existed prior to construction. Revegetation is not required for pipelines installed by chain trenching or ploughing on previously disturbed ground including road allowances.

4. The Licencee shall ensure that backflow prevention devices are installed where necessary to prevent cross-connections between the Development and existing private water supply systems.

5. The Licencee shall, prior to the commencement of operation of the Development, receive the approval of the Director for final plans for the Development.

6. The Licencee shall ensure that the operation of the municipal water supply is in accordance with Manitoba Regulations under the Public Health Act and all operating requirements as recommended by Manitoba Environment.

7. The Licencee shall, prior to March 31, 1998, submit to the Director a discussion of projected water demands and water conservation measures which are appropriate for the Development. The discussion shall report on initial and future water demands, leak detection and water loss monitoring, metering, pricing, ongoing public awareness, measures to promote low water use devices and other measures which may be used to promote water conservation. The discussion shall also contain a schedule for the implementation of measures which are planned for adoption.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

8. The Licencee shall notify the South-Central Region of Manitoba Environment not less than two weeks prior to beginning construction of the Development. The notification shall include the intended starting date of construction and the name of the contractor responsible for the construction.

9. The Licencee shall not undertake construction of the Development in the vicinity of significant wildlife habitat
along undeveloped road allowances during the period from May 1 to July 31 of any year.

10. The Licencee shall separate and replace topsoil from backhoe and trenching operations in accordance with the methodology described in Figures 1, 2 and 3 attached to this Licence. This requirement is not applicable where the topsoil has been previously disturbed due to the construction of roads or drains.

11. The Licencee shall ensure that chlorinated water from pipeline testing and startup activities associated with the Development is not released until chlorine levels have decayed or been chemically neutralized to concentrations which will not harm plants, wildlife and fish in areas where the water is released. Total chlorine concentrations in discharged water shall not exceed 0.1 milligrams per litre.

12. The Licencee shall ensure that fuel storage areas established for the construction and operation of the Development are located a minimum distance of 100 metres from any waterbody, and shall comply with the requirements of Manitoba Regulation 97/88R respecting Storage and Handling of Gasoline and Associated Products.

13. The Licencee shall ensure during operation of the Development that samples of water are collected on a regular basis from distribution points in the Development and analysed as specified by the South-Central Region of Manitoba Environment. Results of the analysis shall be reported to the responsible officer within a time period specified by the officer.

**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 construction of the development has not commenced within three years of the date of this Licence, the Licence is revoked.

C. 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.: 4267.00