Licence No.: 2386

Licence Issued: March 3, 1999

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

MANITOBA HYDRO; "the Licencee"

for the modification of the Ponton Station including the relocation of the Ponton 230-115 kV transformer to Herblet Lake Station; the construction of the 115 kV transmission line from Herblet Lake Station to a location in the vicinity of the Chisel Lake Tap; the upgrade of the 115 kV transmission line from Herblet Lake Station to Sherridon Station; and the salvage of Mile 13 Station to Sherridon Station in accordance with the Environment Act Proposal and the Flin Flon Area Improvements Project Environmental Impact Statement filed on December 15, 1998 and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence:

"wetlands" means those areas where the water table is at or above the land surface for a long enough period each year to make the area capable of supporting aquatic or hydrophilic vegetation, and which have soils with characteristics indicative of wet 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, during the full term of the construction of the Development, cleanup and deposit all debris from the construction site at a Waste Disposal Ground operating under the authority of a permit issued pursuant to *Manitoba Regulation 150/91* respecting *Waste Disposal Grounds*.
- 4. The Licencee shall handle and transport all transformer oil associated with the Development in accordance with *The Dangerous Goods Handling and Transportation Act* and regulations.
- 5. The Licencee shall, during construction, adhere to the general recommendations on design, construction and maintenance of stream crossings as specified in the Manitoba Department of Natural Resources guidelines titled *Recommended Fish Protection Procedures for Stream Crossings in Manitoba, May 1996.*
- 6. The Licencee shall, prior to construction, provide a copy of this Licence to the contractor and subcontractor(s) involved in the Development.
- 7. The Licencee shall, prior to construction startup, consult with Manitoba Environment's regional office in The Pas in order to ensure ongoing compliance with the specifications, limits, terms and conditions of this Licence

during the term of construction of the Development.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

- 8. The Licencee shall submit to the Director, prior to commencement of construction and salvaging activities associated with the Development, a *Flin Flon Area Improvements Project Environmental Protection Plan*. The Plan shall describe the approach to be used by the Licencee to dispose of the wood poles salvaged from the project and to monitor environmental conditions both during and after construction of the project in order to ensure that mitigative measures are applied by the contractors and subcontractor(s) systematically and in a manner consistent with the commitments made in the *Flin Flon Area Improvements Environmental Impact Statement* filed on December 15, 1998.
- 9. The Licencee shall, prior to construction of the Development, consult with the Manitoba Natural Resources Northern Region, with respect to:
 - a. on-site details and any mitigative measures identified in the *Flin Flon Area Improvements Project Environmental Protection Plan*;
 - b. plans for the construction of any new access roads associated with the Development which may have implications for resource use; and
 - c. advice on mitigative requirements for specific local fisheries habitat.
- 10. The Licencee shall ensure that all contractors working on the Development restrict bush clearing to transmission line right-of-way during construction and salvaging activities. Clearing and use of other access trails, riparian buffer zones and borrow pits areas shall require prior approval of the Manitoba Natural Resources, Northern Region.
- 11. The Licencee shall ensure that all contractors working on the Development maximize their use of existing transmission line rights-of-way for access during clearing and construction activities associated with the Development. Disturbance to the existing vegetation growth along abandoned transmission line right-of-way shall be minimized.
- 12. The Licencee shall adhere to the Department of Natural Resources *Forest Damage Appraisal and Valuation* policy with respect to timber removal and forest damage related to the Development.
- 13. The Licencee shall locate ice bridges at stream crossing sites with gently sloping banks to minimize cuts to watercourse banks.
- 14. The Licencee shall, during construction, use only ice and snow to fill in narrow rivers and streambeds.
- 15. The Licencee shall, prior to spring breakup, remove temporary stream crossings associated with the Development.
- 16. The Licencee shall, prior to spring run-off, stabilize any cut stream banks to prevent erosion.
- 17. The Licencee shall, in the event that heritage material is located during removal construction and salvaging activity, cease all construction in the affected area and immediately notify the Historic Resources Branch. *A Degree of Heritage Resources Impact and Mitigation Statement* shall be submitted to the Historic Resources Branch at the completion of the construction and salvaging activities associated with the Development.
- 18. The Licencee shall, in wetlands related to the Development where wooden structures are required, use wood poles treated with chromated copper arsenate (CCA).
- 19. The Licencee shall, during and at completion of construction and salvaging activities associated with the Development, ensure that any unattended, loose conductor not remain on the ground to avoid creating a hazard

for snowmobiles and wildlife.

- 20. The Licencee shall maintain a buffer near wetlands and waterbodies along transmission line right-of-way of 30 meters for application of herbicides. Any herbicide application shall be carried out in accordance with applicable regulatory requirements.
- 21. The Licencee shall locate any temporary marshalling yards and storage sites required for the Development a minimum distance of 100 meters from any wetland and watercourse.
- 22. The Licencee shall elevate above ground level any salvaged wood poles and crossarms stored at temporary storage sites to prevent leachate from wood preservatives directly contacting the ground.
- 23. The Licencee shall determine acceptable levels of any PCB contaminated soils tested from salvaged station sites from current CCME guidelines. Manitoba Environment, Northern Region, shall be notified of any plans for disposal of contaminated soils prior to disposal of the soils.

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.: 4407.00