March 1, 2013

Jerry Hlady, C.A.O.
R.M. of Kelsey
Box 578
The Pas, MB R9A 1K6

Dear Mr. Hlady:

This is in response to a letter of February 8, 2013 from Jaimee Schmidt of the Manitoba Water Services Board concerning an expansion of the water supply system in the Rural Municipality of Kelsey. The expansion involves an extension of the existing system into the Ralls Island area. We have reviewed the material provided, and determined that the environmental effects of the expansion are insignificant. Therefore, pursuant to Section 14(2) of The Environment Act, approval is hereby provided to implement the expansion, in accordance with the provisions of the enclosed revised Environment Act Licence No. 2462 R, dated March 1, 2013.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with. A Notice of Alteration must be filed with the Director for approval prior to any alteration to the Development as licensed.

For further information on the administration and application of the Licence, please feel free to contact Cristal Huculak, Environment Officer at 204-627-8248.

Pursuant to Section 27 of The Environment Act, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation and Water Stewardship within 30 days of the date of the Licence.

Yours truly,

Tracey Braun, M.Sc.
Director
Environment Act

c: Don Labossiere, Director, Environmental Compliance and Enforcement
Cristal Huculak, Environment Officer/Jaimee Schmidt, Manitoba Water Services Board (via email)
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 2462 R (by the Licencee only) is required by the Director of Environmental Approvals. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department by March 15, 2013.
Licence No. / Licence n° 2462 R
Issue Date / Date de délivrance July 5, 2000
Revised: March 1, 2013

In accordance with The Environment Act (C.C.S.M. c. E125) /
Conformément à la Loi sur l’environnement (C.P.L.M. c. E125)

Pursuant to Sections 11(1) and 14(2) / Conformément au Paragraphes 11(1) et 14(2)

THIS LICENCE IS ISSUED TO: / CETTE LICENCE EST DONNÉE À:

RURAL MUNICIPALITY OF KELSEY:
"the Licensee"

for the construction and operation of the Development being a water supply system for municipal purposes in the Rural Municipality of Kelsey, in accordance with the Proposal filed under The Environment Act and dated April 5, 2000 and the alteration request dated February 8, 2013 for the Ralls Island extension, 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 Licensee 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. In addition to any of the limits, terms and conditions specified in this Licence, the Licensee shall, upon the request of the Director:
   a) sample, monitor, analyze and/or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, treatment, handling, disposal or emission systems, for such pollutants or ambient quality, aquatic toxicity, leachate characteristics and discharge or emission rates, for such duration and at such frequencies as may be specified;
   b) determine the environmental impact associated with the release of any pollutants from the Development; or
   c) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, descriptions of sampling and

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
analytical procedures being used, bioassay data, flow rate measurements and such other information as may from time to time be requested.

2. The Licencee shall submit all information required to be provided to the Director under this Licence, in writing, in such form (including number of copies) and of such content as may be required by the Director, and each submission shall be clearly labeled with the Licence Number and Client File Number associated with this Licence.

3. The Licencee shall construct and operate the water supply system in accordance with Manitoba Regulations under *The Public Health Act*, *The Drinking Water Safety Act*, and all operating requirements as recommended by Manitoba Conservation and Water Stewardship.

4. The Licencee shall collect and dispose of all used oil products and other regulated hazardous wastes generated by the machinery used in the construction and operation of the Development in accordance with applicable Manitoba Conservation and Water Stewardship and legislation requirements.

5. The Licencee shall maintain the water supply wells associated with the Development to prevent the contamination of groundwater by surface water:
   a) entering the well casings through the top of the casings; and
   b) entering the well casings through the sides of the casings.

**SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS**

**Respecting Construction**


8. The Licencee shall notify the Northwest Regional office of the Environmental Compliance and Enforcement Branch of Manitoba Conservation and Water Stewardship not less than two weeks prior to beginning construction of the Development in any year in which construction occurs. The notification shall include the intended starting date of construction and the name of the contractor responsible for the construction.
9. The Licencsee 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.

10. The Licencsee shall construct waterway crossings on flowing waterways by augering, tunneling or boring. Open cut crossings on flowing waterways shall not be made unless prior consultation with Conservation and Water Stewardship – Fisheries Branch and Department of Fisheries and Oceans staff has occurred and the prior written approval of the Director has been obtained. Dry or non-flowing (i.e. hydraulically unconnected to downstream flowing water) natural and artificial waterways may be crossed with open cut techniques where approval has been obtained where necessary from the provincial or municipal authority responsible for the channel.

11. The Licencsee shall, where open cut stream crossing techniques are used on intermittent waterways and artificial drainage channels, minimize disturbance to riparian areas and restore the bottom and banks of the waterways to their original elevations and shapes. Open cut stream crossings shall not be constructed between April 1 and June 15 of any year.

12. The Licencsee shall construct open cut stream crossings associated with the Development in accordance with the methodologies described in the October, 2005 publication “Pipeline Associated Watercourse Crossings Third Edition”, published by the Canadian Pipeline Water Crossing Committee, and the May, 1996 publication “Manitoba Stream Crossing Guidelines for the Protection of Fish and Fish Habitat”, published by the Department of Fisheries and Oceans and Manitoba Natural Resources.

13. The Licencsee shall not alter local drainage patterns by the construction of the Development, including inflows and outflows from small wetlands adjacent to the route of pipelines.

14. The Licencsee shall, during construction of the Development, implement all necessary measures to prevent the erosion of exposed soil into any waterbodies. Construction adjacent to waterbodies shall not occur during high rainfall events.

15. The Licencsee 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.
16. The Licencee shall not construct the Development in wetland areas and in riparian zones adjacent to rivers before August 15 of any year.

17. The Licencee shall, in the event of a release, spill, leak, or discharge of a pollutant or contaminant in an amount or concentration, or at a level or rate of release, that exceeds the limit that is expressly provided under this Act, another Act of the Legislature, or an Act of Parliament, or in a regulation, licence, permit, order, instruction, directive or other approval or authorization issued or made under one of those Acts, immediately report the release, spill, leak, or discharge by calling 204-944-4888. The report shall indicate the nature of the release, leak, or discharge, the time and estimated duration of the event and the reason for the release, spill, leak, or discharge.

18. The Licencee shall, at all times during the construction of the Development, maintain materials to contain and recover spills of fuel and other fluids associated with construction machinery at construction sites.

19. The Licencee shall establish fuel storage and equipment servicing areas for the construction and operation of the Development:
   a) a minimum distance of 100 metres from any waterbody; and
   b) in compliance with the requirements of Manitoba Regulation 188/2001 respecting Storage and Handling of Petroleum Products and Allied Products or any future amendment thereof.

20. The Licencee shall not release chlorinated water from pipeline testing and startup activities associated with the Development to a surface water body until chlorine level concentrations are equal to or less than 0.1 milligrams per litre. Releases of chlorinated water at higher concentrations may be made to vegetated land or dry waterways, provided that chlorine level concentrations have decayed to 0.1 milligrams per litre or less before the released water reaches any body of surface water.

Respecting Operation

21. The Licencee shall obtain and maintain classification of the Development pursuant to Manitoba Regulation 77/2003 respecting Water and Wastewater Facility Operators or any future amendment thereof and maintain compliance with all requirements of the regulation including, but not limited to, the preparation and maintenance of a Table of Organization, Emergency Response Plan and Standard Operating Procedures.

22. The Licencee shall carry out the operation of the Development with individuals properly certified to do so pursuant to Manitoba Regulation 77/2003 respecting Water and Wastewater Facility Operators or any future amendment thereof.
23. The Licencee shall not permit the interconnection of a private water supply system with the Development.

24. The Licencee shall operate the Development with respect to the volume and rate of water diverted in accordance with a Water Rights Licence issued pursuant to *The Water Rights Act*.

25. The Licencee shall decommission and seal private wells made redundant by the Development in accordance with Manitoba water well industry standards.

**REVIEW AND REVOCATION**

A. This Licence replaces Environment Act Licence No. 2462, which is hereby rescinded.

B. 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.

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*.

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Tracey Braun, M.Sc.
Director
Environment Act

FILE: 4516.00
1. TOPSOIL STRIPPED

2. TRENCH ExcAVATED

3. TRENCH BACKFILLED

4. TOPSOIL REPLACED

SEQUENCE OF TOPSOIL HANDLING
Compaction of Backfill

Figure 2

Roach the trench to compensate for settlement and changes in natural drainage patterns. The height of the roach depends upon land use, the degree of compaction achieved.

Roaching the Trench

Figure 3