License No.: 2477  
Licence Issued: September 14, 2000

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

RURAL MUNICIPALITY OF DALY; "the Licencee"

for the construction and operation of the Development being water supply pipelines in the Rural Municipality of Daly, in accordance with the Proposal filed under The Environment Act and dated August 4, 2000, 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 Conservation and legislation requirements.

2. The Licencee shall, prior to the commencement of operation of the Development, receive approval pursuant to The Public Health Act for final plans for the Development.

3. The Licencee shall construct waterway crossings on flowing waterways by augering, tunnelling or boring. Open cut crossings on flowing waterways shall not be made unless prior consultation with Manitoba Conservation and Department of Fisheries and Oceans staff has occurred and the prior written approval of the Director has been obtained. Dry or non-flowing 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.

4. The Licencee 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.

5. The Licencee shall, during construction of the Development, ensure that all necessary measures are implemented to prevent the erosion of exposed soil into any waterbodies. Construction adjacent to waterbodies shall not occur during high rainfall events.

6. 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.

7. The Licencee shall ensure that local drainage patterns are not altered by the construction of the Development, including inflows and outflows from small wetlands adjacent to the route of pipelines.

8. The Licencee shall ensure that backflow prevention devices are installed at all cross-connections between the Development and existing private water supply systems.

9. The Licencee shall:
   a. prepare "As Constructed" drawings for the Development and shall label the drawings "As
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b. provide to the Director, within three months of the completion of construction of the Development, two sets of "As Constructed" drawings.

10. 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 Conservation.

11. The Licencee shall ensure that the operation of the Development is carried out by individuals properly trained or qualified to do so.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

12. The Licencee shall notify the Park-West and Western Regional Offices of Manitoba Conservation 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.

13. 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.

14. The Licencee shall, where open cut stream crossing techniques are used on intermittent waterways and artificial drainage channels, ensure that open cut crossings associated with the Development are not constructed between April 1 and June 15 of any year.

15. The Licencee shall ensure that open cut stream crossings associated with the Development are constructed in accordance with the methodologies described in the November, 1999 publication "Watercourse Crossings Second Edition", published by the National Energy Board.

16. The Licencee shall ensure that construction of the Development in wetland areas and in riparian zones adjacent to rivers does not occur before August 15 in any year.

17. The Licencee shall ensure that chlorinated water from pipeline testing and startup activities associated with the Development is not released 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.

18. The Licencee shall ensure that, during construction and operation of the Development, spills of fuels or other contaminants are reported to an Environment Officer in accordance with the requirements of Manitoba Regulation 439/87 respecting Environmental Accident Reporting.

19. The Licencee shall, at all times during the construction of the Development, ensure that materials to contain and recover spills of fuel and other fluids associated with construction machinery are available at the construction sites.

20. The Licencee shall ensure that fuel storage and equipment servicing areas established for the construction and operation of the Development:

   a. are located a minimum distance of 100 metres from any waterbody; and
   b. comply with the requirements of Manitoba Regulation 97/88R respecting Storage and Handling of Gasoline and Associated Products.
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.: 4543.00