FAXED

CLIENT FILE NO.: 5286.00

November 19, 2007

Dr. W. L. Everett
Manager
Manitoba Hydro
820 Taylor Avenue, Box 815
Winnipeg MB R3C 2P4

Dear Dr. Everett:

Enclosed is Environment Act Licence No. 2790 dated November 19, 2007 issued in accordance with The Environment Act to Manitoba Hydro for the construction, operation and maintenance of the Development being the Transcona East 230 – 66 kV Station located immediately adjacent and east of the Red River Floodway within the northwest and northeast quarters of Section 11, Township 11, Range 4 EPM in the R.M. of Springfield in accordance with the Proposal filed under The Environment Act, dated August 10, 2007.

All other applicable federal, provincial and municipal regulations and by-laws must be complied with in addition to the enclosed licence requirements for the Transcona East Station development. In this regard, I would bring to your attention the following information, provided to us by the Manitoba Conservation Sustainable Resource & Policy Management Branch:

The proponent should also be aware that killing or harming migratory birds and disturbance, destruction or taking of their nests or eggs is prohibited under the Migratory Birds Convention Act. The proponent is responsible for ensuring that no migratory birds will be harmed and no active nests or migratory birds will be destroyed as a result of the development. If migratory birds or their nests may be harmed by this development, the proponent must contact the Canadian Wildlife Service for further direction.
For further information on the administration and application of the Licence, please feel free to contact Randy Webber at (204) 945-7053.

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 within 30 days of the date of the Licence.

Yours truly,

Tracey Braun, M. Sc.
Director
Environment Act

Enc.
c: B. Gillespie, Central Regional Director
   Millennium Public Library/Manitoba Eco-Network
   R.M. of Springfield
   Randy Webber

NOTE: Confirmation of Receipt of this Licence No. 2790 (by the Licencee only) is required by the Director of Environmental Assessment and Licensing. Please acknowledge receipt by signing in the space provided below and faxing (letter only) a copy back to the Department by November 23, 2007.

On behalf of Manitoba Hydro

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
Licence No. / Licence n° 2790
Issue Date / Date de délivrance November 19, 2007

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 Section 11(1) / Conformément au Paragraphe 11(1)

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

MANITOBA HYDRO; "the Licencee"

for the construction, operation and maintenance of the Development being the Transcona East 230 – 66 kV Station located immediately adjacent and east of the Red River Floodway within the northwest and northeast quarters of Section 11, Township 11, Range 4 EPM in the R.M. of Springfield in accordance with the Proposal filed under The Environment Act, dated August 10, 2007, 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 locate fuel storage and equipment servicing areas established for the construction and operation of the Development:
   a) a minimum distance of 100 metres away from any waterbody; and
   b) operate the fuel storage areas in compliance with the requirements of
      Manitoba Regulation 188/2001 or any future amendment thereof, respecting
      Storage and Handling of Petroleum Products and Allied Products.

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
2. The Licencee shall, at all times during the construction of the Development, have materials available at the construction sites to contain and recover spills of fuel and other fluids associated with construction machinery.

3. The Licencee shall ensure that non-reusable demolition and construction debris from the Development is disposed of at a waste disposal ground operating under the authority of a permit pursuant to Manitoba Regulation 150/91 or any future amendment thereof, respecting Waste Disposal Grounds, or a Licence pursuant to The Environment Act.

4. The Licencee shall, during construction, dispose of all sewage and septage from on-site sanitary facilities in accordance with the Onsite Wastewater Management Systems Regulation, MR 83/2003 or any future amendment thereof.

5. The Licencee shall during construction and operation of the Development:
   a) immediately report any reportable spills to Manitoba Conservation’s Accident Reporting Line at (204) 944-4888 pursuant to Manitoba Regulation 439/87 or any future amendment thereof, respecting Environmental Accident Reporting; and
   b) at the request of the Director, provide a follow-up report to the Director on a reportable environmental accident outlining the cause(s) and proposed corrective action to prevent reoccurrence.

6. The Licencee shall obtain all necessary permits and agreements from Manitoba Transportation and Government services prior to undertaking construction on or adjacent to highway rights-of-way.

7. The Licencee shall, prior to construction, provide a copy of this Licence to each contractor involved in the construction of the Development.

**SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS**

8. The Licencee shall, prior to construction, inspect the construction site and road allowances near the construction site to determine if any of the plant species of concern identified in The Environment Act Proposal are present. The Licencee shall develop and apply appropriate mitigation to avoid impacts to any of the plant species of concern which may be identified as a result of the pre-construction inspection.

9. The Licencee shall, prior to commencement of construction activities for the oil containment facilities at the Development, submit to the Director the results of an Oil Containment Assessment. Oil containment Plans and Specifications, as recommended in the Oil Containment Assessment, shall be approved by the Director prior to the commencement of construction of the oil containment facilities at the Development.
10. The Licencee shall construct and install the oil containment equipment, as described in the Plans and Specifications approved by the Director, as required by Clause 9 of this Licence.

11. The Licencee shall determine levels of PCBs in any impacted soils at the salvaged transformer banks site in accordance with current CCME guidelines. Results of the soil tests, and any plans for disposal of contaminated soils and oil from the salvaged transformers, shall be submitted to Manitoba Conservation, Central Region.

**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.

[Signature]

Tracey Braun, M. Sc.
Director
Environment Act

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