SUMMARY OF COMMENTS/RECOMMENDATIONS

PROPOINENT: Rural Municipality of Pipestone
PROPOSAL NAME: Rural Municipality of Pipestone Rural Water Supply System
CLASS OF DEVELOPMENT: Two
TYPE OF DEVELOPMENT: Transportation/Transmission - Pipelines
CLIENT FILE NO.: 5272.00

OVERVIEW:

The Proposal was received on May 29, 2007. It was dated May 25, 2007. The advertisement of the proposal was as follows:

“A Proposal has been filed by the Manitoba Water Services Board on behalf of the Rural Municipality of Pipestone to construct a water supply system to provide potable water throughout the municipality. Water for the system would be supplied from the Rural Municipality of Wallace’s rural water supply system. The Wallace water treatment plant would be expanded to provide additional treatment capacity of 20 litres/second, which would provide for community, rural and livestock use in the R. M. of Pipestone over a 20 year period. The Pipestone system would be capable of delivering 790,000 litres/day of treated water on average, with peak day use of 1,100,000 litres. Treated water would be distributed throughout the R. M. of Pipestone through distribution pipelines located in road allowances. Pipelines would be installed over a period of several years depending on demand and funding availability.”

The Proposal was advertised in the Virden Empire Advance and in the Reston Recorder on Saturday, June 16, 2007. It was placed in the Main, Millenium Public Library, Eco-Network and Border Regional Library (Virden) public registries, and in the R. M. of Pipestone office as a public registry location. The Proposal was distributed to TAC members on June 7, 2007. The closing date for comments from members of the public and TAC members was July 10, 2007.

COMMENTS FROM THE PUBLIC:

Rural Municipality of Wallace: The R.M. of Wallace fully supports the above project and Environmental Act Proposal (File #5272-00) for numerous reasons, some of which are:
1. A regional system would be more sustainable due to maximizing the efficiency of the existing Wallace System, and reducing duplication with a Pipestone System, by sharing R & D, operating, training, labour, equipment, etc. costs;

2. The Wallace Water System has a proven high quality and quantity of water available for the Pipestone water supply;

3. Minimizes the environmental impacts by reducing the construction activity and land surface facilities needed to supply the Pipestone Project;

Thank you for the opportunity to express our support for this project.

COMMENTS FROM THE TECHNICAL ADVISORY COMMITTEE:

Sustainable Resource Management Branch

- The proposal lacks detailed maps showing the route of the proposed pipeline and therefore it was difficult to assess potential impacts to wildlife in the project area. There was also a general lack of information regarding how the project will be phased in over time. It appears that the project is dependent on available funding, and perhaps some of these details are still forthcoming.
- The southwest region of the province is home to several rare and uncommon plant and animal species. While establishing the pipeline along existing road allowances should minimize potential impacts to the environment, the proponent should use caution and be prepared to identify and offer mitigating measures in the event the pipeline does encounter undisturbed, critical wildlife habitat.
- While it appears that impacts will be restricted to existing road allowances, it is recommended that such areas be reseeded, preferably with a native grass species mix, as soon as appropriate following the disturbance.
- The proposal indicates that the Biodiversity Conservation Section of the Wildlife and Ecosystem Protection Branch has been contacted to determine if there are any known or suspected occurrences of species at risk along the proposed pipeline route. The request was still being processed by Biodiversity Conservation and a response was not available at the time of the drafting of the EAP. This information should be disseminated to pertinent TAC members when it becomes available.
- The proponent must understand that the absence of data in the Conservation Data Centre (CDC) database in a particular geographic area does not necessarily mean that any species or ecological communities of concern are not present. The occurrences of rare, endangered, or uncommon species, as indicated in the CDC database, may only be based on minimal survey efforts in the project area. Therefore, the information should not be regarded as a final statement on the occurrence of any species of concern, nor can it substitute for on-site surveys for species that will be affected by the development. It is the responsibility of the proponent to inspect all potentially affected sites prior to and during construction to determine if any listed species may be affected. While the proposal indicates that the pipeline route will follow existing road allowances, the proponent (RM of Pipestone) needs to be aware
that if rare or endangered species are present, removal or destruction of individuals or their habitat may be in contravention of Subsection 10(1) “Prohibition” of The Endangered Species Act (Manitoba). In addition, the federal Species at Risk Act prohibits any activities that kill or otherwise harm COSEWIC listed plant or animal species and prohibits destruction of their habitat. If species of concern are present, the proponent must contact the Biodiversity Conservation Section of the Wildlife and Ecosystem Protection Branch to discuss possible mitigation options. Note: all proponents who conduct biological surveys in conjunction with their developments are asked to share that data with the Biodiversity Conservation Section. This will provide important updates to the Manitoba CDC database.

- The proponent should 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 of 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.

- Consultation should continue with local First Nation Canupawakpa (Oak Lake) Dakota Nation.

- It should be noted that the Storage and Handling of Gasoline and Associated Products Regulation cited by the proposal was replaced in 2001 by the Storage and Handling of Petroleum Products and Allied Products Regulation.

- In respect of Crown Land, no land tenure is granted by way of an environmental approval. Applicant must apply for applicable Crown Lands Act Permit / Lease which will be subject to the standard Crown land & Property Agency review process.

Disposition:
Most of these comments can be addressed through licence conditions. Other comments were brought to the proponent’s attention for information.

**Manitoba Water Stewardship**

- The Water Rights Act suggests that no person shall control water or construct, establish or maintain any **water control works** unless he or she holds a valid license to do so. **Water control works** are defined as any dyke, dam, surface or subsurface drain, drainage, improved natural waterway, canal, tunnel, bridge, culvert borehole or contrivance for carrying or conducting water, that temporarily or permanently alters or may alter the flow or level of water, including but not limited to water in a water body, by any means, including drainage, OR changes or may change the location or direction of flow of water, including but not limited to water in a water body, by any means, including drainage.

  o If the proposal in question advocates any of these activities, please apply for a Water Rights License to Construct Water Control Works. Application forms are available from any office of Manitoba Water Stewardship.
The proposed development is a major modification to a public water supply system. Pursuant to the Drinking Water Safety Act/ S.M.2002,c.36 a permit to construct or alter is required prior to the construction of the project. Also a licence to operate the new/ altered facility is required prior to the startup of the facility.

Engineered design plans and specifications must be submitted with any application for a construction permit.

The proposed development must meet all the requirements of the Drinking Water Safety Regulation and the Drinking Water Quality Standards Regulation under the DWSA.

The system must be operated and maintained by an operator certified under the Water and Wastewater Facility Operators Regulation, 77/2003.

Fisheries Branch has reviewed this EAP to extend the RM of Wallace rural water system into the RM of Pipestone to provide a water supply system. The proposed increase in volume of water is from the existing ground water well near the Assiniboine River well at SE1/4 24-13-17 which is directly influenced by the river. I do not know if the increased withdrawal will have a potential to impact the river through drawdown. The proponent indicates that the existing Water Rights Act Licence is more than adequate to service this expansion. I would need to defer to colleagues in Water Licencing to determine if this increase could have the potential to impact the Assiniboine River, and if it falls within the current in-stream flow allocation.

The proponent has indicated drain and creek crossings will be directionally bored so we should have minimal concerns with the proposed crossings. They also have included in their proposal a Frac-out response plan.

Many components of this proposal pertain to fish habitat which falls under DFO’s jurisdiction and as such their review should cover our fisheries management interests.

All mitigation procedures should be followed as outlined in the proposal.

A residual of 0.1 mg/L total chlorine is required to be maintained during an initial 24 hour disinfection of water pipes and during operation of the water distribution pipeline system. No discharge or release of chlorine disinfection solutions shall occur to any surface waters unless the chlorine residuals are less than 0.01 mg/L not 0.1 mg/L as stated in the proposal. In order to meet this requirement the proponent will have to treat the discharge solution with sodium thiosulphate prior to release.

All stream crossings should have a shutoff valve in the pipeline upstream of the crossing to prevent any discharge of chlorinated waters into the stream should any leaks occur at the crossing during initial testing and over the lifetime of distribution system.

Disposition:
Several of these comments can be addressed as licence conditions. The remaining comments were forwarded to the proponent for information. The specification for chlorine residual in discharged pipeline testing water is based on the lowest concentration that can be reasonably detected in field tests. This is a standard condition that has been
used in pipeline licences for several years, and is not intended to address the ambient chlorine guideline in water, which is 0.01 mg/L as noted in the comment. The ambient guideline is achieved through dilution once the discharged test water is mixed with receiving water.

**Historic Resources Branch** The Historic Resources Branch has concerns with regard to this project’s potential to impact heritage resources.

Much of the pipeline route is inside designated government road allowances, most of which have been improved, reducing the potential for intact heritage resources. There are some unimproved road allowances along the proposed water pipeline route, and many stream crossings where intact heritage resources may be located.

Under Section 12(2) of The Heritage Resources Act, if the Minister of Culture, Heritage and Tourism has reason to believe that heritage resources or human remains are known, or thought likely to be present, on lands that are to be developed, then the owner/developer may be required to conduct at his/her own expense, a heritage resource impact assessment and mitigation, if necessary, prior to the project’s start.

In order to identify and assess any heritage resources that may be negatively impacted by the pipeline construction, it was recommended that an archaeological consultant be employed to conduct a heritage resource impact assessment. If desirable, the Branch will work with Manitoba Water Services Board to draw up terms of reference for this project.

Branch concern is noted in Section 2.8.7 of the proposal. The resource management strategy in Section 2.9.7 regarding heritage resources is satisfactory.

Disposition: Compliance with the Heritage Resources Act can be required as a licence condition.

**Mines Branch** No concerns.

**Highway Planning and Design Branch**

- MIT has no major concerns relating to the Environment Act review of this project, but would like the proponent to be informed that agreements with this Department will be required for pipeline installations within highway right-of-way (see below for additional information).
- The proponent may contact MIT’s Brandon office for further information in this regard (Contact information provided.)

The proposed system proposes installation of many kilometers of waterline within highway rights-of-way. At least 15 crossings of highway roadways appear to be
proposed. An underground waterline agreement (includes site restoration and installation specifics) with our office (Department) is required. It can be issued when detailed plans are received. These plans should clearly show the proposed location of the waterlines and the road crossings. The applicant should be made aware that it may take up to 4 weeks to assess, field verify, collect information, produce the agreement and obtain approval/signature (DRO). This process can be expedited if preliminary route location drawings are sent to our office for comment/feedback. This will reduce last minute plan changes and future field meetings to resolve unanticipated conflicts/problems.

Disposition:
These comments were forwarded to the Proponent’s representative for information.

Community Planning Services Branch: I have reviewed the proposal and would advise that I have no concerns or objections with this proposal.

It is noted that the rural distribution system will primarily be located within rural road allowances which are under the jurisdiction of the R.M. of Pipestone or Manitoba Infrastructure and Transportation. It is understood that further detailed design and coordination will be required to minimize impacts and/or service interruptions to roadways and other infrastructure (Hydro, MTS, as well as pipelines operated by oil companies operating in the area).

Soils and Crops Branch: No concerns.

Medical Officer of Health – Assiniboine and Brandon RHAs: The provision of a rural water supply system compliant with the Public Health Act and the Drinking Water Safety Act should be beneficial to the residents supplied.

Canadian Environmental Assessment Agency: I have undertaken a survey of federal departments with respect to determining interest in the project noted above. I can confirm that the project information provided has been distributed to all federal departments with a potential interest. I am enclosing copies of the relevant responses with this letter.

Based on the responses to the federal survey, the application of the Canadian Environmental Assessment Act (the Act) will be required for this project. Agriculture and Agri-Food Canada – Prairie Farm Rehabilitation Administration has advised that it may be providing funds for the project, and, therefore, it will likely be required to conduct an environmental assessment under the Act.

Transport Canada (TC) requires additional information to determine whether or not an environmental assessment under the Act will be required. Please see the attached e-mail message from TC specifying the information required. Fisheries and Oceans Canada has
provided comments in the form of the attached letter. Health Canada is willing to provide specialist advice if requested. Environment Canada indicated that implementation of the proposed mitigation measures will address its concerns.

(DFO indicated that the project is not likely to cause significant adverse effects on fish and fish habitat provided that it complies with the conditions found in DFO’s Operational Statement on High Pressure Directional Drilling.)

Transport Canada requested the following information:
1. The timing of when any watercourse crossings associated with the project will be constructed;
2. The back-up plan for installing watercourse crossings, if HDD crossings are not feasible at any watercourse crossing;
3. The location of any temporary watercourse crossings associated with the project; and
4. An indication of whether any existing watercourse crossings will be used and if so, the locations of these crossings.

PFRA indicated an interest in participating in the provincial review of the project.

Disposition:
Transport Canada’s information request was forwarded to the proponent. Transport Canada, PFRA and CEAA will be included on the TAC for the project.

ADDITIONAL INFORMATION:

Additional information was requested to address Transport Canada’s request on July 17, 2007. The response will be provided directly to Transport Canada.

PUBLIC HEARING:

As no public concerns were identified, a public hearing is not recommended.

RECOMMENDATION:

All provincial comments received on the Proposal can be addressed as licence conditions, or have been forwarded to the Applicant’s representative for information. Information needed to complete the federal assessment process has been requested and will be provided directly to the interested department. Therefore, it is recommended that the Development be licenced under The Environment Act subject to the limits, terms and conditions as described on the attached Draft Environment Act Licence. It is further recommended that enforcement of the Licence be assigned to the Western Region.

PREPARED BY:
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