June 22, 2009

Dear Ms. Anderson, Mr. Bertholet, Ms. Hainsworth,

Enclosed is Environment Act Licence No. 2884 dated June 22, 2009 issued in accordance with The Environment Act to the Rural Municipalities of Arthur, Brenda and Winchester for the construction and operation of the Development being a regional water supply system to provide potable water throughout the Rural Municipalities of Arthur, Brenda, and Winchester, in accordance with the Proposal filed under The Environment Act and dated March 19, 2009.

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.

For further information on the administration and application of the Licence, please feel free to contact Peter Crocker, Environment Officer at (204) 726-6565.

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: Don Labossiere, Director, Environmental Operations
   Peter Crocker, Environment Officer, Western Region
   R. M. of Albert/Delmer and Michele Jones
   Public Registries

NOTE: Confirmation of Receipt of this Licence No. 2884 (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 a copy (letter only) to the Department by July 8, 2009.

On behalf of: The R.M. of Arthur  The R.M of Brenda  The R.M. of Winchester  Date

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
Licence No. / Licence n° 2884
Issue Date / Date de délivrance June 21, 2009

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:

The Rural Municipalities of Arthur, Brenda, and Winchester: "the Licencee"

for the construction and operation of the Development being a regional water supply
system to provide potable water throughout the Rural Municipalities of Arthur, Brenda,
and Winchester, in accordance with the Proposal filed under The Environment Act and
dated March 19, 2009, and subject to the following specifications, limits, terms and
conditions:

DEFINITIONS

In this Licence,

"as constructed drawings" means engineering drawings complete with all dimensions
which indicate all features of the Development as it has actually been built.

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.

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
1. The Licencsee shall, in addition to any of the following specifications, limits, terms and conditions specified in this Licence, upon the request of the Director:
   a) sample, monitor, analyze or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, treatment, handling, disposal or emission systems, 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 said Development;
   c) conduct specific investigations in response to the data gathered during environmental monitoring programs; or
   d) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, flow rate measurements and such other information as may from time to time be requested.

2. The Licencsee 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 legislation requirements.

3. The Licencsee shall, prior to the commencement of operation of the Development, receive approval pursuant to The Drinking Water Safety Act for final plans for the Development.

4. The Licencsee shall design, construct and operate the Development in accordance with Manitoba Regulations under The Public Health Act and The Drinking Water Safety Act and all operating requirements as recommended by Manitoba Conservation and Manitoba Water Stewardship.

5. The Licencsee shall properly train or qualify individuals to carry out the operation of the Development pursuant to the requirements of Manitoba Regulation 77/2003 respecting Water and Wastewater Facility Operators, or any future amendment thereof.

6. The Licencsee shall not permit the interconnection of a private water supply system with the Development.

7. The Licencsee shall:
   a) prepare “As Constructed” drawings for the Development and shall label the drawings “As Constructed”; and
   b) provide to the Director, within one year of the completion of construction of the Development, two sets of “As Constructed” drawings.

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

8. The Licencee shall, prior to commencing construction of the Development, obtain all necessary approvals from Manitoba Infrastructure and Transportation and the Highway Traffic Board.

9. The Licencee shall notify the Historic Resources Branch not less than one month prior to commencing construction of the Development in any year in which construction occurs, in compliance with the requirements of The Heritage Resources Act. The notification shall include pipeline route locations.

10. The Licencee shall notify the Western Regional Office of Manitoba Conservation in Brandon not less than two weeks prior to commencing 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.

11. 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; and
   b) provide a follow-up report to the Director on a reportable environmental accident outlining the cause(s) and proposing corrective action to prevent reoccurrence.

12. 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.

13. 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*.

14. The Licencee 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.

15. The Licencee 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.

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
16. The Licencee 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 Manitoba Water Stewardship 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 authority responsible for the channel.

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

18. The Licencee 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.

19. 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.

20. The Licencee shall not, during construction and operation of the Development, remove, destroy or disturb species listed as rare, endangered, or of special concern, or their habitats. These species are listed in Manitoba Regulation 25/98, or any future amendment thereof, respecting Threatened, Endangered and Extirpated Species and in the federal Species at Risk Act.

21. The Licencee shall, prior to construction of the Development, consult with the Wildlife and Ecosystem Protection Branch with respect to measures necessary to protect native habitat or species of concern adjacent to the Gerald W. Malaher (SW 2-4-27W1) and Pierson (SE 29-2-27W1) Wildlife Management Areas, and adjacent to any lands owned by, or under conservation agreement with conservation agencies.

22. The Licencee shall not construct the Development in areas likely to provide bird habitat before August 1 of any year. Construction in wetland areas and in riparian zones adjacent to rivers shall not occur before August 15 of any year.

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
23. The Licencee shall separate and replace topsoil from backhoe and trenching operations associated with the Development 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.

24. 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.

25. 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.

**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.

Tracey Braun, M.Sc.
Director
Environment Act

FILE: 5401.00

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
1. TOPSOIL STRIPPED

2. TRENCH EXCAVATED

3. TRENCH BACKFILLED

4. TOPSOIL REPLACED

SEQUENCE OF TOPSOIL HANDLING
COMPACtion OF BACKFILL

Figure 2

ROACHING THE TRENCH

Figure 3

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.