In accordance with the Manitoba Environment Act (C.C.S.M. c. E125)

THIS LICENCE IS ISSUED TO:

CENTRA GAS MANITOBA INC.: "The Licencee"

for the construction and operation of the Development being the Rural Gas Expansion Project located in southwestern Manitoba. The Development involves the construction of a natural gas pipeline from the TransCanada Pipelines Ltd. main line located south of Rapid City and extending in a southerly direction to Boislevain with branches to the east and west to service the communities of Deloraine, Hartney, Killarney, Melita, Souris and Wawanesa subject to the following specifications, limits, terms and conditions:

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS


2) The Licencee shall, during the proposed preconstruction field monitoring program, include an assessment of site specific fish habitats that may require additional mitigation and/or compensation measures for habitat damage resulting from open cut crossings.

3) The Licencee shall, prior to construction on the stream crossings related to the Development, consult and reach an agreement with the Manitoba Department of Natural Resources Regional Fisheries Specialist and the Department of Fisheries and Oceans regarding the schedule details, mitigation and compensation measures for any major streams that require open cut crossings.

4) The Licencee shall, from spring breakup to June 15 of each year during construction, cease all construction activities that may impact upon the stream channel and which may affect fish mobility and fish habitat, including open cut and directional boring crossings and hydrostatic testing.

5) The Licencee shall, during hydrostatic testing, not exceed 10% of instantaneous flow of the source stream. Hydrostatic test water shall not be allowed to directly or indirectly enter the originating water source or any other water body.

6) The Licencee shall screen hydrostatic test intake pipes in accordance with guidelines contained in the Department of Fisheries and Oceans publication "A Fish Screening Guide for Water Intakes."
7) The Licencsee shall ensure that fuel storage areas established for the construction of the Development are located a minimum distance of 100 metres away from all lakes and streams, and shall comply with the requirements of Manitoba Regulation 97/88R respecting Storage and Handling of Gasoline and Associated Products.

8) The Licencsee shall, during construction, maintain trees and shrubs beside native grasslands in areas where trees and shrubs are providing nest sites for ferruginous hawks and loggerhead shrikes.

9) The Licencsee shall separate and replace topsoil from backhoe and trenching operations in accordance with the methodology described in Figures 1 and 2 attached to this Licence.

10) The Licencsee shall re-establish the profile, compact and seed all excavated areas within the Provincial Highway and Municipal Roads rights-of-way.

11) The Licencsee shall seed areas of disturbed natural vegetation with a mixture of native or introduced grasses.

12) The Licencsee shall, at the completion of construction, ensure that the banks of stream crossings are stabilized from channel level to high water elevation at bank full conditions.

13) Construction shall not proceed until the Licencsee has provided written evidence to the Director that authorization, if required, has been obtained from the Water Resources Branch, Manitoba Department of Natural Resources pursuant to The Water Rights Act or The Water Resources Administration Act.

14) The Licencsee shall ensure that all used oil products and other regulated hazardous wastes generated by the machinery used in the construction of the Development are collected and disposed of in accordance with applicable Manitoba Environment and legislation requirements.

15) The Licencsee shall, prior to commencement of the construction of the Odourization Station associated with the Development, submit for the approval of the Director, "Plans and Specifications" for the construction and installation of spill containment to be included as part of the Odourization Station. The "Plans and Specifications" shall be approved by the Director prior to the commencement of construction of the Odourization Station.

16) The Licencsee shall incorporate the spill containment equipment as described in the "Plans and Specifications" approved by the Director as required by Clause 15 of this Licence.

17) The Licencsee shall, prior to operation of the Development, submit for the approval of Director, an emergency response contingency plan for the Development.
18) The Licencee shall, at the completion of construction, cleanup construction areas and deposit all debris at a Waste Disposal Ground operating under the authority of a permit pursuant to the *Waste Disposal Ground Regulation, MR 150/91.*

**REVOCATION**

If in the opinion of the Director the Licencee has exceeded or is exceeding the limits, or has not or is not complying with the specifications, terms and conditions set out herein, the Director may revoke temporarily or permanently, this Licence.

[Signature]
Larry Strachan, P. Eng.
Director
Environment Act

FILE.: 3990.00
1. TOPSOIL STRIPPED

2. TRENCH EXCAVATED

3. TRENCH BACKFILLED

4. TOPSOIL REPLACED

SEQUENCE OF TOPSOIL HANDLING
COMPACTION OF BACKFILL

ROACHING THE TRENCH

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.