

December 24, 2025

W. V. Penner, P.Eng.
Manager
Manitoba Hydro
360 Portage Ave (16)
Box 815 Stn. Main
Winnipeg MB R3C 0G8
wvpenner@hydro.mb.ca

Dear Wes Penner:

Thank you for your request dated March 14, 2025, for renewal of the Third Short-Term Extension Licence (STEL) for the Kelsey Generating Station under the provisions of The Water Power Act and the Water Power Regulation.

Enclosed is the Fourth STEL for the Kelsey Generating Station. This STEL applies for a one-year period, and expires on December 31, 2026. Crown-Indigenous consultation with respect of the Renewal Licence for this generating station will also be undertaken with affected Indigenous Nations and communities during this period.

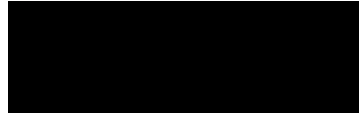
In addition to the enclosed Licence requirements, and in accordance with Section 87 of the Water Power Regulation, the Licensee is instructed to:

- Continue to work with Manitoba to expand the Coordinated Aquatics Monitoring Program (CAMP) within the area affected by the Undertaking, to include shoreline erosion, shoreline wetland issues, shoreline health, shoreline terrestrial components and riparian components. The licensee must endeavour to:
 - incorporate Indigenous traditional knowledge; and
 - meaningfully engage with Indigenous Nations and communities and include Indigenous participation.

- Participate in the future licence modernization processes as directed by Manitoba.

If you have any questions regarding this matter, please contact Agnes Wittmann, Director, Environmental Approvals Branch, at EABdirector@gov.mb.ca or 204-945-8321.

Sincerely,



For: Jocelyn Baker
Deputy Minister
Environment and
Climate Change

Enclosures

c. Honourable Mike Moyes
Agnes Wittman

SHORT-TERM EXTENSION LICENCE

Issue Date / Date de délivrance: December 24, 2025

In accordance with The Water Power Act (C.C.S.M. c. W60) /
Conformément à la LOI sur l'énergie hydraulique (c. W60 de la C.P.L.M.)

Pursuant to Section 92 of the Water Power Regulation (M.R. 25/88R) of The Water Power Act (C.C.S.M. c. W60) /
Conformément à l'article 92 du Règlement sur l'énergie hydraulique (R.M. 25/88R) de la Loi sur l'énergie hydraulique (c. W60 de la C.P.L.M.)

THIS FOURTH SHORT-TERM EXTENSION LICENCE IS ISSUED TO:

MANITOBA HYDRO, "the licensee"

being duly incorporated by an Act of the Legislature of the Province of Manitoba
whose head office address is at 360 Portage Avenue,
Winnipeg, Manitoba, R3C 0G8,

for the development of water power at Kelsey Site on Nelson River.

WHEREAS:

- A. The licensee is the holder of a Third Short-Term Extension Licence for the Kelsey Site, a licence issued under The Water Power Act, dated December 23, 2024 for a term of one (1) year effective from January 1, 2025, as the extension of the previously issued Final Licence, dated March 10, 1966 and which has been amended by a First Amending Licence dated April 29, 1971, by a Second Amending Licence dated April 8, 1983. A copy of that Final Licence, First Amending Licence, and Second Amending Licence are attached as Schedule "A" to this Fourth Short-Term Extension Licence;
- B. The licensee by letter dated December 17, 2010, signed by W.V. Penner, Manager, Manitoba Hydro, applied for a renewal of the Kelsey Final Licence;
- C. The Final Licence has not yet been renewed, and the licensee has applied by letter dated March 14, 2025, signed by W. V. Penner, Manager, Manitoba Hydro, to the Director of Environmental Approvals Branch, Manitoba Environment and Climate Change for a Fourth Short-Term Extension Licence for the Kelsey development following section 92(6) of the Water Power Regulation and has done all things which, in the opinion of the Director, are required to be done by the licensee prior to the issuance of this Fourth Short-Term Extension Licence;
- D. It is contemplated that Crown-Indigenous Consultations will be continued to inform decisions associated with the application for Renewal Licence during the term of this Fourth Short-Term Extension Licence;
- E. The licensee has duly executed an acceptance of the terms and conditions of this Fourth Short-Term Extension Licence and has undertaken to observe and fulfill all the terms and conditions which the licensee is required to observe and fulfill under this Fourth Short-Term Extension Licence:

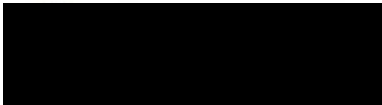
This Fourth Short-Term Extension Licence is granting to the licensee:

- (a) the right to impound, divert, and use water of the Nelson River at and near the Kelsey Site;
- (b) the right to develop electric power and energy from the said waters;
- (c) the right to generate, transmit, distribute, sell, and deliver the said electric power and energy and for that purpose to use and occupy the lands of the Province

described in the Final Licence, and First and Second Amendment Licences; and
(d) the right to operate and maintain the undertaking, the location and description of which is shown upon the record plans numbered and filed in the office of the Director at Winnipeg (the "Undertaking").

This Fourth Short-Term Extension Licence is issued on the same terms and conditions as set out in the Final Licence dated March 10, 1966, as amended by the First Amending Licence dated April 29, 1971, and the Second Amending Licence dated April 8, 1983, subject to the following specific terms and conditions:

1. This Fourth Short-Term Extension Licence shall apply from January 1, 2026 to and including December 31, 2026.
2. On or before April 30th of each year, the licensee shall pay an annual rental in advance for the use and occupation of lands of the Province described in Article 3 (a), (b), (c) and (d) of the Final Licence at the rates set from time to time by the Water Power Regulation under The Water Power Act.¹
3. The licensee shall pay a monthly rental for the use of water for the development of power at the rates set from time to time by the Water Power Regulation under The Water Power Act and payable at the times and in the manner provided for by the Water Power Regulation under The Water Power Act.²
4. The terms and conditions set out in the Final Licence dated March 10, 1966, as amended by the First Amending Licence dated April 29, 1971, and the Second Amending Licence dated the April 8, 1983, apply as if set out specifically in this Fourth Short-Term Extension Licence, except:
 - (a) in the Final Licence dated March 10, 1966, under Article 2, "42,000³ horsepower capacity" is replaced by "60,500⁴ horsepower capacity";
 - (b) in the First Amending Licence dated April 29, 1971, and Second Amending Licence dated April 8, 1983, all instances of 42,000 horsepower capacity is replaced by 60,500 horsepower capacity; and
 - (c) where the terms and conditions of the Final and Amending Licences are inconsistent with the terms and conditions set out specifically in this document, the terms and conditions set out in this document will apply.
5. The licensee shall participate in future planning, studies, and other initiatives as instructed by the Minister, in areas impacted by the Undertaking along with affected Indigenous Nations and communities and other stakeholders.
6. The licensee shall, by June 30th of each year, submit a report to the Director documenting the licensee's engagement with Indigenous Nations and communities on the continued operation of the Undertaking.
7. The licensee shall comply with The Water Power Act and the Water Power Regulation.



For: Jocelyn Baker
Deputy Minister

¹ Rental rates for land use are currently set out in s. 48(3.1) of the Water Power Regulation.

² Rental rates for the use of water for the development of power are currently set out in s. 48(3.2) of the Water Power Regulation.

³ 42,000 horsepower equals approximately 31.3 megawatts

⁴ 60,500 horsepower equals approximately 45.1 megawatts

**SCHEDULE A
TO THE FOURTH SHORT-TERM EXTENSION LICENCE FOR THE KELSEY SITE**

FINAL LICENCE DATED MARCH 10, 1966

FIRST AMENDING LICENCE DATED APRIL 29, 1971

SECOND AMENDING LICENCE DATED APRIL 8, 1983

PROVINCE OF MANITOBA
DEPARTMENT OF AGRICULTURE AND CONSERVATION
WATER CONTROL AND CONSERVATION BRANCH

FINAL LICENSE FOR THE DEVELOPMENT OF WATER POWER

Kelsey Site, Nelson River

Issued in accordance with the provisions of the Water Power Act, Chapter 288, Revised Statutes of Manitoba, 1954, and amendments, and of the Regulations in force thereunder to govern the mode of granting and administering Provincial water-power rights.

WHEREAS Manitoba Hydro, a corporation duly incorporated by Act of the Legislature of the Province of Manitoba, and whose head office address is 820 Taylor Avenue in the City of Winnipeg, (hereinafter called "the Licensee") has completed and is operating a hydro-electric development at the Kelsey Site (formerly known as the Grand Rapid Site) on the Nelson River, in the Province of Manitoba;

AND WHEREAS the said development has been constructed in accordance with plans filed with and approved by the Director of Provincial Water Powers at Winnipeg, (hereinafter called "the Director") but without the issue to the Licensee of an Interim License under the provisions of the Water Power Act, R.S.M. 1954, Cap. 288 (hereinafter called "the Act"), and the Manitoba Water Power Regulations being Manitoba Regulation 95/45 and all amendments thereto (hereinafter called "the Regulations");

AND WHEREAS it is considered desirable to issue a Final License for the said development, and the Licensee has done all those things which in the opinion of the Director are required to be done prior to the issue of the said Final License;

AND WHEREAS the Licensee has duly executed an acceptance of the terms and conditions of this Final License and has undertaken to observe and fulfill all the terms and conditions which under this Final License and under the Act and Regulations thereunder the Licensee is required to observe and fulfill;

NOW THEREFORE, under authority of and subject to the provisions of the Act and Regulations thereunder this Final License is issued, granting to the Licensee:

- (a) The right to impound, divert and use waters of the Nelson River at and near the Kelsey Site (formerly known as the Grand Rapid Site),
- (b) The right to develop electric power and energy from the said waters,
- (c) The right to generate, transmit, distribute, sell and deliver the said electric power and energy and for that purpose to use and occupy the lands of the Province hereinafter described, and
- (d) The right to operate and maintain the undertaking the location and description of which is shown upon the record plans numbered and filed in the office of the Director at Winnipeg.

Subject, nevertheless, to the provisions of the Regulations and any other regulations now or hereafter in force governing the granting or administering of Provincial water-powers and the lands required in connection with the development and use thereof, and to the following special terms and conditions, namely:

1. The Licensee may divert and use continuously for the development of power at the said Kelsey Site all the water of the Nelson River which may be flowing at the said Site from time to time during the term of this Final License, subject, however, to the provisions of Section 72 of the Regulations.
2. The undertaking authorized to be maintained and operated by the Licensee under this Final License shall comprise the following: at the north end of an intake channel cut across neck of land on the west bank of the river, a reinforced concrete powerhouse with five vertical turbines each of 42,000 horsepower capacity (which may ultimately be extended to 10 vertical turbines subject to such extension being authorized by separate license in accordance with Section 67 of the Regulations) and a concrete structure completed in which a sixth

vertical turbine may be installed in the future; at the east end of this powerhouse, a timber crib; a concrete dam with sluiceways on a channel cut across neck of land on the east bank of the river; a rockfill dam across the main river channel; a concrete headblock section and earth and sand dykes; a standard gauge railway connecting the power site with the Hudson Bay Railway at Pitt Siding; a transmission line from the powerhouse to Thompson; and all plant machinery and equipment for the complete development, generation and transmission of the electric power available at the said Kelsey Site, all as shown by plans and descriptions thereof filed in the office of the Director at Winnipeg, as follows:

Manitoba Water Control
and Conservation Branch
File Number

Licensee's
File Number

Description

51-4-1029	724-D-1003 (Rev. 3)	General Plan of Powerhouse Sluiceway and Dam
51-4-3002	111-R-413 (Rev. 0)	Plan Showing Location of Structures and Cross Sections of Structures
51-4-3003	724-C-2006 (Rev. 2)	Sluiceway and Wingwall Plan Elevation and Sections General Arrangement
51-4-3004	724-C-3211 (Rev. 2)	Powerhouse Plan Above Elevation 586'-6" Units 3, 4 and 5 Architectural Arrangement
51-4-3005	724-C-3213 (Rev. 1)	Powerhouse Plan of Powerhouse Roof Units 3, 4, and 5 Architectural Arrangement
51-4-3009	724-C-3210 (Rev. 1)	Powerhouse Plan Above Elevation 586'-6" Service Area and Units 1 and 2 Architectural Arrangement
51-4-3011	724-C-3216 (Rev. 1)	Powerhouse Cross Section at $\frac{1}{2}$ of Main Units Architectural Arrangement
51-4-3010	724-C-3212 (Rev. 1)	Powerhouse Plan of Powerhouse Roof Service Area and Units 1 and 2 Architectural Arrangement
51-4-3012	724-C-3219 (Rev. 1)	Powerhouse Longitudinal Section Units 3, 4 and 5 Architectural Arrangement
51-4-3006	724-C-3215 (Rev. 1)	Powerhouse Cross Section at C.L. of House Units Architectural Arrangement

Manitoba Water Control
and Conservation Branch
File Number

Licensee's
File Number

Description

51-4-3007	724-C-3218 (Rev. 1)	Powerhouse Longitudinal Section Service Area and Units 1 and 2 Architectural Arrangement
51-4-3008	724-C-5002 (Rev. 4)	Plans and Typical Section of Dykes No. 2 East and No. 2 West

3. Lands of the Province which may be entered upon, used or occupied for the maintenance and operation of the said undertaking shall be the following:

- (a) Lands of the Province not covered by water required for main diverting works, powerhouses, etc.

All those parts of the following lands not covered by the waters of the Nelson River as shown outlined in green on Record Plan 51-4-1032 filed in the office of the Director at Winnipeg and which is the Licensee's No. 0111 R-0207 (Rev. 0):

- (i) Sections Nine (9), Ten (10), Eleven (11), Thirteen (13) and Twenty-four (24) in Township Eighty-one (81) and Range Six (6) East of the Principal Meridian in Manitoba.
- (ii) Sections Eighteen (18) and Nineteen (19) in Township Eighty-one (81) and Range Seven (7) East of the Principal Meridian in Manitoba.

- (b) Lands of the Province covered by water required for main diverting works, powerhouses, etc.

All those parts of the North Half of Section Twenty-four (24) in Township Eighty-one (81) and Range Six (6) East of the Principal Meridian in Manitoba covered by the waters of the Nelson River as shown outlined in red on the said Plan No. 51-4-1032.

- (c) Lands of the Province required only to be flooded in connection with the storage or pondage of water

All those portions of the following Townships shown outlined in brown on Record Plan No. 51-4-1033 filed in the office of the Director at Winnipeg and which is the Licensee's No. 0111-E-0206 (Rev.0), excepting thereout all those lands heretofore described as required for works:

- (i) Townships Seventy-six (76) and Seventy-seven (77) in Range Nine (9) East of the Principal Meridian in Manitoba.

- (ii) Townships Seventy-four (74), Seventy-five (75), Seventy-six (76) and Seventy-seven (77) in Range Eight (8) East of the Principal Meridian in Manitoba.
- (iii) Townships Seventy-three (73), Seventy-four (74), Seventy-five (75), Seventy-six (76), Eighty (80) and Eighty-one (81) in Range Seven (7) East of the Principal Meridian in Manitoba.
- (iv) Townships Seventy-three (73), Seventy-four (74), Seventy-five (75), Seventy-six (76), Seventy-seven (77), Seventy-eight (78), Seventy-nine (79), Eighty (80) and Eighty-one (81) in Range Six (6) East of the Principal Meridian in Manitoba.
- (v) Townships Seventy-two (72), Seventy-three (73), Seventy-four (74), Seventy-five (75), Seventy-six (76), Seventy-seven (77), Seventy-eight (78) and Eighty (80) in Range Five (5) East of the Principal Meridian in Manitoba.
- (vi) Townships Seventy-two (72), Seventy-three (73), Seventy-four (74), Seventy-five (75) and Seventy-six (76) in Range Four (4) East of the Principal Meridian in Manitoba.
- (vii) Township Seventy-two (72) in Range Three (3) East of the Principal Meridian in Manitoba.
- (viii) Townships Sixty-nine (69), Seventy (70), Seventy-one (71), and Seventy-two (72) in Range Two (2) East of the Principal Meridian in Manitoba.
- (ix) Townships Sixty-nine (69), Seventy (70), Seventy-one (71) and Seventy-two (72) in Range One (1) East of the Principal Meridian in Manitoba.
- (x) Townships Sixty-nine (69), Seventy (70), Seventy-one (71) and Seventy-two (72) in Range One (1) West of the Principal Meridian in Manitoba.
- (xi) Townships Sixty-nine (69), Seventy (70) and Seventy-one (71) in Range Two (2) West of the Principal Meridian in Manitoba.
- (xii) Townships Sixty-eight (68), Sixty-nine (69) and Seventy (70) in Range Three (3) West of the Principal Meridian in Manitoba.
- (xiii) Townships Sixty-eight (68) and Sixty-nine (69) in Range Four (4) West of the Principal Meridian in Manitoba.

- (xiv) Townships Sixty-eight (68) and Sixty-nine (69) in Range Five (5) West of the Principal Meridian in Manitoba.
- (xv) Townships Sixty-seven (67), Sixty-eight (68) and Sixty-nine (69) in Range Six (6) West of the Principal Meridian in Manitoba.
- (xvi) Township Sixty-eight (68) in Range Seven (7) West of the Principal Meridian in Manitoba.
- (d) Lands of the Province required only for rights-of-way for transmission lines and railway

All those portions of the following Townships required as shown on plans entered and filed in the Neepawa Land Titles Office as Nos. 4640, 4643, 4647 and 758, copies of which are filed in the office of the Director at Winnipeg:

- (i) Townships Eighty (80) and Eighty-one (81) in Range Eight (8) East of the Principal Meridian in Manitoba.
- (ii) Township Eighty-one (81) in Range Seven (7) East of the Principal Meridian in Manitoba.
- (iii) Township Eighty-one (81) in Range Six (6) East of the Principal Meridian in Manitoba.
- (iv) Township Eighty-one (81) in Range Five (5) East of the Principal Meridian in Manitoba.
- (v) Township Eighty-one (81) in Range Four (4) East of the Principal Meridian in Manitoba.
- (vi) Townships Eighty (80) and Eighty-one (81) in Range Three (3) East of the Principal Meridian in Manitoba.
- (vii) Townships Eighty (80) and Eighty-one (81) in Range Two (2) East of the Principal Meridian in Manitoba.
- (viii) Township Eighty (80) in Range One (1) East of the Principal Meridian in Manitoba.
- (ix) Townships Seventy-nine (79) and Eighty (80) in Range One (1) West of the Principal Meridian in Manitoba.
- (x) Townships Seventy-eight (78) and Seventy-nine (79) in Range Two (2) West of the Principal Meridian in Manitoba.
- (xi) Township Seventy-eight (78) in Range Three (3) West of the Principal Meridian in Manitoba.

4. The Licensee shall not raise the headwater of its development to an elevation higher than 605.0 above mean sea level, Canadian Geodetic Datum, 1929 Adjustment. A higher elevation may be created only with prior written permission by the Director and in accordance with Section 72 of the Regulations.
5. In accordance with Section 45 of the Regulations, the term of this Final License shall be fifty (50) years from and after the first day of January, A.D., 1965, and the said term shall thereafter be subject to renewal or extension in accordance with the provisions of the laws and Regulations relating thereto and then in force.
6. On the second day of each and every year during the term of this Final License the Licensee shall pay an annual rental in advance of Five Hundred dollars (\$500.00) for the use and occupation of lands of the Province described in Article 3, parts (a) to (c) inclusive, hereof. On the second day of January in each and every year during the said term the Licensee shall in addition pay an annual rental in advance of One Dollar (\$1.00) per acre for the use and occupation of lands of the Province described in Article 3, part (d) hereof and not lying within the Local Government District of Mystery Lake.
7. The Licensee shall also pay an annual rental during the term of the Final License for the use of water for the development of power, determined in accordance with the principles set out in Section 48 of the Regulations, and payable at the times and in the manner therein provided, and at the following rates:
 - (a) The rentals in the first 20 years of the term of this License shall be the greater of:
 - (i) an annual rental of fifty (50) cents per installed horsepower;
 - (ii) an annual rental of one dollar and twenty-five cents (\$1.25) per horsepower year output.
 - (b) The annual rental to be paid after the expiry of the said twenty (20) year period shall be determined as provided in the regulations in force at such time.
8. The Severance Line as defined in Section 1 of the Regulations shall be as shown on Record Plan No. 51-4-1027 filed in the office of the

Director, and which is the Licensee's Drawing No. 111-E-396 (Rev. 2).

9. All record plans filed with the Director and referred to in this Final License are incorporated herewith and made a part hereof.
10. This Final License is issued upon the express condition that it shall be subject to the provisions of the Regulations and all subsequent amendments thereto.

Issued at Winnipeg this 10th day of March A.D., 1966 ,
at the direction of the Honourable the Minister of Agriculture and Conservation

Original signed by George Hutton

DEPARTMENT OF MINES, RESOURCES AND ENVIRONMENTAL MANAGEMENT
WATER RESOURCES BRANCH

LICENSE AMENDING FINAL LICENSE

DATED MARCH 10, 1966 FOR THE DEVELOPMENT OF WATER POWER

Kelsey Site, Nelson River

Issued in accordance with the provisions of the Water Power Act, Chapter W70, Revised Statutes of Manitoba, 1970, and amendments, and of the Regulations in force thereunder to govern the mode of granting and administering Provincial water-power rights.

WHEREAS Manitoba Hydro, a corporation duly incorporated by Act of the Legislature of the Province of Manitoba and whose head office address is 820 Taylor Avenue in the City of Winnipeg, (hereinafter called "the Licensee") by Final License dated March 10, 1966, issued in accordance with the provisions of the Water Power Act, R.S.M. 1954, Cap. 288 (hereinafter called "the Act"), was granted the right to impound, divert and use waters of the Nelson River at and near the Kelsey site; to develop electric power and energy from the said waters; to generate, transmit, distribute, sell and deliver the said electric power and energy and for that purpose to use and occupy certain lands of the Province; and to operate and maintain the undertaking, the location and description of which are shown upon certain record plans filed in the office of the Director of the Water Resources Branch (hereinafter called "the Director"), at Winnipeg; and,

WHEREAS the development authorized to be maintained and operated by the Licensee by the said Final License includes five vertical turbines each of 42,000 horsepower capacity, and all plant machinery and equipment for the complete development, generation and transmission of the electric power available at the said Kelsey site, all as shown by plans and descriptions thereof filed in the office of the Director at Winnipeg; and,

WHEREAS the Licensee, by Interim License dated January 4, 1968 issued in accordance with the provisions of the Act and Section 68 of the Manitoba Water Power Regulations, being Manitoba Regulation 95/45 and all amendments thereto (hereinafter called "the Regulations") was granted the right to construct, operate and maintain a sixth turbine at the Kelsey site to supplement the then existing five turbines, along with other machinery required for the development,

generation, transformation and transmission of additional electric power amounting to forty-two thousand (42,000) horsepower measured on the turbine shaft, and to construct a headblock, draft tube and tailrace deck in which a seventh vertical turbine may be installed in the future, and to construct a protective concrete bulkhead at the east end of this seventh unit, all as shown by plans and descriptions thereof filed in the office of the Director at Winnipeg; and,

WHEREAS under the authority of the said Interim License the Licensee has completed construction of the sixth turbine at the Kelsey Site as of June 27, 1969, along with the machinery required for the development, generation, transformation and transmission of additional electric power amounting to forty-two thousand (42,000) horsepower, measured on the turbine shaft, and other works so authorized to be constructed by the said Interim License; and,

WHEREAS the Licensee by letter dated August 6, 1969, signed by J.F. Funnell, Secretary and Legal Officer, has filed with the Director an application for a License amending the said Final License; and,

WHEREAS the Licensee has fully complied with the requirements of the Regulations insofar as it is required for the issue to the Licensee of this License amending the said Final License; and,

WHEREAS the Licensee has duly executed an acceptance of the terms and conditions of this License amending the said Final License and has undertaken to observe and fulfil all the terms and conditions which under this License and under the Regulations the Licensee is required to observe or fulfil; and,

WHEREAS it is deemed expedient and advisable to issue a License amending Final License dated March 10, 1966;

NOW THEREFORE, under authority of and subject to the provisions of the Water Power Act, R.S.M. 1970, Cap. W70, and the Regulations, this License is issued amending Article 2 of Final License dated March 10, 1966 by deleting said Article and substituting therefor the following:

2. The undertaking authorized to be maintained and operated by the Licensee under this Final License shall comprise the following: at the north end of an intake channel cut across neck of land on the west bank of the river, a reinforced concrete powerhouse with six vertical turbines each of 42,000 horsepower capacity (which may ultimately be extended to 10 vertical turbines or such other number as may be determined by the Licensee, subject to such extension being authorized by separate license in accordance with Section 68 of the

Regulations) and a concrete structure partially completed in which a seventh vertical turbine may be installed in the future; at the east end of this powerhouse, a concrete bulkhead; a concrete spillway structure with sluice-gates on a channel cut across neck of land on the east bank of the river; a rockfill dam across the main river channel; earth and sand dykes; an aircraft landing strip located east of the spillway structure and oriented in a northwest-southeast direction; a standard gauge railway connecting the power site with the Hudson Bay Railway at Pitt Siding; various transmission lines from the powerhouse to Thompson and elsewhere; and all plant machinery and equipment for the complete development, generation and transmission of the electric power available at the said Kelsey Site, all as shown by plans and descriptions thereof filed in the office of the Director at Winnipeg, as follows:

Manitoba Water Resources Branch File Number	Licensee's File Number	Description
51-4-1029	724-D-1003 (Rev. 3)	General Plan of Powerhouse Sluiceway and Dam
51-4-3002	111-R-0225 (Rev. 0)	Plan Showing Location of Structures and Cross Sections of Structures
51-4-3003	724-C-2006 (Rev. 2)	Sluiceway and Wingwall Plan Elevation and Sections General Arrangement
51-4-3004	724-C-3211 (Rev. 3)	Powerhouse Plan Above Elevation 586' - 6" Units 3, 4, and 5 Architectural Arrangement
51-4-3005	724-C-3213 (Rev. 2)	Powerhouse Plan of Powerhouse Roof Units 3, 4, and 5 Architectural Arrangement
51-4-3009	724-C-3210 (Rev. 1)	Powerhouse Plan Above Elevation 586' - 6" Service Area and Units 1 and 2 Architectural Arrangement
51-4-3011	724-C-3216 (Rev. 1)	Powerhouse Cross Section at C.L. of Main Units Architectural Arrangement
51-4-3010	724-C-3212 (Rev. 1)	Powerhouse Plan of Powerhouse Roof Service Area and Units 1 and 2 Architectural Arrangement

Manitoba Water Resources Branch File Number	Licensee's File Number	Description
51-4-3012	724-C-3219 (Rev. 2)	Powerhouse Longitudinal Section Units 3, 4, and 5 Architectural Arrangement
51-4-3006	724-C-3215 (Rev. 1)	Powerhouse Cross Section at C.L. of House Units Architectural Arrangement
51-4-3007	724-C-3218 (Rev. 1)	Powerhouse Longitudinal Section Service Area and Units 1 and 2 Architectural Arrangement
51-4-3008	724-C-5002 (Rev. 4)	Plans and Typical Section of Dykes No. 2 East and No. 2 West
51-4-3014	0111-E-2009 (Rev. 3)	Powerhouse Roof Plan Units 5, 6, and 7 Architectural Arrangement
51-4-3016	0111-E-1013 (Rev. 2)	Powerhouse Longitudinal Sections Units 5, 6, and 7 Architectural Arrangement
51-4-3015	0111-E-1011 (Rev. 2)	Powerhouse Cross Section at C.L. of Main Units Architectural Arrangement
51-4-3013	0111-E-1006 (Rev. 2)	Powerhouse Plan at Elevation 515' - 0" Units 5, 6, and 7 Architectural Arrangement
51-4-3017 (Sht. 1)	0111-E-2223 Sht. 1 (Rev. 4)	Forebay Bulkhead Construction Joints and Pour Quantities
51-4-3017 (Sht. 2)	0111-E-2223 Sht. 2 (Rev. 3)	Forebay Bulkhead Construction Joints and Pour Quantities

All other terms and conditions of said Final License shall otherwise remain unaltered.

Issued at Winnipeg this 29 day of April A.D. 1971
at the direction of the Honourable the Minister of Mines, Resources and
Environmental Management.

MINISTER OF MINES, RESOURCES AND ENVIRONMENTAL MANAGEMENT

DEPARTMENT OF NATURAL RESOURCES
WATER RESOURCES BRANCH

SECOND AMENDING LICENCE, AMENDING FINAL LICENCE DATED MAR. 10,
1966 AS AMENDED BY FIRST AMENDING LICENCE DATED APRIL 29, 1971
FOR THE DEVELOPMENT OF WATER POWER

Kelsey Site, Nelson River

Issued in accordance with the provisions of the
Water Power Act, being Chapter W70 of the Con-
tinuing Consolidation of the Statutes of Manitoba
and of the Regulations in force thereunder to
govern the mode of granting and administering Pro-
vincial water-power rights.

WHEREAS Manitoba Hydro, a corporation duly incorporated by Act of
the Legislature of the Province of Manitoba and whose head office address
is Box 815, Winnipeg, Manitoba, (hereinafter called "the Licensee") by
Final Licence dated March 10, 1966, issued in accordance with the provisions
of the Water Power Act, R.S.M. 1954, Cap. 288, was granted the right to
impound, divert and use waters of the Nelson River at and near the Kelsey
site; to develop electric power and energy from the said waters; to generate,
transmit, distribute, sell and deliver the said electric power and energy
and for that purpose to use and occupy certain lands of the Province; and to
operate and maintain the undertaking, the location and description of which
are shown upon certain record plans filed in the office of the Director of
the Water Resources Branch (hereinafter called "the Director"), at Winnipeg;
and,

WHEREAS the development authorized to be maintained and operated by
the Licensee by the said Final Licence includes five vertical turbines each
of 42,000 horsepower capacity, and all plant machinery and equipment for the
complete development, generation and transmission of the electric power avail-
able at the said Kelsey site, all as shown by plans and descriptions thereof
filed in the office of the Director at Winnipeg; and,

WHEREAS the Licensee, by Interim Licence dated January 4, 1968 issued in accordance with the provisions of the said Act and Section 68 of the Regulations, was granted the right to construct, operate and maintain a sixth turbine at the Kelsey site to supplement the then existing five turbines, along with other machinery required for the development, generation, transformation and transmission of additional electric power amounting to forty-two thousand (42,000) horsepower measured on the turbine shaft, and to construct a headblock, draft tube and tailrace deck in which a seventh vertical turbine may be installed in the future, and to construct a protective concrete bulkhead at the east end of this seventh unit, all as shown by plans and descriptions thereof filed in the office of the Director at Winnipeg; and,

WHEREAS under the authority of the said Interim Licence the Licensee has completed construction of the sixth turbine at the Kelsey Site as of June 27, 1969, along with the machinery required for the development, generation, transformation and transmission of additional electric power amounting to forty-two thousand (42,000) horsepower, measured on the turbine shaft, and other works so authorized to be constructed by the said Interim Licence; and,

WHEREAS the Licensee, by Licence dated April 29, 1971 amending the said Final Licence, issued in accordance with the Water Power Act, being Chapter W70 of the Continuing Consolidation of the Statutes of Manitoba (hereinafter called "the Act") and the Regulations was granted the right to operate and maintain a sixth turbine at the Kelsey site, along with other machinery required for the development, generation, transformation and transmission of additional electric power amounting to forty-two thousand (42,000) horsepower measured on the turbine shaft; and,

WHEREAS the Licensee has constructed a seventh turbine at the Kelsey site, along with other machinery required for the development, generation, transformation and transmission of additional electric power

amounting to forty-two thousand (42,000) horsepower measured on the turbine shaft, but without the issuance to the Licensee of an Interim Licence authorizing such construction under the provisions of the Act and Regulations; and

WHEREAS the Licensee by memorandum dated January 27, 1981 signed by J. F. Funnell, General Counsel, has filed with the Director an application for a Second Licence amending the said Final Licence; and,

WHEREAS the Licensee has fully complied with the requirements of the Regulations insofar as it is required for the issue to the Licensee of this Second Amending Licence; and,

WHEREAS the Licensee has duly executed an acceptance of the terms and conditions of this Second Amending Licence and has undertaken to observe and fulfil all the terms and conditions which under this Licence and under the Regulations the Licensee is required to observe or fulfil; and,

WHEREAS it is deemed expedient and advisable to issue a Second Licence amending the said Final Licence;

NOW THEREFORE, under authority of and subject to the provisions of the Act and the Regulations, this Second Amending Licence is issued amending Article 2 of the Final Licence dated March 10, 1966 as amended by First Amending Licence dated April 29, 1971, in the following manner:

(a) In line 4 of the said Article 2 the word "six" is deleted and replaced by the word "seven".

(b) In lines 8 and 9 of the said Article 2 the following is deleted:

"and a concrete structure partially completed in which a seventh vertical turbine may be installed in the future".

All other terms and conditions of the said Final Licence, as amended by the said First Amending Licence, shall otherwise remain unaltered.

Issued at Winnipeg this 8th day of April, A.D. 1983
at the direction of the Honourable the Minister of Natural Resources.

