

Licence No.: 2470

Licence Issued: August 3, 2000

**IN ACCORDANCE WITH THE MANITOBA ENVIRONMENT ACT (C.C.S.M. c. E125)
THIS LICENCE IS ISSUED PURSUANT TO SECTION 11(1) TO:**

MIDWEST FOOD PRODUCTS INCORPORATED; "the Licencee"

for the construction and operation of the Development being a water supply system for its potato processing plant in Section 20-10-14W in the Rural Municipality of North Cypress, in accordance with the Proposal filed under The Environment Act dated April 16, 1999, 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 ensure that all used oil products and other regulated hazardous wastes generated by the machinery used in the construction and operation of the Development are collected and disposed of in accordance with applicable Manitoba Conservation and legislation requirements.
2. The Licencee shall revegetate areas disturbed by the construction of the Development with a mixture of native or introduced grasses or legumes. These areas shall be revegetated as quickly as possible following construction to prevent soil erosion and the establishment of noxious weeds. Native species shall be used to revegetate areas where native species existed prior to construction.
3. The Licencee shall:
 - a. prepare "As Constructed" drawings for the Development and shall label the drawings "As Constructed"; and
 - b. provide to the Director, within three months of the completion of construction of the Development, two sets of "As Constructed" drawings.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Project Scope

4. The Licencee shall, unless otherwise approved by the Director in writing, construct the water supply works as described in the report "Midwest Food Products Inc. Carberry, Manitoba Industrial Water Supply Systems Support Documentation for Water Rights and Environmental Act Licensing Supplementary Information, December 22, 1999 Request April 17, 2000 Request Final Report", dated May, 2000 and prepared for the Licencee by the KGS Group. Components of the Development are as follows:
 - a. a series of supply wells adjacent to the plant in Section 20-10-14W;
 - b. two supply wells in SW 23-10-14W;
 - c. five relief wells west of the plant's wastewater lagoon in SW 17-10-14W;
 - d. three relief wells south of the plant's wastewater lagoon in N 8-10-14W;
 - e. a maximum of five relief wells in or adjacent to wet areas or adjacent to the south side of the plant's wastewater lagoon in 8-10-14W;
 - f. a series of relief wells east of the plant's wastewater lagoon in SE 16-10-14W;
 - g. a recharge trench adjacent to the plant in E 20-10-14W;
 - h. a recharge trench in SW 23-10-14W; and
 - i. pumps and pipelines to connect the above listed components with the plant.

Construction

5. The Licencee shall, not less than two weeks prior to beginning construction of the Development, provide notification to the Environment Officer responsible for the administration of this Licence of the intended starting date of construction and the name of the contractor responsible for the construction.
6. The Licencee shall, prior to beginning construction of the Development, obtain a Utility Agreement with Manitoba Highways and Government Services respecting the installation of pipelines in provincial road and highway rights-of-way.
7. The Licencee shall ensure that fuel storage areas established for the construction of the Development:
 - a. are located a minimum distance of 100 metres from any waterbody; and
 - b. comply with the requirements of *Manitoba Regulation 97/88R* respecting *Storage and Handling of Gasoline and Associated Products*.
8. The Licencee shall ensure that buried pipelines which are installed on cultivated land or land in its natural state, are installed in accordance with the methodology illustrated in Figures 1 to 3, attached to this Licence.
9. The Licencee shall not construct the components of the Development listed in Clauses 4(f) and 4(h) of this Licence until detailed engineering plans respecting the design, construction and operation of these components have been approved in writing by the Director.

Operation

10. The Licencee shall ensure that the total combined pumping volume from the two supply wells in SW 23-10-14W does not exceed 2.3 dam³/day unless otherwise approved in writing by the Director.
11. The Licencee shall ensure, by October 31, 2000, that at least three relief wells in 8-10-14W are operational.
12. The Licencee shall not discharge treated effluent from the wastewater lagoon or water from any relief well authorized by this Licence to a surface drainage system other than a recharge trench authorized by this Licence. Amendments to this requirement shall be considered by the Director only when the amendments are proposed in an Environment Act Proposal respecting wastewater management for the plant.
13. The Licencee shall, not less than twice annually, convene a meeting with representatives of the Rural Municipality of North Cypress and interested residents. At each meeting, the operation of the water supply system since the previous meeting shall be reviewed, and projected future operation shall be discussed. Any operational problems identified by the Licencee, the Municipality or the residents shall also be discussed. A report on each meeting, with action items identified, shall be provided to Manitoba Conservation within one week of the meeting.
14. The Licencee shall, by August 31, 2000, designate an employee with responsibility for the administration of this Licence. The designated employee shall represent the Licencee in matters concerning Manitoba Conservation, including the collection and interpretation of all required operating and monitoring data. The duties described by this Clause shall be the primary duties of the designated employee.
15. The Licencee shall immediately notify Manitoba Conservation District Office staff in Carberry of any wildlife death or deaths which are observed to occur in the vicinity of the plant's wastewater lagoon.

Planning

16. The Licencee shall, by March 31, 2001, provide a report to the Director concerning water conservation measures which are appropriate for the plant. The report shall include provision for annual updates and describe

performance measures to assess the effectiveness of water conservation measures which are implemented in the plant.

17. The Licencee shall, by March 31, 2001, provide a report to the Director concerning the operation of recharge trenches in connection with the Development. The report shall address:
 - a. water quality protection, including modes of contamination and actions which may be taken to prevent the contamination of water in the recharge trenches; and
 - b. proposed details respecting the periodic removal and disposal of precipitated bottom sediments in the recharge trenches.

Monitoring and Reporting

18. The Licencee shall install flow meters to measure the daily flow volume of water obtained from each water supply component of the Development as listed in Clause 4 of this Licence. Where more than one well contributes water from a water source, records of pump operation times may be used to estimate the contribution of water from each well associated with a water source.
19. The Licencee shall monitor the level, as well as physical, chemical and biological groundwater parameters in the project area as described in the Environment Act Proposal. Monitoring of lagoon inflow quality and quantity and lagoon liquid quality shall also be conducted. Monitoring shall be conducted at least once each year in each supply well, relief well and monitoring well of the Development. Representative supply and monitoring wells for each water source and each project component shall be monitored monthly. Representative domestic wells and monitoring wells external to the plant property shall be monitored monthly. The detailed groundwater monitoring program shall receive the approval of the Director prior to its implementation.
20. The Licencee shall report on crop water requirements and irrigation application rates on all land irrigated by the Development.
21. The Licencee shall, on or before March 31 of each year, report the data collected in Clauses 18 to 20 of this Licence to Manitoba Conservation. The report shall include an analysis of the data collected which identifies trends and impacts on the water balance of the sub-basins of the Assiniboine Delta Aquifer. Copies of the report shall be provided to the Regional Office of Manitoba Conservation, the Water Resources Branch and the Environmental Approvals Branch.
22. The Licencee shall, prior to the commencement of operation of the Development, meet with the Environment Officer responsible for the administration of this Licence and the contact person for the Environmental Approvals Branch of Manitoba Conservation to review the monitoring and reporting requirements of this Licence.

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.
- D. This Licence will be reviewed by the Director following the submission of an Environment Act Proposal for

wastewater management for the plant, for the purpose of reaffirming or revising the specifications, limits, terms and conditions set out in this Licence.

"original signed by"

Larry Strachan, P. Eng.

Director

Environment Act

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