



Conservation and Water Stewardship

Climate Change and Environmental Protection Division
Environmental Approvals Branch
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Client File: 5235.00

May 10, 2012

Doug Davison
Sequoia Energy Inc.
Meridian Wind Energy Project
900-363 Broadway
Winnipeg, MB R3C 3N9

Dear Mr. Davison:

Enclosed is **revised Environment Act Licence No. No. 2753 R** dated May 10, 2012 issued in accordance with *The Environment Act* to **Sequoia Energy Inc.** for the construction, operation and maintenance of the Development known as the **Meridian Wind Energy Project**. Licence No. 2753 R rescinds Licence 2753 under item A of the Review and Revocation section of the Licence and provides for a period of five years from the date of the licence for construction activity to begin.

All other applicable federal, provincial and municipal regulations and by-laws must be complied with in addition to the Revised Licence requirements. A Notice of Alteration must be filed with the Director for approval prior to any alteration to the Development as licensed.

For further information on the administration and application of the licence, please feel free to contact Raymond Reichelt, Environment Officer @ (204) 239-3608.

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 Compliance and Enforcement
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 2753 R (*by the Licensee 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 May 24, 2012.

Sequoia Energy Inc. - Meridian Wind Energy Project

Date

****A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES****

LICENCE

Licence No. / Licence n°	<u>2753 R</u>
Issue Date / Date de délivrance	<u>February 9, 2007</u>
Revised	<u>May 10, 2012</u>

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 Sections 11(1) / Conformément au Paragraphe 11(1)

THIS LICENCE IS ISSUED TO : / CETTE LICENCE EST DONNÉE À :

SEQUOIA ENERGY INC.:
"the Licencee"

for the construction, operation and maintenance of the Development known as the Meridian Wind Energy Project being a commercial wind energy facility with an annual average electrical output equal to or less than 99 megawatts. The Development project area is located on privately owned land within the Rural Municipalities Rhineland, Morris and Montcalm and involves the installation of turbine generators, access roads, an underground electrical collector system, a collector substation, a transmission line interconnection, and an operations and maintenance building, in accordance with the Proposal and Environmental Impact Assessment filed under *The Environment Act*, dated October 30, 2006, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence:

“**Director**” means an employee of the department appointed as such by the Minister;

“**dry condition**” means some standing water may be present within a stream bed without detectable flow.

“**Environment Officer**” means an employee of the department appointed as such by the Minister;

“**noise**” means unwanted or undesirable sound;

****A COPY OF THIS LICENCE AND THE MERIDIAN WIND ENERGY PROJECT ENVIRONMENTAL PROTECTION PLAN MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES****

“**point of reception**” is any point on the premises of a person where sound originating from other than those premises is received; and

“**wetland or wetlands**” means those areas where the water table is at or above the land surface for a long enough period each year to make the area capable of supporting aquatic or hydrophilic vegetation, and which have soils with characteristics indicative of wet conditions.

“**WTG**” means wind turbine generator

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 site wind turbine generators throughout the Development in consideration of with the Provincial Guidelines for Sound Pollution, Environmental Sound Objectives, Schedule A and any local by-law respecting the siting of wind turbine generators.
2. The Licencee shall establish any fuel storage areas required 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*, or any future amendment thereof, respecting *Storage and Handling of Petroleum Products and Allied Products*.
3. The Licencee shall ensure fuel storage containers incorporate secondary containment in accordance with *Manitoba Regulation 188/2001*, or any future amendment thereof, respecting *Storage and Handling of Petroleum Products and Allied Products*.
4. The Licencee shall collect and dispose of all used petroleum products and other regulated hazardous wastes generated by the machinery used in the construction and operation of the Development in accordance with *The Dangerous Goods Handling and Transportation Act*.
5. The Licencee shall, at all times during the construction of the Development, have available at the construction sites, materials to contain and recover spills of fuel and other fluids associated with construction machinery.

6. 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 pursuant to *Manitoba Regulation 439/87*, respecting *Environmental Accident Reporting*, or any future amendment thereof; and
 - b) at the request of the Director, provide a follow-up report to the Director on a reportable environmental accident outlining the cause(s) and proposed corrective action to prevent reoccurrence.
7. The Licencee shall dispose of solid waste and non-reusable demolition and construction debris from the Development at a waste disposal ground operating under the authority of a permit pursuant to *Manitoba Regulation 150/91* respecting *Waste Disposal Grounds*, or any future amendment thereof, or a Licence pursuant to *The Environment Act*.
8. The Licencee shall, during construction of the Development, dispose of all sewage and septage from on-site sanitary facilities in accordance with:
 - a) *Manitoba Regulation 83/2003*, respecting *Onsite Wastewater Management Systems Regulation*, or any future amendment thereof; or
 - b) this Licence.
9. The Licencee shall, during construction, adhere to the general recommendations on design, construction and maintenance of stream crossings as specified in the Manitoba Natural Resources and Fisheries and Oceans Canada guidelines titled *Manitoba Stream Crossing Guidelines for the Protection of Fish and Fish Habitat, 1996*.
10. The Licencee shall, on a daily basis throughout construction and restoration of the Development, monitor the work activity to ensure that all the environmental practices outlined in the Environmental Impact Statement and Protection Plan are carried out.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Pre-Construction

11. The Licencee shall, prior to construction, provide a copy of this Licence to the contractor and subcontractor(s) involved in the Development.
12. The Licencee shall avoid locating WTG's near wetlands, woodlands, and natural grasslands. Electrical underground power cables associated with the electrical collection system shall avoid wetlands.
13. The Licencee shall, prior to the commencement of construction activities related to the Development, file a Meridian Wind Energy Project Environmental Protection

Plan (EPP) with the Director. The EPP shall describe the integrated approach to be used by the Licencee to undertake pre-construction plant and wildlife surveys and monitor the effects of construction activities and related environmental conditions both during and after construction to ensure that mitigative measures are applied systematically and in a manner consistent with the commitments made in the *Meridian Wind Energy Project Environmental Impact Assessment, November, 2006*. Specifically, the Plan shall also describe:

- a) the methods used to quantify and verify the accounts of breeding bird species diversity and composition in the study area using data from locally conducted breeding bird surveys;
 - b) the methods used to conduct baseline bat surveys within the study area;
 - c) the methods used to implement a two year post construction migratory bird and bat mortality study to monitor bird and bat mortality from strikes WTG structures;
 - d) the proposed environmental management practices to be implemented to mitigate adverse effects on groundwater and local wells in the event of contamination during construction, and
 - e) the methods used to collect baseline data to assess changes to water quality during operation.
14. The Licencee shall retain a qualified on-site field biologist to examine potential bird breeding areas prior to construction and to ensure that impacts to wildlife and vegetation are avoided or minimized during construction.
15. The Licencee shall, prior to construction, consult with the Manitoba Conservation Wildlife and Water Stewardship Regional Fisheries staff and the field biologist to determine:
- a) site specific impact management practices, and
 - b) the locations, preferred methods and construction timing for access road waterway crossings.
16. The Licencee shall construct underground electrical and communication cables across flowing waterways and through wetlands by augering, tunnelling or boring. Open cut crossings on flowing waterways and through wetlands 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 natural and artificial waterways may be crossed with open cut techniques where approval has been obtained from the provincial or municipal authority responsible for the channel.
17. The Licencee shall, prior to construction, obtain a Water Rights Act Licence for any dewatering required during construction.

Respecting Construction

18. The Licencee shall separate and replace topsoil from backhoe and trenching operations 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.
19. The Licencee shall, during construction, avoid clearing, compacting, grading or filling any agricultural lands, yard sites and natural habitat areas which are not required for the Development. All construction related traffic shall be restricted to the access roads and marshalling yards throughout the Development.
20. The Licencee shall, during construction activities near wetland areas and surface waters throughout the Development:
 - a) locate any temporary marshalling yards and storage sites required for the Development a minimum distance of 100 meters from any wetland or watercourse;
 - b) avoid construction activities on native grasslands, wetlands and river edges between April 15 and July 30;
 - c) avoid instream construction between April 1 and June 15;
 - d) avoid altering surface drainage patterns and wetland water levels; and
 - e) maintain adequate setback distance between transmission line structures and wetlands.
 - f) use metal poles in wetland areas where transmission line poles are required.
21. The Licencee shall, during construction, undertake temporary erosion control measures to reduce siltation from erosion prone areas. Erosion prone areas shall be monitored following construction to ensure stabilization procedures are effective.
22. The Licencee shall obtain water required for dust control during construction from a source other than waste water treatment facilities.
23. The Licencee shall, at the completion of the construction of the Development:
 - a) landscape and vegetate erosion prone areas disturbed during the construction; and
 - b) fill and seal any boreholes and test pits to prevent groundwater contamination.

Respecting Operation

24. The Licencee shall, in accordance with Clause 11 (c) of this Licence, file a copy of the two year post construction migratory bird and bat mortality study report with the Director.
25. The Licencee shall maintain a buffer near wetlands and waterbodies along the transmission line right-of-way of 30 meters for application of herbicides. Any

herbicide application shall be carried out in accordance with applicable regulatory requirements.

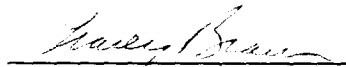
26. The Licencee shall not cause or permit a noise nuisance to be created as a result of the operation of the Development, and shall take such steps as the Director may require to eliminate or mitigate noise nuisance.
27. The Licencee shall carry out any noise monitoring required by an Environment Officer at the point of reception.

Respecting Alterations to the Development

28. The Licencee shall obtain approval from the Director for any proposed alteration to the Development before proceeding with the alteration.

REVIEW AND REVOCATION

- A. Environment Act Licence No. 2753 is hereby rescinded.
- B. 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.
- 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. If the construction of the Development has not commenced within five years of the date of this Licence, the Licence is revoked.



Tracey Braun, M.Sc.
Director
Environment Act