

MINISTER OF CONSERVATION AND CLIMATE

Legislative Building Winnipeg, Manitoba, CANADA R3C 0V8

Jay Grewal
President
Manitoba Hydro
360 Portage Avenue
P.O. Box 815, Stn. Main
Winnipeg MB R3C 2P4
jgrewal@hydro.mb.ca

Dear Jay Grewal:

Manitoba Hydro applied on December 22, 2010, for a Final Licence for the Lake Winnipeg Regulation (LWR) project under the provisions of The Water Power Act and Regulations.

The decision and the licensing and non-licensing conditions have been informed based on the Crown-Indigenous Consultation Report, the Clean Environment Commission (CEC) Lake Winnipeg Regulation Report, the Regional Cumulative Effects Assessment (RCEA) for Hydroelectric Developments on the Churchill, Burntwood and Nelson River Systems and the CEC Report on RCEA as part of the licensing decision process. It should be noted that the following conditions are related to the LWR project area as defined in the Final Licence.

In accordance with Section 87 of The Water Power Regulation, the Licensee is instructed to:

- Work with Manitoba to expand the Coordinated Aquatics Monitoring Program to other areas including shoreline erosion, shoreline wetland issues (such as traditional plants, medicines and waterfowl) and monitoring of terrestrial and riparian components and shoreline health downstream of Lake Winnipeg with the inclusion of Indigenous community participation and Indigenous traditional knowledge.
- Participate in any future large area planning initiative that may include studies in areas impacted by hydroelectric development, along with affected communities with other stakeholders.
- Continue to monitor and evaluate water quality, including toxicology and methylmercury (MeHg) in fish.

 Participate in the future licence modernization processes directed by the Province of Manitoba. The Province intends to evaluate the Water Power Act and Regulation to determine what amendments may be required for modernization.

My department will contact you in the near future to update the Licence Implementation Guide collaboratively with Manitoba Hydro. This Guide will be used by Manitoba Hydro and the department to evaluate and measure compliance; outline specific operating requirements; and operational guidelines for how Manitoba Hydro operates LWR within the licence range and how it deals with excursions from that range.

In accordance with Section 82 of the Water Power Regulation, before executing the Final Licence, I, as Minister, am submitting the enclosed "Certificate of Acceptance" and its attached Exhibit "A" (Final Licence) in order to secure from you, the prospective licensee, an acceptance of the terms and conditions of the proposed Final Licence and an undertaking to observe the terms and conditions of the proposed Final Licence and the Water Power Regulation. Therefore, in this regard, please have the appropriate officials of Manitoba Hydro sign and seal two copies of the enclosed "Certificate of Acceptance", and return one copy to my office together with its attached Exhibit "A" by May 7, 2021.

If you have any questions regarding this matter, please contact Shannon Kohler, Director, Environmental Approvals Branch, at Shannon.Kohler@gov.mb.ca or 204-792-9074.

Sincerely,

Sarah Guillemard

Minister

Enclosure(s)

Certificate of Acceptance Exhibit A: Final Licence to Lake Winnipeg Regulation

c. Shannon Kohler

PROVINCE OF MANITOBA MANITOBA CONSERVATION AND CLIMATE

FINAL LICENCE FOR THE REGULATION OF LAKE WINNIPEG OUTFLOWS FOR WATER POWER PURPOSES

("Lake Winnipeg Regulation")

Issued to Manitoba Hydro, a corporation duly incorporated by Act of Legislature of the Province of Manitoba, whose head office address is 360 Portage Avenue, Winnipeg, Manitoba, R3C 0G8 ("the Licensee")

Issued in accordance with the provisions of The Water Power Act, (C.C.S.M., cW60), and the Water Power Regulation (M.R. 25/88R) as amended from time to time.

Background:

- A. The Licensee was granted an Interim Licence dated November 18, 1970 that provided for gated control structures at Metchanais and Ominawin channels to regulate outflows from Lake Winnipeg.
- B. The Licensee was granted a Supplementary Interim Licence dated August 8, 1972 that replaced the gated control structures at Metchanais and Ominawin channels with a single control structure at Jenpeg.
- C. The Licensee completed the Undertaking and is operating it for the development of water power. The nature of the Undertaking being; the Jenpeg Control Structure on the left bank of the Nelson River just upstream of Cross Lake; West Dykes within six kilometres southwesterly from the Jenpeg Control Structure; an East Dyke within five kilometres southeasterly from the Jenpeg Control Structure; Kiskitto Dykes along the west side of Kiskittogisu Lake, the Kisipachewuk Rapids channel and its channel improvement, and across the Kiskitto Lake outlet, also variously known as the Kiskitto-Minago Drainage Channel or Black Duck Diversion Channel; Ominawin Rapids Bypass Channel; Kiskitto Dam and Inlet Control Structure; Kiskitto-Minago Drainage Channel and Black Duck Control Structure; Stan Creek Diversion; Eight-mile Channel; Two-mile Channel; and all necessary machinery and equipment required for regulating Lake Winnipeg outflows for the development of water power, as shown or described more particularly by means of the record plans and data filed with the Director, as specified herein.
- D. The initial development of the Undertaking was completed on August 1, 1976.
- E. On January 25, 1978, the Licensee provided written notification to the Senior Assistant Deputy Minister that the Undertaking was completed.
- F. Since 2008 and in partnership with the Province of Manitoba, the Licensee has operated the Coordinated Aquatic Monitoring Program to monitor environmental effects of system operation.
- G. In 2015, the Licensee and the Province of Manitoba produced a Regional Cumulative Effects Assessment documenting the social and environmental changes resulting from hydroelectric development in northern Manitoba to fulfill a requirement of the Clean Environment Commission.
- H. The Licensee has done all the things which in the opinion of the Director are required to be done prior to the issuance of a Final Licence.
- The Licensee has fully complied with the requirements of the Regulations and the terms and conditions of said Interim Licence insofar as it is required for the issuance of this Final Licence.
- J. The terms pertaining to the operation of this Undertaking are provided in imperial units to be consistent with the terms previously granted.

TERMS AND CONDITIONS OF THE FINAL LICENCE

PART 1.0 DEFINITIONS

- 1.1. In this Licence, the following words have the meaning ascribed to them and form part of the recital above:
 - (a) "ASL" means above mean sea level, Canadian Geodetic Datum;
 - (b) "Department" means the Department of Conservation and Climate, or such department under the responsibility of the Minister from time to time;
 - (c) "Director" means the Director of Environmental Approvals Branch of the Department, or such person who is performing the function of Director under The Water Power Act and the Water Power Regulation;
 - (d) "Minister" means the Minister responsible for the administration of The Water Power Act;
 - (e) "Severance Line" means the line within which, in the event that the licence should ever be terminated either by the failure to renew it upon the expiry of the term, or by voidance, cancellation, or any other legal process, the lands, works, and properties used or useful in connection with the Undertaking should be considered as essentially tributary to the power or storage development, and outside of which such lands, works, and properties should be subject to be taken over on a different basis;
 - (f) "Undertaking" means the Undertaking to be carried on pursuant to this Licence for works described in Section 2.2 of this Licence and all such ancillary works as may be necessary for its development and includes all matters authorized by this Licence;
 - (g) "The Water Power Act" means The Water Power Act (C.C.S.M. c.W60) and includes any amendment or replacement of that Act; and
 - (h) "Water Power Regulation" means the Water Power Regulation (M.R. 25/88R) and includes any amendments or replacement of that Regulation and any other regulations now or hereinafter in force governing the granting or administering of provincial water powers or the lands required in connection with the development and use of provincial water powers in effect from time to time.

PART 2.0 GRANT OF WATER POWER RIGHTS

- 2.1. Under authority of and subject to the provisions of The Water Power Act and the Water Power Regulation this Final Licence is issued, authorizing the Licensee to:
 - (a) regulate outflows from Lake Winnipeg for the development of electric power and energy on the Nelson River;
 - (b) occupy lands of the Province described in Section 4.2 of this Final Licence for the benefit of downstream power generating facilities to generate, transmit, sell and deliver electric power and energy; and
 - (c) operate and maintain the Undertaking, described in Section 2.2 of this Final Licence.
- 2.2. The Undertaking authorized to be maintained and operated by the Licensee under this Final License consists of the following:
 - (a) The Jenpeg Control Structure together with the Jenpeg Generating Station (licensed separately) regulates the outflow from Lakes Winnipeg, Playgreen and Kiskittogisu. The structure has a discharge capacity of about 4,616 cubic metres per second (163,000 cubic feet per second) at full supply level. This is a reinforced concrete spillway structure with five gated openings across the peninsula on the right bank of the Nelson River just upstream of Cross Lake, with a rock fill dam on the west abutment and a river channel closure rock fill dam on the east abutment;
 - (b) The Eight-mile Channel is a diversion channel from Playgreen Lake to Kiskittogisu Lake and is about 12.9 kilometres (8 miles) in length;
 - (c) The Two-mile Channel is a diversion channel from Lake Winnipeg to Playgreen Lake and is about 3.1 kilometres (2 miles) in length;
 - (d) The Jenpeg West Dykes that consist of four earthfill saddle dams with a total length of about 1,676 metres across low ground on the west abutment within 6.4 kilometres southwesterly from the Jenpeg Control Structure;
 - (e) The Jenpeg East Dyke that consists of a saddle dam about 1,890 metres in length across low ground within 4.8 kilometres southeasterly from the Jenpeg Control Structure;
 - (f) Kiskitto Inlet Control Structure consists of a single gate mounted in a concrete culvert structure to regulate flow from the Nelson River into Kiskitto Lake;
 - (g) The Kiskitto Dykes consist of intermittent earthfill dykes totalling about 14 kilometres in length along the west side of Kiskittogisu Lake, the Kisipachewuk Rapids channel, and across the Kiskitto Lake outlet to high ground;
 - (h) The Ominawin Rapids Bypass Channel is an excavation on the west side of the natural Ominawin Rapids channel with a centre dyke for about 70% of its length. The channel is about 3.4 kilometres long;

- (i) The Kisipachewuk Channel Improvement at a rapids channel located at one of the outlets to Kiskittogisu Lake;
- (j) The Kiskitto-Minago Drainage Channel and Black Duck Control Structure consists of a drainage channel with an overflow stoplog weir control structure to discharge Kiskitto Lake outflow into Black Duck Creek and further into Drunken Lake on the Minago River. The channel is about 4.8 kilometres long;
- (k) The Stan Creek Diversion is a channel which drains water from Stan Creek into Kiskitto Lake and is about 1,500 metres long; and
- (I) All necessary machinery, equipment and ancillary works required for regulating outflows from Lake Winnipeg, all as shown by plans and descriptions thereof filed in the office of the Director at Winnipeg and as described in Section 7.3 (Appendix 1) of this Final Licence.

PART 3.0 REGULATION AND CONTROL OF WATERS

- 3.1. The Licensee may regulate, for the development of electric power and energy on the Nelson River, all the waters of the west channel of the Nelson River flowing from time to time during the term of this Final Licence. However, in accordance with Section 72 of the Water Power Regulation, this licence is issued on the express condition that the Licensee shall:
 - (a) divert, use or store the water authorized to be diverted, used or stored by the Licensee in such a manner as not to interfere, in the opinion of the Minister, with the maximum advantageous development of the electric power and energy and other resources of the river or stream upon which the works are located;
 - (b) conform to and comply with any orders in respect of the control or regulation of the flow of the waters of such river or stream as may be made from time to time by the Minister or any person authorized by the Minister in that behalf; and
 - (c) at no time cause or permit the surface level of the waters of such river or stream or of any storage reservoir operated by the Licensee to be raised or lowered beyond the limits which shall be fixed from time to time by the Minister or by a person authorized by the Minister in that behalf.
- 3.2. The Licensee may regulate outflows for power purposes when the wind eliminated water levels are between: (a) Lake Winnipeg maximum 715.0 feet and minimum 711.0 feet, (b) Playgreen Lake maximum 714.9 feet and minimum 707.0 feet, measured at the north end of Playgreen Lake, (c) Kiskittogisu Lake maximum 714.8 feet and minimum 706.0 feet, subject, however, to the provisions of Section 72 of the Regulations.
- 3.3. The Licensee shall, during periods when the water level in Lake Winnipeg is above elevation 217.93 metres (715.0 feet) ASL, operate Jenpeg Control Structure in such a manner as to effect the maximum discharge possible under the circumstances then prevailing until the water level of Lake Winnipeg recedes to elevation 217.93 metres (715.0 feet) ASL.
- 3.4. The Licensee shall operate Jenpeg Control Structure in such a manner that the combined outflow of water from Lake Winnipeg through the natural and artificial channels at any time shall not be less than 708 cubic metres per second (25,000 cubic feet per second).
- 3.5. Notwithstanding any other terms or conditions of this Final Licence, the Licensee shall, during periods when the water level in Lake Winnipeg is below elevation 216.71 metres (711.0 feet) ASL, operate Jenpeg Control Structure as ordered by the Minister under Section 72 of the Water Power Regulation.
- 3.6. Subject to Section 3.5 of this Final Licence, but notwithstanding any other terms or conditions of this Final Licence, the Licensee shall operate Jenpeg Control Structure in such a manner that any increase or decrease in the rate of the discharge therefrom during any 24-hour period shall not exceed 425 cubic metres per second (15,000 cubic feet per second).
- 3.7. The Licensee shall operate the Kiskitto Inlet Control Structure and Black Duck Control Structure in such a manner as to regulate water levels in Kiskitto Lake within natural ranges subject to the orders of the Director.

PART 4.0 LANDS TO BE USED AND OCCUPIED

- 4.1 The Severance Line is defined as shown on Plan Nos. WULS-1-00199-PE-07311-0001 (Sheets 1 to 4) filed in the office of the Director. These plans may be amended from time to time.
- 4.2 The Licensee may enter upon, use occupy or flood the lands of the Province for the maintenance and operation of the Undertaking broadly described as located between Lake Winnipeg and Jenpeg along the west channel of the Nelson River including Playgreen Lake and Kiskittogisu Lake; and Kiskitto Lake and the Kiskitto-Minago Drainage Channel. These

lands comprise 5470.1 hectares (13517.1 acres) as shown on Plan Nos. WULS-1-00199-PE-07311-0001 (Sheets 1 to 4) filed in the office of the Director and shall be the following:

- (a) Lands of the province not covered by water required for main diverting works, powerhouse, etc. comprise 549.8 hectares (1358.6 acres);
- (b) Lands of the province covered by water required for main diverting works, etc. comprise 271.7 hectares (671.5 acres);
- (c) Lands of the province required only to be flooded in connection with the storage or pondage of water comprise 4566.9 hectares (11285.1 acres);
- (d) Lands of the province required for transmission line rights-of-way comprise 81.7 hectares (201.9 acres); and
- (e) Lands of the province required for substations, distribution stations, etc. comprise 0.0 hectares (0.0 acres).

PART 5.0 LAND USE RENTALS

5.1 The Licensee shall pay a land rental during the term of this Final Licence for the use and occupation and flooding of lands of the Province in accordance with the Water Power Regulation then in force, or as may be amended, under Section 48 of the Water Power Regulation. This rental shall be determined by the rate prescribed in Section 48(3.1) of the Water Power Regulation, and by the area described in Section 4.2 of this Final Licence.

PART 6.0 DURATION OF FINAL LICENCE

6.1 In accordance with Section 45 of the Water Power Regulation, the term of this Final Licence shall be for the fifty (50) year period from August 1, 1976 to August 1, 2026. This Final Licence shall thereafter be subject to renewal or extension in accordance with the provisions of the applicable Acts and Regulations relating then in force.

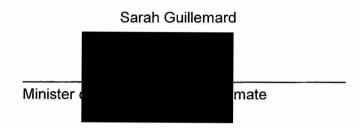
PART 7.0 GENERAL PROVISIONS

- 7.1 The Licensee shall comply with:
 - (a) all terms and conditions of this Licence;
 - (b) all applicable provisions of The Water Power Act and the Water Power Regulation;
 - (c) all applicable federal and provincial laws; and
 - (d) any instructions of the Minister concerning any of those matters not inconsistent with the above-mentioned Acts and Regulations.
- 7.2 All water levels referred to in this Final Licence shall be understood to have wind and wave effects eliminated where applicable.
- 7.3 The plans filed by the Licensee and made a part of this Final Licence are as listed in Appendix 1.
- 7.4 The Licensee shall, to the satisfaction of the Director, provide a monthly forecast of water levels and flows in connection with the operation of the Undertaking.
- 7.5 As provided for in Section 65 of the Water Power Regulation, the Licensee shall submit all information and data on water levels and flows necessary to enable the Director to determine compliance with this Final Licence and other approvals pertaining to water levels and flows in connection with the operation of the Undertaking.
- 7.6 The Licensee shall provide the Minister, the Director, or any person appointed by either for the purpose with free access to all parts of the works, lands and properties of the Licensee and to all books, plans, records or accounts used in connection with or affecting this Final Licence or the Undertaking, and may from time to time make measurements and observations and take such other steps for carrying out any inquiry as may be considered necessary or expedient in the administration of the Regulation.
- 7.7 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 communities and other stakeholders.

- 7.8 The Licensee shall, to the satisfaction of the Minister, continue to participate in a systemwide monitoring program in the lands and waters that are affected by the Undertaking, including Indigenous community participation and Indigenous traditional knowledge.
- 7.9 The Licensee shall, to the satisfaction of the Minister, continue to implement a public safety and debris management program in lands and waters within the Severance Line, and report annually to the Director.
- 7.10 The Licensee shall submit an annual report to the Director documenting the Licensee's engagement with Indigenous communities on the continued operation of the Undertaking.
- 7.11 The Licensee shall, to the satisfaction of the Minister, update the licence implementation guide, within one year of the date of this Final Licence.

Issued at Winnipeg this 12thday of May Conservation and Climate.

, 2021 by the Honourable Minister of



Appendix 1

The following approved plans filed by the Licensee in the office of the Director constitute part of this Final Licence.

Province of Manitoba Plan Number	Licensee's Drawing Number	Description	
General			
WULS-1-00199-PE- 07311-0001 (0001 to 0004)	1-00199-PE-07311-0001 (0001 to 0004)	Severance Line and Lands Required for Flooding and Other Purposes	
WULS-1-00199-C- 00412 (Sheet 1 of 1)	1-00199-C-00412 (Sheet 1 of 1)	Lake Winnipeg Regulation - General Location Plan	
Two-Mile Channel			
WULS-1-00199-B- 00329 (Sheet 1 of 1)	1-00199-B-00329 (Sheet 1 of 1)	Location of Reference Cross Sections	
WULS-1-00199-D- 00326 (Sheets 1 to 3)	1-00199-D-00326 (Sheets 1 to 3)	Reference Cross Sections	
Eight-Mile Channel			
WULS-1-00199-B- 00328 (Sheet 1 of 1)	1-00199-B-00328 (Sheet 1 of 1)	Location of Reference Cross Sections	
WULS-1-00199-D- 00327 (Sheets 1 to 5)	1-00199-D-00327 (Sheets 1 to 5)	Reference Cross Sections	
Ominawin Bypass Channel			
WULS-1-00199-E- 9305 (Sheets 1 and 2)	1-00199-E-9305 (Sheets 1 and 2)	Layout	
WULS-1-00199-E- 9302 (Sheets 1 to 8)	1-00199-E-9302 (Sheets 1 to 8)	Cross Sections and Centre Line Profile	
Kisipachewuk Channel			
WULS-1-00199-E- 09406 (Sheet 1 of 1)	1-00199-E-09406 (Sheet 1 of 1)	Channel Improvement Excavation Details	
Kiskitto Dam, Inlet and Outlet Control Structures			
WULS-1-00199-E- 3902 (Sheets 1 to 3)	1-00199-E-3902 (Sheets 1 to 3)	Kiskitto Dam and Dykes – Location Plan	
WULS-1-00199-D- 03946 (Sheets 1 to 18)	1-00199-D-03946 (Sheets 1 to 18)	Kiskitto Dykes – As Built Details	

WULS-1-00199-C- 01101 (Sheet 1 of 1)	1-00199-C-01101 (Sheet 1 of 1)	Kiskitto Lake Outlet Structure – Concrete Details	
WULS-1-00199-E- 09501 (Sheets 1 to 3)	1-00199-E-09501 (Sheets 1 to 3)	Kiskitto-Minago Drainage Channel - Plan	
WULS-1-00199-E- 09503 WULS- (Sheet 1 of 1)	1-00199-E-09503 (Sheet 1 of 1)	Stan Creek Diversion Channel – Plan and Profile	
Kiskitto Inlet Control Structure Replacement			
WULS-1-00199-DE- 21918-0004 (Sheet 1 of 1)	1-00199-DE-21918-0004 (Sheet 1 of 1)	Final General Arrangement	
Jenpeg Control Structure			
WULS-1-00198-DB- 20021-0001 (Sheet 1 of 1)	1-00198-DB-20021-0001 (Sheet 1 of 1)	General Arrangement	
WULS-1-00198-DB- 20021-0002 (Sheet 1 of 1)	1-00198-DB-20021-0002 (Sheet 1 of 1)	Main Dam Plan and Sections	
WULS-1-00198-DB- 20021-0003 (Sheet 1 of 1)	1-00198-DB-20021-0003 (Sheet 1 of 1)	West Dykes 1 & 1A Plan and Sections	
WULS-1-00198-DB- 20021-0004 (Sheet 1 of 1)	1-00198-DB-20021-0004 (Sheet 1 of 1)	West Dykes 1B Plan and Sections	
WULS-1-00198-DB- 20021-0005 (Sheet 1 of 1)	1-00198-DB-20021-0005 (Sheet 1 of 1)	West Dykes 2 & 3 Plan and Sections	
WULS-1-00198-DB- 20021-0006 (Sheet 1 of 1)	1-00198-DB-20021-0006 (Sheet 1 of 1)	East Dyke Plan and Sections	
WULS-1-00198-E- 03012 (Sheets 1 and 2)	1-00198-E-03012 (Sheets 1 and 2)	Spillway – General Arrangement	

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