



Conservation

Climate Change and Environmental Protection Division
Environmental Assessment and Licensing Branch
123 Main Street, Suite 160, Winnipeg, Manitoba R3C 1A5
T 204 945-7100 F 204 945-5229
www.gov.mb.ca/conservation/eal
CLIENT FILE NO.: 5458.00

October 5, 2010

Trevor Daymond
Cypress River Potato Growers Ltd.
Box 203
Cypress River MB R0K 0P0

Dear Mr. Daymond:

Enclosed is **Environment Act Licence No. 2938** dated October 5, 2010 issued in accordance with The Environment Act to **Cypress River Potato Growers Ltd.** for the construction and operation of the Development being an irrigation system (Cypress River Potato Growers Limited Irrigation Project) in the Rural Municipalities of South Cypress and Victoria supplied by groundwater wells located at SE 23-7-13 W drawing water from the Assiniboine Delta Aquifer for a land base of 425 hectares, in accordance with the Proposal filed under The Environment Act dated July 27, 2009.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with.

For further information on the administration and application of the Licence, please feel free to contact Raymond Reichelt, Environment Officer at 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 Operations
Travis Parsons, Manitoba Water Services Board
Raymond Reichelt, Environmental Operations, Portage la Prairie
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 2938 (*by the Licencee 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 October 20, 2010.

On behalf of Cypress River Potato Growers Ltd.

Date

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

LICENCE

Licence No. / Licence n° 2938

Issue Date / Date de délivrance October 5, 2010

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

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

CYPRESS RIVER POTATO GROWERS LIMITED;
"the Licencee"

for the construction and operation of the Development being an irrigation system (Cypress River Potato Growers Limited Irrigation Project) in the Rural Municipalities of South Cypress and Victoria supplied by groundwater wells located at SE 23-7-13 W drawing water from the Assiniboine Delta Aquifer for a land base of 425 hectares, in accordance with the Proposal filed under The Environment Act dated July 27, 2009, 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 collect and dispose of all used oil products and other regulated hazardous wastes generated by the machinery used in the construction and operation of the Development 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.

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

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Project Scope

4. The Licencee shall, unless otherwise approved by the Director in writing, construct the groundwater wells and management works and irrigate the lands as described on Figure 1, attached to this Licence. Proposed amendments to this project must be submitted to the Director for approval with an accompanying discussion of the nature and purpose of the amendments.

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, during construction, dispose of all sewage and septage from on-site sanitary facilities in accordance with Manitoba Regulation 83/2003, respecting Onsite Wastewater Management Systems Regulation, or any future amendment thereof.
7. 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, respecting Storage and Handling of Petroleum Products and Allied Products, or any future amendment thereof.
8. 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; and
 - b) provide a follow-up report to the Director on a reportable environmental accident outlining the cause(s) and proposing corrective action to prevent reoccurrence.
9. The Licencee shall not remove, destroy or disturb species listed as rare, endangered, or of special concern, or their habitats. These species are listed in *Manitoba Regulation 25/98*, respecting *Threatened, Endangered and Extirpated Species*, or any future amendment thereof, and in the federal Species at Risk Act.
10. The Licencee shall not harm, remove, destroy or disturb migratory birds, their nests or their eggs pursuant to the requirements of the federal Migratory Birds Convention Act.
11. The Licencee shall install buried pipelines on cultivated land or land in its natural state in accordance with the methodology illustrated in Figures 2 to 4, attached to this Licence. These procedures do not apply when a plough or a continuous trencher is used to install a pipeline.

Operation – Matters Respecting Water Management and Water Quality Protection

12. The Licencee shall limit the pumping rate at the groundwater diversion points of the Development in SE 23-7-13 W to capacities specified in a Water Rights Licence issued for the Development by Manitoba Water Stewardship.
13. The Licencee shall install backflow prevention devices and maintain them in operational condition at all times if fertilizer or crop protection products are applied through the irrigation systems of the Development.
14. The Licencee shall, if fertilizer or crop protection products are applied through the irrigation systems of the Development, not allow irrigation water containing these materials to be applied to or drain to surface water bodies.
15. The Licencee shall comply with the requirements of *Manitoba Regulation 62/2008*, respecting *Nutrient Management*, or any future amendment thereof.

Operation – Matters Respecting Land Management and Soil Quality Protection

16. The Licencee shall not, with water diverted by the Development, irrigate any land parcel other than a land parcel identified in Figure 1 attached to this Licence.
17. The Licencee shall not use water diverted by the Development to irrigate land in the project area more frequently than one year in three.
18. The Licencee shall implement agronomic practices described in the report “Cypress River Irrigation Project Land Use and Agronomic Assessment”, prepared by Tone Ag Consulting Ltd., March 2009. Results of the fall soil tests for nitrate-N and Olsen-P, the annual fertilizer applications, and crop yields for each field shall be provided, by February 1st of the following year, to the Environment Officer responsible for the administration of this Licence and the Environmental Assessment and Licensing Branch.
19. The Licencee shall manage phosphorus as well as nitrogen in all nutrient management plans developed pursuant to Clause 18 of this Licence.


Monitoring

20. The Licencee shall, on a daily basis while irrigation is occurring, record volumes of water pumped, and durations of pumping for each intake location. A report on this information shall be provided, by February 1 of the following year, to the Environment Officer responsible for the administration of this Licence and the Environmental Assessment and Licensing Branch. The report shall be provided in the format shown in Table 1, attached to this Licence.
21. The Licencee shall, upon the request of the Director:
 - a) sample, monitor, analyze or investigate specific areas of concern regarding groundwater, surface water and soil for such duration and at such frequencies as may be specified;

- b) determine the environmental impact associated with the specific areas of concern; and
 - c) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, descriptions of sampling and analytical procedures being used, and such other information as may from time to time be requested.
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 Assessment and Licensing Branch of Manitoba Conservation to review the monitoring and reporting requirements of this Licence.

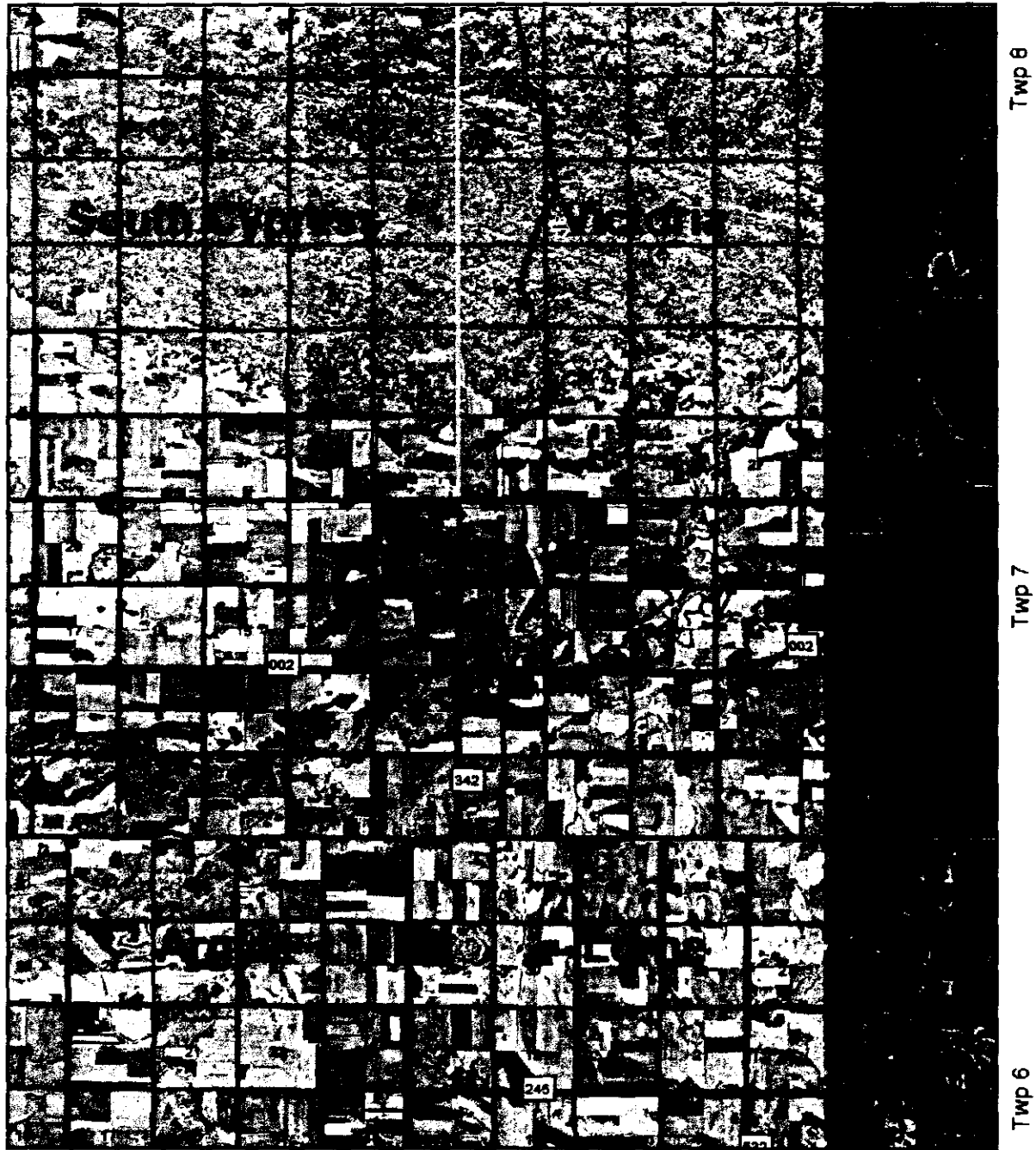
REVIEW AND REVOCATION

- 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.


Tracey Braun, M. Sc.
Director
Environment Act

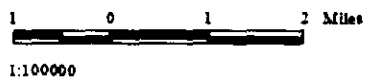
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Cypress River - Figure 1
Overview



Rge. 13W

Rge. 12W



- Highways
- Towns
- Water bodies
- Settlements
- Boundaries
- Other

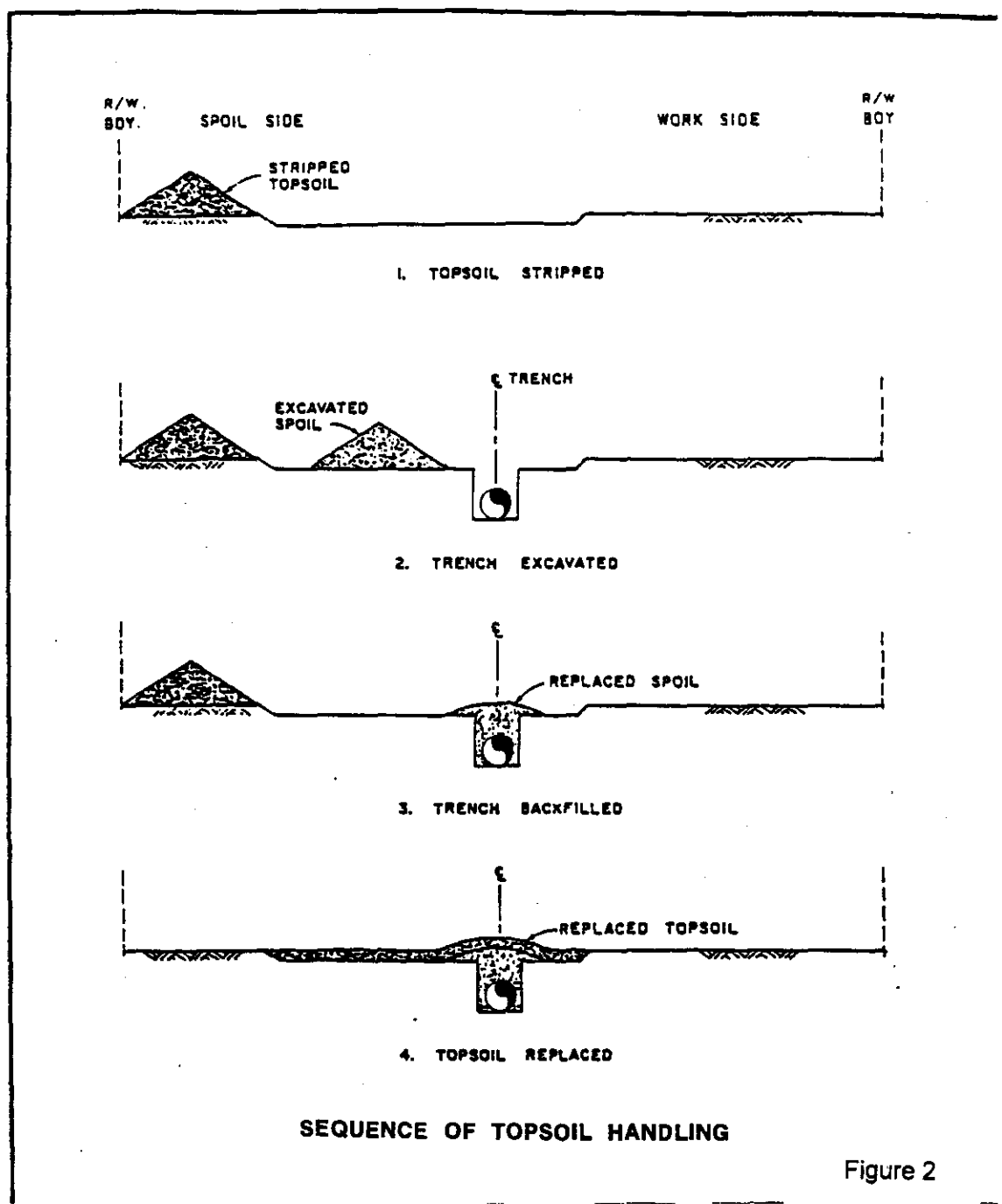
Data Source:
 Fields shown by Towns Ag as conditions with
 boundaries, and subject to change.
 Orthophotos are 1:60,000 from Manitoba Land Information
 Highways are from Manitoba Highways and
 Transports; 1:60,000 map 1994.
 Boundaries are from Manitoba Land Information.



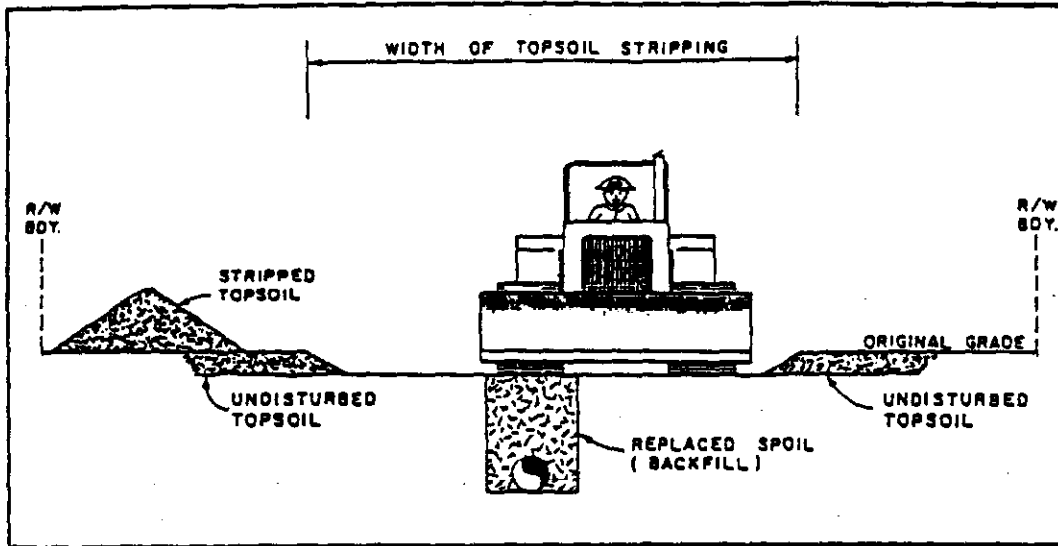
2009-03-27



FIGURE 2 TO ENVIRONMENT ACT LICENCE NO. 2938

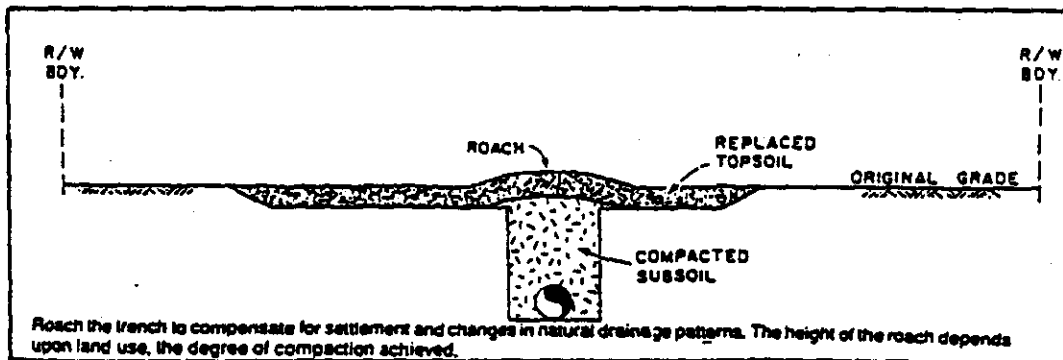


FIGURES 3 AND 4 TO ENVIRONMENTAL ACT LICENCE NO. 2938



COMPACTION OF BACKFILL

Figure 3



ROACHING THE TRENCH

Figure 4

TABLE 1 TO ENVIRONMENT ACT LICENCE NO. 2938

Cypress River Potato Growers Irrigation Project

Annual Water Use Report Year: _____

| Assiniboine River Intake Location: | | SE 23-7-13 W | | |
|---|--------------|-------------------|---------------------|---------------------|
| Pump Capacity: | _____ | m3/s or cfs | | |
| Minimum Instream Flow: | _____ | m3/s or cfs | Measured at | _____ |
| <p>Conversions: 1 acre (ac.) = 0.405 hectares (ha.) 1 ha. = 2.471 ac. 1 acre-foot (ac.-ft.) = 1.233 cubic decametres (dam3) 1 dam3 = 0.811 ac.-ft 1 cubic foot per second (cfs) = 0.0283 cubic metres per second (m3/s) 1 m3/s = 35.31 cfs 1 imperial gallon per minute (IGPM) = 0.000076 m3/s 1 US gallon per minute (USGPM) = 0.000063 m3/s</p> | | | | |
| Date | Pumping Rate | Duration hours | Vol. Pumped dam3 | Parcel(s) Irrigated |
| | | | | |
| TOTAL | | sum | sum | |