

WATER RESOURCES BRANCH

1st Interim Lic.

INTERIM LICENSE FOR THE DIVERSION OF WATER FROM THE  
CHURCHILL RIVER TO THE NELSON RIVER, AND THE IMPOUNDMENT  
OF WATER ON THE RAT RIVER AND SOUTHERN INDIAN LAKE

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 adminis-  
tering 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 Box 815, Winnipeg 1, Manitoba, (hereinafter called "the Licensee"), by  
letter dated December 19, 1972 signed by J. F. Funnell, General Counsel  
and Secretary, and by other documents attached thereto, has filed with the  
Director General of Water Resources at Winnipeg (Director of the Water  
Resources Branch, hereinafter called "the Director") an application for a  
License to divert water from the Churchill River into the Nelson River and  
to impound water on the Rat River and Southern Indian Lake, for the development  
of water power; and

WHEREAS Provincial lands as defined in the Water Power Act, R.S.M.  
1970, Cap. W70 (hereinafter called "the Act") are required to be used or  
occupied by the Licensee in carrying out the undertaking for which this Interim  
License is granted, the nature of the said undertaking being the construction  
of control dams at the natural outlets of Southern Indian Lake at Missi Falls;  
an excavated diversion channel from South Bay of Southern Indian Lake to  
Isset Lake; control dams on the Rat River approximately four miles downstream  
from Notigi Lake; and all necessary machinery and equipment required for  
controlling the diversion and impoundment of water 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 hereinafter; and,

WHEREAS the Licensee has fully complied with the requirements of  
the Manitoba Water Power Regulations, being Manitoba Regulation 95/45 and all  
amendments thereto (hereinafter called "the Regulations"), insofar as it is  
required for the issue to the said Licensee of this Interim License; and,

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

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

- (a) The right to divert water from the Churchill River into the Nelson River, and to impound water on the Rat River and Southern Indian Lake, for the development of water power, and
- (b) The right to construct, operate and maintain the undertaking, the location and description of which are shown upon the record plans numbered and filed in the office of the Director at Winnipeg, except as the said undertaking may be modified or extended with the approval of the Minister of Mines, Resources and Environmental Management (hereinafter called "the Minister").

Subject, nevertheless, to the provisions of the Regulations and of any other regulations now or hereinafter in force governing the granting or administering of Provincial lands required in connection with the diversion and storage of water for the development of water power, and to the following special terms and conditions, namely:-

1. The Licensee shall file the general construction plans and specifications of the undertaking authorized hereby with the Director in such form and detail as is required by the Regulations within three (3) months from the date of this Interim License.
2. After the general construction plans and specifications have been approved, the Licensee shall begin the construction of the undertaking authorized hereby within the time limit provided in the Regulations, and shall thereafter without interruption, except such as may be occasioned by act of God or other major cause beyond the control of the said Licensee (other than want of funds), carry on and complete the construction of the said undertaking according to the plans and specifications so approved or as the same may be amended or modified at the direction and with approval of the Minister during the progress of construction, and subject to the terms of this Interim License and of the Regulations.

3. Within five (5)-years from the date of this Interim License, the Licensee shall have satisfactorily completed the undertaking and shall have installed all the machinery and equipment required for a development capable of diverting waters of the Churchill River to the Nelson River, and of impounding an estimated 41,600 c.f.s. months of water above elevation 844.0 above mean sea level, Canadian Geodetic Datum, for the development of water power, as authorized by this License.
4. The Licensee shall notify the Director in writing of the completion of the development, and the Director shall thereupon, in accordance with the provisions of Subsection (4) of Section 42 of the Regulations determine a date which, for the purpose of the Interim License and Regulations, shall be the date of completion of the development and shall be the earlier of:
  - (a) the actual date on which the initial development commences the diversion of waters of the Churchill River and/or the storage of water on the Rat River and Southern Indian Lake, or,
  - (b) the date fixed in Article 3 hereof as the limiting date by which the development is to be completed, whether the same shall have been completed or not.
5. The Licensee may enter upon, use and occupy for making surveys and investigations and constructing works as may be deemed necessary for the undertaking, such lands of the Province as may reasonably be required for the said purposes and may flood such lands as are designated on a plan identified as No. 60-1-1007 or as such plan may be amended and limited from time to time by the Minister provided that, when so requested in writing by the Director, following completion of the development and the commencement of the diversion and/or storage of water, the Licensee shall cause a survey to be made and a plan prepared by a Manitoba Land Surveyor showing in detail the lands required to be occupied for the purposes of the diversion and storage development and

- the lands required for flooding purposes only, such survey shall be limited to include only such areas for the said purposes as the Director may approve and shall be prepared in accordance with Section 24 of the Regulations.
6. The Licensee shall also from time to time in accordance with Section 24 of the Regulations cause surveys to be made and plans prepared by a Manitoba Land Surveyor of all lands required as rights-of-way for transmission lines, roads, railways and other purposes of the undertaking, as the locations thereof become defined, as distinct from those purposes described in Article 5 hereof.
  7. The Licensee may divert and store for the development of water power the water of the Churchill River which may be flowing from time to time during the term of this Interim License, subject, however, to the provisions of Section 72 of the Regulations and Articles 10 and 11 hereof.
  8. The Licensee shall pay a rental for the use and occupation of Crown lands required for the purposes described in Articles 5 and 6 hereof in such amounts or at such rates as may be fixed by the Lieutenant Governor in Council.
  9. Notwithstanding Article 11 hereof, and except as may be otherwise authorized by the Minister, the Licensee shall, during periods when the water level of Southern Indian Lake is above elevation 847 feet above sea level, Canadian Geodetic Datum, operate the Missi Falls and Notigi control structures in such a manner as to effect the maximum discharge possible under the circumstances then prevailing until the water level of the said lake returns to elevation 847 feet above sea level, Canadian Geodetic Datum.
  10. Subject to Article 12 hereof, and except as may be otherwise authorized by the Minister, the Licensee shall regulate the water level of Southern Indian Lake so as to prevent the water level from receding below elevation 844 feet above sea level, Canadian Geodetic Datum.

11. The Licensee shall not release more than an average weekly flow of 30,000 cubic feet per second through the Notigi control structure, and shall vary the magnitude of the release through that structure from time to time in order to ensure that the flow in the Burntwood River, as measured at the Provincial Government gauging station at Thompson, shall not exceed the average mean flow plus 30,000 c.f.s.
12. Unless otherwise ordered by the Minister to meet the needs of downstream interests, releases from Missi Falls control structure shall not be less than 500 cubic feet per second during the open water period and 1500 cubic feet per second during the ice cover period.
13. As and at the times requested by the Minister, the Licensee shall submit to the Minister, for his approval, a schedule of the proposed releases from, over, or through the several works, and the Minister may approve the schedules with or without variation; and, subject to any order made under the Act, the Licensee shall comply with the schedules so approved.
14. The Minister, for and on behalf of the government, and the Licensee shall agree as to the area, and degree, of the clearing of timber to be carried out by the Licensee on lands that are to be flooded or that have been flooded by reason of the project, and, if agreements satisfactory to the Minister are not reached from time to time under this section, the Lieutenant Governor in Council may direct the area and degree of the clearing of timber to be carried out by the Licensee on those lands, and the Licensee shall comply with the order.
15. Subject to Articles 10 and 11 hereof, but notwithstanding any other terms or conditions of this Interim License, the Licensee shall operate the Missi Falls and Notigi control structures in such a manner that:
  - (a) Any increase or decrease in the rate of outflow through either structure during any 24 hour period shall not exceed 10,000 cubic feet per second, and,
  - (b) The drawdown in water level in Southern Indian Lake during any 12 month period shall not exceed two feet, and,
  - (c) The water level immediately upstream of the Notigi control structure shall not decline to less than elevation 840 feet

16. The Licensee shall, as ordered by the Minister, post any "landing" or "refuge" station or stations established, under Article 14 hereof, along the shorelines of the storage reservoirs maintained under authority of this Interim License on Southern Indian Lake and the Rat River.

17. The plans filed by the Licensee and made a part of this Interim License are as follows:

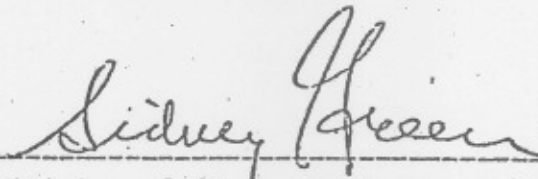
<u>Manitoba Water Resources Branch File Number</u>	<u>Licensee's File Number</u>	<u>Description</u>
60-1-1006	7001-E-41 Rev. 0	Location plan and preliminary typical sections of control structures.
60-1-1007		Topographical map Southern Indian Lake and Rat River region.

18. Upon the satisfactory completion by the Licensee of the development in accordance with Article 3 hereof and upon the due observance and fulfilment by it of all the terms and conditions required by this Interim License and under the Regulations to be by it observed and fulfilled, the Minister shall and will issue in favour of the Licensee a Final License for the diversion and storage of water for the development of water power and for the use or occupation of those lands of the Province which, in the Minister's opinion, are required for the proper operation and maintenance of the works authorized. The said Final License shall be issued subject to the regulations then in force and shall embody such matters as the Minister may determine in accordance with the regulations.

19. All record plans filed with the Director and referred to in this Interim License are incorporated herewith and made a part hereof.

20. This Interim License is issued upon the express condition that it shall be subject to the provisions of the Regulations and all amendments thereto.

Issued at Winnipeg this 19th day of December, A.D. 1972 at the direction of the Honourable Minister of Mines, Resources and Environmental Management.

  
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Minister of Mines, Resources and  
Environmental Management  
<sup>with</sup>  
~~subject to~~ the approval of  
the Lieutenant Governor in Council.