

Ministry of the Environment
West Central Region

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March 5, 2009

St Marys Cement Inc. (Canada)
55 Industrial Street
Toronto, Ontario
M4G 2W9

Attention: Mr. John Moroz, Vice President and General Manager

Dear Mr. Moroz:

Re: Permit to Take Water 8461-7CFLG5

Thank you for your letter to me of January 22, 2009 which sets out your intentions with respect to pumping tests authorized by the above referenced Permit to Take Water (PTTW). This is to respond to statements and inaccuracies in that letter.

Your letter indicates that the Director's decision of October 30, 2008 is inconsistent with ministry staff technical reviews. This statement is incorrect. The reasons set out in the October 30, 2008 decision are directly supported by ministry staff technical reviews.

The significant precipitation during both previous tests and the 2008 test provided no usable data to show what impact occurs on either adjacent wetlands or on the local tributaries of Mounstberg Creek during depressurization by the pumping well and consequently there is no basis on which to assess the feasibility of any mitigative option proposed. This is taken from item 5) of Mr. Paul Odom's October 22, 2008 technical review and supports the first reason given for the phase 1 test being unacceptable.

In her groundwater review, Ms. Priebe clearly outlines her concern regarding your consultant's interpretation that the pumping test data was not compromised by rain events. She indicates that the reliability of the data for future use would need to be qualified in order for that data to be used to support a long term water taking application. Given the significant decision to be made in the future regarding dewatering and mitigation should a quarry licence be granted, the data needed must not be confounded by factors which could be addressed by repeating the test under more ideal conditions. Accordingly the precautionary principle prevailed. This supports the second reason given for the phase 1 test being unacceptable.

Your letter indicates that the purpose of the pumping test was neither to determine groundwater/surface water interaction at the site nor to repeat the 2004 pumping test. This statement is incorrect.

On page 5 of the March 2008 work plan, repetition of the November 2004 pumping test is listed as one of the three items to be addressed in the Groundwater Recirculation System work plan. This document was provided in support of the pumping test and is referenced in the permit.

As well, it is clear from condition 4.18 of the above referenced permit, which was presented to the company in draft form prior to the first phase test that assessment of the groundwater/surface water interaction at the site was one of the ministry's anticipated outcomes. This condition required a qualified hydrologist to evaluate hydrometric data from these surface water stations and determine the effect of the pumping test(s) on:

- the flows in tributary A and Mountsberg Creek;
- the water levels in the nearby ponds;
- areas of surface water/groundwater interaction; and
- the water levels in the wetland.

A summary of these data was required to be included in each report due under condition 4.22.

The low rate of pumping during the phase 1 test combined with the excessive precipitation limited the influence of the taking and precluded the assessment of the groundwater/surface water interaction during water taking.

During the meeting of November 27, 2008, statements of your consultants were that surface and ground water would be assumed to be connected and that this had been previously evaluated and would be modeled. It was further stated that six years of monitoring data would be used to construct the model. Ministry staff have not seen this previous evaluation. As well, it is not clear if this evaluation would have been completed during extended pumping tests that are not compromised by low rates of water taking or significant precipitation events.

It is the ministry position that hydrogeological studies completed to date have not provided information to conclude that the proposed Groundwater Recirculation System is an acceptable mitigation strategy for this site. Further pumping tests are necessary to demonstrate that the proposed Groundwater Recirculation System for this site will protect the quality and quantity of both groundwater and surface water.

Your letter indicates that you will not be carrying out any further testing under the mandate of the above referenced permit. Accordingly, unless you advise otherwise by March 20, 2009, the above referenced permit will be revoked.

Yours truly,



Carl Slater
Director, Section 34
Ontario Water Resources Act, R.S.O. 1990

C: File