

October 11, 2016

File: 105809

Cobble Hill Holdings Ltd. (BC0754588) Location address: 460 Stebbings Road Shawnigan Lake BC VOR 2W3

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Dear Mr. Martin Block and Mr. Michael Kelly,

Re: Suspension or Cancellation of Permit PR 105809

Pursuant to section 18(3)(c) of the *Environmental Management Act* [SBC 2003], c. 53 (the "**Act**"), I am considering suspending or cancelling Permit PR-105809 (the "**Permit**") held by Cobble Hill Holdings Ltd. (the "**Permitee**") for failure to comply with the terms of the Permit. Specifically, the following requirements of the Permit are outstanding and are in a state of non-compliance:

- Quarterly reporting by the Permittee has identified non-compliance with regards to the Permit limits for discharge water quality, as follows:
 - Section 1.4.2 Maximum rate of discharge from the water treatment system was exceeded on February 15 and 16, and March 10, 2016 with rates of 331, 303 and 344 m³/day respectively (2016 Q1 Report, p. 16)
 - Section 1.5.3 Settling pond discharge turbidity results exceeded the aquatic life (AL) guideline of 1 NTU above background on January 21, February 15 and March 10, 2016 with values of 31.7, 27.7 and 89.0 NTU respectively. Total Suspended Solids (TSS) permit limit of 25 mg/L was exceeded with values of 43 and 45 mg/L on February 15 and March 10, 2016.
 - Section 1.5.3 Total Iron exceeded 1 mg/L guideline on January 21, February 15 and March 10, 2016 with concentrations of 1.61, 2.16 and 4.47 mg/L (2016 Q1 Report, pp. 17-18).
- The Director has not received an updated closure plan, which the Permittee was required to submit by July 29, 2016;
- The Director has not received a revised cost estimate for the closure plan, which the Permittee was required to submit by July 29, 2016;
- The Director has not received revised security in accordance with the cost estimate, which the Permittee was required to submit by July 29, 2016;

- The Director has not received a report detailing the review of non-contact water management systems, which the Permittee was required to submit by August 31, 2016, nor has the director received the related interim deliverables; and
- The Director has not received a report detailing the review of contact water management systems, which the Permittee was required to submit by September 30, 2016, nor has the director received the related interim deliverables.

Given the rain event that occurred on October 8, 2016, I am informed by ministry staff that the management of contact water on the site by the Permittee was not in accordance with the requirements of the Permit, as follows:

• Section 1.5.3 The source of the discharge must be limited to non-contact site stormwater runoff and treated effluent released from the WTS described in Subsection 1.4.

The permittee <u>allowed</u> contact water to discharge into the settling pond, which is contrary to the permit requirement.

In accordance with section 18(6) of the Act, a permit that is suspended or cancelled is not a valid and subsisting permit or approval.

With this letter, I am providing you with notice and the opportunity to provide comments to me, prior to making my decision. Please provide any comments, along with any other relevant information that you think should be taken into consideration, by no later than **4:30 p.m. on October 14, 2016**.

Yours truly,

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Mary Polak Minister