



Reference: 308290

File: 105809

**FEB 23 2017**

Cobble Hill Holdings Ltd. (BC0754588)

Location address:

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Shawnigan Lake BC V0R 2W3

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Dear Mr. Martin Block and Mr. Michael Kelly:

**Re: Cancellation of Permit PR 105809**

Pursuant to Section 18(3)(c) of the *Environmental Management Act* [SBC 2003], c. 53 (the "Act"), I am cancelling Permit PR-105809 (the "Permit") held by Cobble Hill Holdings Ltd. (the "Permittee") for failure to comply with the terms of the Permit. In particular, by permit amendments made June 21, 2016, you were required to provide an updated security in the form of an irrevocable letter of credit by July 29, 2016. By my letter of January 27, 2017, I made clear my intention to cancel the Permit if the Director did not receive all of the listed items by February 20, 2017, including updated security in the form of an irrevocable letter of credit.

This security is in large measure intended to deal with closure and post closure activities that are necessary to deal with contaminated soil that has already been discharged at the site.

I have considered your letter of February 20, 2017, stating that you are currently unable to provide security because of insufficient finances. You propose instead a 15 business day delay to arrange financing and then propose that financing would only be provided conditional on lifting the suspension.

I have decided that this is not acceptable for several reasons:

- The Permittee was invited to make submissions on the cancellation of the Permit within 10 business days of my January 27 letter. However, there was no request for a delay in the deadline for security until your letter of February 20.
- The Permittee has demonstrated a pattern of making minimal or no effort to come into compliance until threatened with actions, such as permit cancellation. The Permittee has previously raised inability to pay for required measures, but has been able to pay when faced with permit cancellation.

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- The inadequacy of the cost estimates contained in the closure plan report submitted December 19, 2016, suggest an attempt to avoid payment of additional security.

In other circumstances, I might be swayed by an argument that a permittee requires more time to be able to come into compliance with a permit requirement, but given the past pattern of non-compliance and delayed compliance I am not swayed. However, in light of the above, the continued failure to comply with security requirements is not acceptable.

The cancellation of the Permit is effective immediately.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Mary Polak".

Mary Polak  
Minister