



JUSTICE
Civil Law Branch
Environmental Law Section

Environmental Law Section
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Our File No.: 1282-342
Your File No.:
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VIA FAX: 403-260-3501

August 18, 2009

McCarthy Tétrault LLP
Barristers and Solicitors
3300, 421 - 7th Avenue, SW
Calgary, AB T2P 4K9

Attention: Mr. Sean F. Collins

Dear Mr. Collins:

**Re: Concrete & Associates / Ernst & Young - Chiller Operation and
ODS Release**

I am advised by Michelle Grant of Ernst & Young that you are Ernst & Young's counsel with respect to the receivership of Concrete Equities Inc. (and associated companies).

We are in receipt of a copy of the Receivership Order (action no. 0901-11048). In particular, we have been advised of paragraph 16 of that Order which states the following:

Notwithstanding the foregoing, the Applicants shall not be required to discontinue the use of, replace, or otherwise repair or modify the chiller units located at the building known municipally as the SNC Lavalin Building, 909 - 5th Avenue, SW Calgary, Alberta, and owned by the Applicant Concrete Associates Investment Corporation as general partner of the Safeguard Real Estate Investment Fund II Limited Partnership. Alberta Environment shall be entitled to apply for a review of this paragraph 16 on not less than 7 days notice to the Applicant and the Monitor.

Please be advised that at this time, Alberta Environment is not seeking a review of this paragraph, but reserves its right to do so.

However, Alberta Environment also wishes to advise that it will be continuing the investigation of the alleged contraventions of the *Environmental Protection and Enhancement Act* and applicable regulations, in particular, those relating to unauthorized operation of the chiller and possible ozone depleting substance releases.

Also, please note that, although the Director has made no determination at this time, s. 1(tt) of the *Environmental Protection and Enhancement Act* includes as a "person responsible" any receiver or receiver

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manager of the persons described in s. 1(tt)(i) and (ii).

In addition, each day or part of a day, that the chiller is operated in contravention of the Act or its regulations is considered to be an offense of the legislation, which may result in the laying of charges, the issuance of an Administrative Penalty, or any of the other enforcement responses available to the Director.

If you have any questions or concerns, please contact me.

Yours truly,



Shannon Keehn
Barrister & Solicitor

SK/jt

cc: Sean Harris
Mark Willms
Darren Bourget