



RIVERKEEPER

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED
& EMAIL

November 28, 2006

St. Lawrence Cement - Corporate Office
1945 Graham Blvd.
Mount-Royal, Québec H3R 1H1
Canada

c/o C T Corporation System
111 Eighth Avenue
New York, NY 10011

RE: Notice of Intent to Sue St. Lawrence Cement for Clean Water Act Violations at its facility at 6446 Route 9W in Catskill, NY.

Dear Sirs & Madams:

This letter constitutes Riverkeeper's and Friends of Hudson's NOTICE OF INTENT TO SUE St. Lawrence Cement ("SLC"), as owner and operator of the facility located at or about 6446 Route 9W in Catskill, NY, for violations of the federal Clean Water Act ("CWA"), 33 U.S.C. § 1251 et seq. Specifically, this letter gives notice of our intent to seek redress for the illegal discharge of wastewater and process water from SLC's cement facility into the Hudson River at Duck Cove.

Riverkeeper protects and safeguards the ecological integrity of the Hudson River, its tributaries, and the New York City Watershed. On behalf of Riverkeeper's members, we routinely patrol the region's waters and, when necessary, file citizen suits under the CWA to prevent and remediate pollution problems. Many of our members and constituents live near and recreate in the mid-Hudson region. Friends of Hudson ("FOH"), whose address is 611 Warren Street, Hudson, NY 12534, is dedicated to ensuring a healthy, sustainable and fulfilling quality of life for the mid-Hudson region's diverse population by safeguarding public health, air and water quality, and natural habitats and species. Many of FOH's members live in the mid-Hudson region.

Pursuant to sections 505(a) and (b) of the CWA, 33 U.S.C. sections 1365(a) and (b), we intend to sue SLC for violating, and continuing to violate, effluent standards and limitations as defined by CWA section 505(f) of the CWA, 33 U.S.C. section 1365(f), by discharging pollutants into waters of the United States without a permit required under CWA section 301(a), 33 U.S.C. section 1311(a).

The CWA prohibits the discharge of pollutants from a point source to the waters of the United States except when pursuant to and in compliance with a permit.¹ See 33 U.S.C. § 1311(a); 33 U.S.C. § 1342. The Act defines "pollutant" to include chemical wastes, biological materials, rock, sand, and industrial waste discharged into water. 33 U.S.C. § 1362(6). "Point source" is defined as "any discernable, confined and discrete conveyance, including but not limited to any pipe, ditch, channel, tunnel, conduit, well, discrete fissure... from which pollutants are or may be discharged." 33 U.S.C. § 1362(14).

According to documents on the New York State Department of Environmental Conservation ("DEC") website, SLC's cement manufacturing operations at this site include quarry operations, raw material acquisition, handling and storage, raw milling, kiln operations, finish-milling, cement storage and loadout. Limestone is mined at the quarry on the west side of Route 9W. The limestone is then crushed and combined with other raw materials and water in order to form a wet slurry which is fed into the kiln. The slurry is heated in the kiln to produce clinker. The clinker is milled and blended with gypsum in a ball mill in order to produce Portland Cement. The facility produces approximately 600,000 tons of cement per year.

Water is used at your facility for the process of making concrete, cooling equipment, and washing machinery, trucks, and facility grounds. Wastewater and process water is collected on site and discharged into the Hudson River. The discharge to the river likely contains the following pollutants: rock; sand; eroded soils; cement kiln dust; turbidity; solid waste; chemical wastes; alkalinity; chloride; oil and grease; and other materials. These discharges have resulted in distinctly visible and suspended solids, distinctly visible color in the Hudson River. These conditions damage the integrity of the Hudson River and likely harm aquatic life. A diligent internet search and conversations with staff at DEC Region 4 revealed that SLC does not possess a SPDES permit for this discharge.

While flying over your facility on November 27, 2006 at around 12:00pm and again at around 2:00pm, we observed one or perhaps two point source outfalls discharging brown, turbid wastewater and process water into the Hudson River, a water of the United States, without a SPDES permit. The attached photo shows the facility and the approximate locations of the two outfalls.

The first outfall is approximately 150 yards east of the largest cluster of silos, just to the south of the jetty access road (the jetty separates Inbocht Bay to the north from Duck Cove to the south). Wastewater from the facility flows east into (or perhaps around) two, small settling ponds and then cascades down an embankment, below the grade of the main facility. The wastewater then visibly pools in the wetland area below the settling ponds, flows through the wetland grasses and stands of trees, and discharges through a series of eroded channels into Duck Cove. We observed the flows at low tide. The brown, turbid wastewater was visible in these channels and created a

¹ The State of New York was delegated authority by the Environmental Protection Agency to administer the National Pollution Discharge Elimination System ("NPDES") permit program pursuant to 33 U.S.C. section 1342(b). The State Pollution Discharge Elimination System ("SPDES") permit program is the functional equivalent of NPDES.

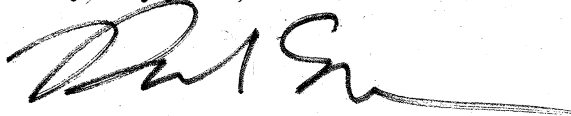
huge plume out into the Hudson River, extending at least as far east as the end of the jetty. The attached photo shows the full extent of the plume.

The second outfall is approximately 150-200 yards southeast of the largest cluster of silos. Wastewater from the facility flows out of a portal and into a wooded ravine. This wastewater discharge then mixes with the pooled wastewater from the first outfall and discharges into the Hudson River as described above.

Riverkeeper and FOH believe that this Notice of Intent to Sue sufficiently states grounds for filing suit. The discharges referenced above and SLC's failure to obtain a required SPDES permit constitute on-going violations of the CWA. Each day of unpermitted discharges without a SPDES permit comprises a series of separate violations of the CWA, with a discrete violation for each pollutant illegally discharged from each point source. SLC will remain in violation of the Act until it ceases all discharges of pollutants from these facilities to waters of the United States or obtains permits therefor. As noted in 33 U.S.C. section 1319(d) and 40 C.F.R. section 19.4, violators are subject to a civil penalty not to exceed \$31,500 per day for each such violation. At the close of the 60-day notice period, we intend to file a citizen suit under section 505(a) of the CWA against SLC as owner and operator of the above-referenced facilities for the violations discussed herein. We intend to seek penalties and injunctive relief, as well as attorney's fees and costs, for these violations of the CWA. This Notice of Intent to Sue covers all CWA violations by SLC during the five (5) years preceding the date of this letter and covers all future violations arising from its continued operations.

During the 60-day notice period, we will be willing to discuss effective remedies for the violations noted in this letter. If you wish to pursue a settlement, we suggest that you initiate those discussions within ten (10) days of receiving this notice so that a meeting can be arranged and negotiations may be completed before the end of the 60-day notice period. Please do not hesitate to contact the undersigned at 914-478-4501 x230 if you wish to discuss these matters further.

Very truly yours,



Basil Seggos
Chief Investigator

cc:

Stephen L. Johnson, Administrator
United States Environmental Protection Agency
1200 Pennsylvania Ave NW
Ariel Rios Building
Suite 3000
Washington DC 20460

Alberto R. Gonzales, Attorney General
United States Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Alan J. Steinberg, Regional Administrator
Region II
United States Environmental Protection Agency
290 Broadway
New York, NY 10007-1866

Denise M. Sheehan, Commissioner
New York State Department of Environmental Conservation
625 Broadway
Albany, NY 12233-1011

Eliot Spitzer, Attorney General
New York State Office of the Attorney General
The Capitol
Albany, NY 12224-0341

Steve Schassler, Regional Director
Region 4
New York State Department of Environmental Conservation
1150 N. Westcott Road
Schenectady, NY 12306-2014