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Mr. Scott Hassett
Secretary
Wisconsin Department of Natural Resources
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USA

RECEIVED

OCT 16 2006
OFFICE OF THE
SECRETARY

Dear Mr. Hassett:

Premier Dalton McGuinty has shared with me your letter informing Ontario of the City of New Berlin, Wisconsin's application for a Great Lakes water diversion.

We appreciate the opportunity to comment on the proposal in the context of the *Great Lakes – St. Lawrence River Basin Sustainable Water Resources Agreement*. As you acknowledge in your letter, this proposal is the first to be reviewed under the Agreement, albeit in an informal capacity since the Agreement has not yet been put into law in each jurisdiction. We recognize that an evaluation of the proposal in accordance with the new Agreement is not required at this time. Nevertheless, as the first of its kind, the proposal has the potential to serve as a benchmark against which future proposals will be measured.

Ontario acknowledges New Berlin's situation as a community straddling the Great Lakes Basin boundary and challenged by water supplies contaminated by radium. We also recognize the benefits of the proposal in achieving no net loss of Great Lakes Basin water through the treatment and return of water back to the source watershed.

In considering the "completeness of the proposal under the Annex," if we were to provide a formal review of your proposal, we would need more information in a number of areas. In particular:

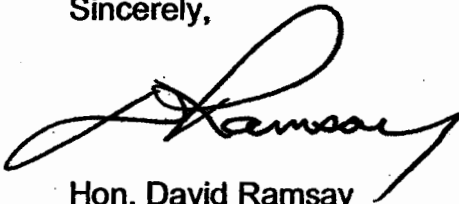
1. While some water conservation measures are being adopted, it does not appear that the City has developed or implemented a Conservation Plan. Further, the proposal does not commit to adopt additional conservation measures for the new water being requested.
2. The proposal identifies the benefits associated with replacing the current contaminated water supply with Great Lakes water and the benefits of return flow back to Lake Michigan. However, individual and cumulative environmental impact assessments do not appear to have been undertaken.

3. The proposal states that the water requested is in "reasonable quantities" based on the premise that per capita use, "unaccounted for" use, and outdoor use all meet industry standards. However, the report does not outline a description of the industry standards nor the per capita water use volumes, so we are unable to assess if your request is "reasonable".

Ontario has a great interest in making an evaluation of your proposal to withdraw Great Lakes water. As mentioned, this is a proposal that will significantly impact the manner in which future proposals are evaluated under the *Great Lakes – St. Lawrence River Basin Sustainable Water Resources Agreement*. As noted above, in order for Ontario to comment formally on your application, we would require additional information. If you wish to discuss these comments in more detail, please contact Ms. Paula Thompson, Senior Policy Advisor, Water Resources Section, Lands and Waters Branch, at (705) 755-1218 or at paula.thompson@mnr.gov.on.ca.

Thank you for the opportunity to comment on this significant proposal.

Sincerely,



Hon. David Ramsay
Minister

- c: Premier Dalton McGuinty
Lee Boushon, Chief, Public Water Supply Section, Wisconsin Department of Natural Resources
Paula Thompson, Senior Policy Advisor, Water Resources Section, Lands and Waters Branch