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April 20, 2007

Normand Castonguay, P. Eng District Manager, Landfill Operations, Eastern Ontario Waste Services (CA) Inc.

RE: Your letter of April 18, 2007

Dear Norm,

We were very pleased to receive your letter of April 18, 2007 and we remain committed to reaching an agreement with WSI that will benefit both WSI, the Friends of the Mer Bleue (FOMB) as well as the local community. The following sets out the commitments contained in your letter together with some minor clarifications in the form of an agreement. These clarifications flow from the spirit of our discussions with you and are numbered in accordance with your letter.

1. City ICI Study

The parties agree that WSI will use best efforts to work with the public advisory committee ("PAC") (see paragraph 6 below) to ensure the findings of the City's IC&I Study recommendations that can reasonably be incorporated by WSI into it's plans and operations are adopted and incorporated. For greater certainty, it is understood that the study recommendations will not be used to question the need for expansion of the Navan Road Landfill as described in Alternative 3 as described in the EASR and as described in paragraph 9 below.

2. Service Area

The parties agree that material received from outside Ottawa or Eastern Ontario is a negligible part of the receipts at the Navan Road Landfill. In keeping with this practice, and in the context of Alternative 3 as described in the EASR, WSI will request the Ministry of the Environment "(MOE") to exclude the City of Toronto from the service area for the site. However, WSI will maintain the flexibility, should unforeseen circumstances arise, to take material from areas such as Muskoka and Barrie, where WSI has existing operations. The parties understand that because of the long transport distances from these locations, it would not generally be feasible for WSI to consider accepting material from outside of Eastern Canada.

3. On-site Recycling

WSI believes that it has a good program at the site to do "last harvest" recycling. There are already provincial requirements in place for source separation and recycling of some of the material streams that WSI receives at the Navan Road Landfill and so those material streams are by definition residual waste that the generator has not identified a recycling option for. Notwithstanding the above, WSI will work with the PAC on an ongoing basis to consider enhanced opportunities to improve re-cycling and diversion at the Navan Road Landfill to work towards the diversion goals articulated by the City of Ottawa and the province.

4. Look at Alternatives to Landfill Such as Plasco

As the approved TOR did not require WSI to consider alternatives to landfill, the parties agree that WSI will not pursue gasification and/or incineration at the site in conjunction with Alternative 3 as defined in the ESAR.

5. Odour, Dust and Road Dirt

WSI has committed to several measures in the context of the current Navan Road Landfill expansion application to address the potential for off-site adverse impacts. These include the installation of an active gas collection system at the Navan Road Landfill, termination of leaf and yard waste composting and the termination of leachate trucking. The FOMB support the termination of leachate trucking and its replacement with a pipe that carries leachate directly to Ottawa's water treatment plant, as described in the ESAR.

With respect to reducing dust, WSI will improve site access and implement a best management practices plan to enhance its existing efforts to minimize dust generation at the site and dirt drag-off from the site onto Navan Road, all in consultation with the PAC.

WSI will also work with the PAC on an ongoing basis to consider other opportunities to reduce odour, dust and road dirt.

6. Public Advisory Committee (PAC)

WSI will ask the MOE to impose as a condition on the approval for the Navan Road Landfill expansion that a PAC be formed.

The PAC will be comprised of at least 6 members with two positions reserved for the FOMB as well as a representative from WSI, the MOE, the City of Ottawa, and the NCC.

The parties agree that the PAC will:

- Have access to third party expert advice as reasonably required;
- Work with WSI, the City, the NCC and other stakeholders to monitor the effects
 of the Navan Road Landfill on the Mer Bleue Bog;
- Be provided with the results of testing and monitoring respecting leachate,

- surface water, groundwater and other emissions associated with the Navan Road Landfill:
- Be provided with other key reports, documents, tests and decommissioning and closure plans associated with the Navan Road Landfill; and
- Be advised of any discussions about or amendments to the Settlement Agreement signed with the City of Ottawa if possible.

7. Addressing New Issues Arising from the EA or Detailed EPA Assessment Work

WSI is prepared to address new issues arising from the EA or detailed EPA assessment work. WSI and FOMB agree that the PAC would, to the extent these issues need follow-up in the future, be involved in monitoring WSI's progress.

8. Dispute Resolution Strategy to Resolve Issues or Disagreements between the Public Advisory Committee and WSI

WSI and FOMB agree that the PAC and WSI will develop a dispute resolution mechanism for addressing issues or disagreements that cannot be resolved. Examples of mechanisms, depending upon the issue, include assistance from the MOE, retention of a third party expert or bringing in a facilitator or mediator. Both parties would expect and hope that the need to employ these mechanisms would be low as WSI is committed to maintaining good relations with the local community.

9. No Further Expansion and Decommissioning

WSI will not seek any further expansion of the Navan Road Landfill beyond what it has applied for under Alternative 3 as described in the EASR, and will decommission the site after the expanded capacity has been reached.

On the basis of this Agreement and the conditions contained therein, FOMB agrees not to oppose Alternative 3 as described in the EASR which is WSI's preferred and smallest of the five expansion alternatives presented.

WSI will maintain sufficient financial assurance for proper decommissioning of the site in keeping with MOE requirements, community plans and input from the PAC.

10. Expand Area Covered by PVPP

WSI will include in the property value protection plan (PVPP) the properties on Mer Bleue south of Navan Road and on Grandpre, both of which are directly east of the Navan Road Landfill.

11. Other Matters

- (i) WSI and FOMB agree that any future owners and / or operators of the Navan Road Landfill will be bound by the terms of this Agreement.
- (ii) In recognition of the fact that the Village of Notre Dame des Champs (NDC) and the East Urban Community has hosted and will continue to host the Navan Road Landfill, WSI will work with the City of Ottawa, the FOMB and the PAC to identify and develop community projects to enhance and improve the community and its

If WSI is in agreement with the foregoing, please sign in the place indicated below.

Yours truly,

Jim Petrie Co-Chair

Friends of the Mer Bleue

I have the authority to bind The Friends of the Mer Bleue

Agreement

Dated: Apr. 120, 2007

I have read the above letter and agree with its terms and I have the authority to bind the company..

Normand Castonguay, P. Eng

District Manager, Landfill Operations, Eastern Ontario

Waste Services (CA) Inc.