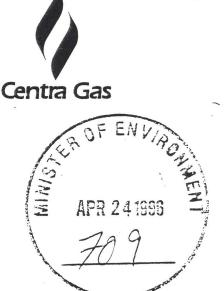
J. David Brett Vice-President, Gas Supply & Corporate Secretary

April 19, 1996

THE HON. JAMES G. CUMMINGS
MINISTER OF THE ENVIRONMENT
Room 344, Legislative Buildings
WINNIPEG, Manitoba
R3C 0V8



Centra Gas Manitoba Inc. 444 St. Mary Avenue Winnipeg, Manitoba Canada, R3C 3T7 Tel: (204) 925-0727 Fax: (204) 925-0765

Dear Sir:

RE: Sutherland Avenue Manufactured Gas Plant Site Management Plan Phase IIB Ecological Risk Assessment Report and Conclusions

As a follow up to our August 21, 1995 letter to you regarding our planned Phase IIB study which was carried out during the fall of 1995 and as part of our commitment to the manufactured gas plant site management plan for our 35 Sutherland Avenue property, I would like to inform you that a copy of the recently completed Phase IIB Studies - Soil Gas Survey and Ecological Risk Assessment of the Red River in proximity to the 35 Sutherland Avenue property has recently been provided to Mr. Edwin Yee, Manager, Contaminated Sites Dangerous Goods Section.

As well, results from these studies have also been shared with, the Manitoba Public Utilities Board, Environment Canada, and City of Winnipeg, Waterworks, Waste and Disposal Department.

Results from both studies are favourable such that we are recommending only limited monitoring work in the Red River over the next three years. The relatively small area of river sediment affected by gas plant residues and the lack of residue accumulation in fish, indicates there is no risk to human consumers. The report also concludes recreational users of the river are unlikely to come in direct contact with the residues. Furthermore, there is no measurable gas plant residue in the water column and the residues in the sediment do not appear to extend above the winter waterline, which should prevent exposure of anyone wading in the water.

Based on these findings and provided the zone of gas plant residues remains stable, the report concludes there appears to be no immediate need for remedial measures related to the sediments containing gas plant residues or their source. Should the future monitoring work continue to confirm positive results, it would be our intention to conclude with any further site assessment or remedial action associated with the river sediments or their source.

We will be in close contact with your Department and the agencies listed above regarding report findings and recommendations. Should you have any questions regarding Phase IIB, please contact Andrew Galarnyk at 925-0724 or myself at 925-0727.

Yours tr

David Brett

c.c. A.Galarnyk