

Crofton Community Advisory Forum Meeting Minutes
June 15, 2021 – Teleconference
6:00 – 8:00 PM

Forum participants:

Catalyst: Brian Houle, Steve Bird, Lana Wilhelm

Crofton and area Residents: Pat Hawkes, Garth Mihalcheon

Our mandate is to review and make recommendations to address concerns regarding environment, health, safety and other issues relevant to Crofton Mill operations and the surrounding communities that may be brought before us, and by so doing to build and maintain a solid relationship between Catalyst Paper Crofton Division and its neighbours.

1)Agenda Approval:

Due to teleconference style meeting, agenda was accepted without meeting attendees having it in front of them.

2)Minutes Approval:

Dec 8, 2020 draft minutes for approval – Approved for posting

April 13, 2021 draft minutes for approval – Approved for posting

Approved minutes are posted online at following link:

<http://www.catalystpaper.com/page/community-advisory-forum>

And as well, Paper Excellence now has web site with entire company accessible as well as a focus page for Crofton mill at following link:

<https://paperexcellence.com/>

and for Crofton specific information, you can navigate from main page – or use the following link to reach Crofton page directly

<https://paperexcellence.com/mill-location/crofton/>

3) Mill general update: (Steve Bird)

- 2021 has begun strong for mill with highest Pulp production in the first 5 months
- The period was helped by no major mill shutdowns.
- Many new employees at the mill due to retirements mostly. In total 76 new employees' year to date and expect number to be over 100 in coming months
- #3 Paper Machine restarted early this year and continues to operate
- Currently the paper machines are having runnability issues which are being worked through
- Kraft pulp market peaked with higher prices than every before, but currently downward pressure.
- Paper product pricing is improving.
- Exchange rate with \$US is big factor. As the Canadian \$ gets stronger, the mill profitability goes down.
- Capital investment into the mill is set at +\$20 million for 2021
- One investment this year is the main water line from Cowichan River.
- Major annual mill shut down has just begun and will continue through June.
- This major annual shut down includes a total mill down period to allow the work on the main water line and also on electrical equipment that can only be maintained when there is a total mill shut down.
- Power outage for the entire mill will be from Friday night to Sunday, not impacting regular day workers on Mon – Fri schedule.
- Covid remains a significant focus and more so due to the large numbers of employees at the site for major mill shutdowns.
- Work Safe BC has reviewed mill program and supports the program. Previous shutdowns have been executed without Covid issues.
- Mill water line repairs includes 6 sections of pipe that is damaged. The work to repair the damaged pipe sections is set out as 6 new pipe sections with a connection at each end.
- The 48" 15-kilometer pipe was constructed of steel and concrete while the new pipe sections, 70 years later, are made of High-Density Polyethylene – black plastic pipe.

4) Mill Environmental update: (Brian Houle)

As quarter 2 comes to an end the mill now has on record 2 non-compliance events to report, the continuing compliance issue with emissions of Chlorine Dioxide from bleach plant stacks. Amendment to air permit is now in hands of province and new permit could be issued soon.

Mill effluent treatment efficiency is excellent and is the result of ongoing improvements that have been made over the previous years. It has been 3 years since the mill experienced an issue with quality of treated effluent. The

effluent treatment system is in excellent condition as the mill begins a major annual mill shut down including both power and water outages.

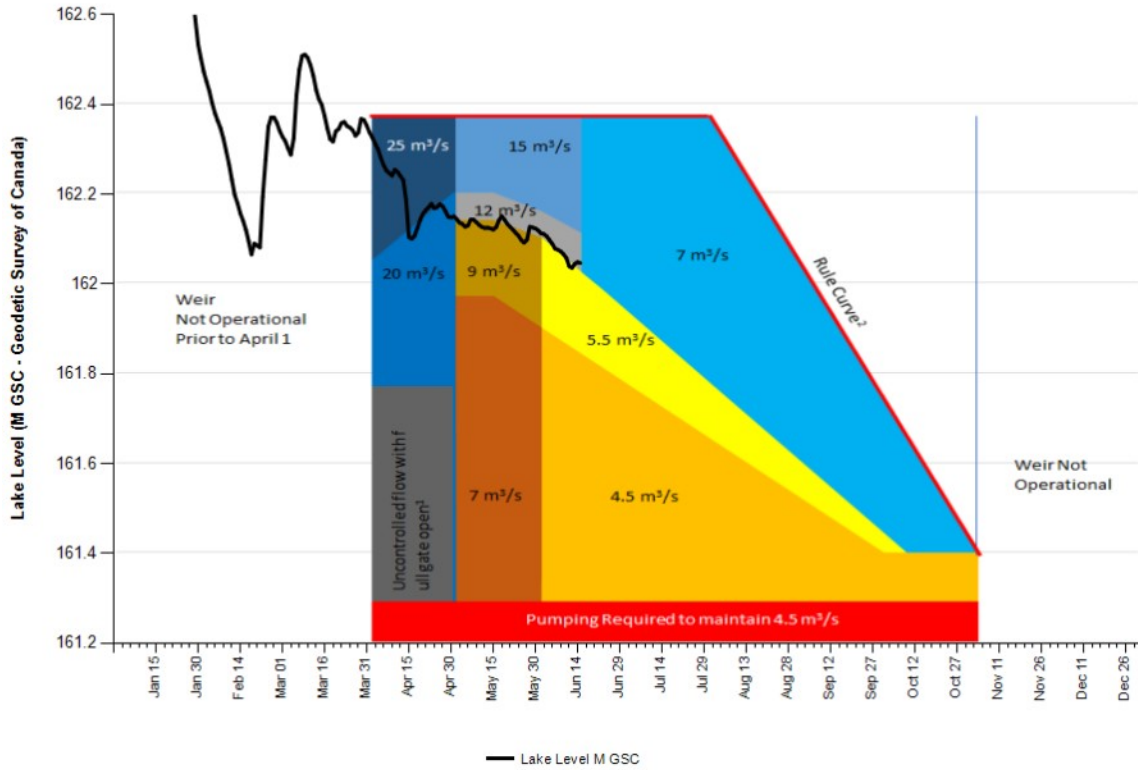
Complaints from residents had been few in recent months when first call of the year arrived on March 3. Since then there have been more calls with 6 calls in April and 3 in May and mostly due to mill odour. When there are fewer calls from residents, the reason more often relates to wind direction and ambient air conditions. The mill discharges odour continuously if operating. Prevailing wind patterns and buoyancy of hot moist air discharging from the mill helps to keep odorous emissions in the sky and not at ground level. The odours that are discharged from the mill are called Total Reduced Sulphur (TRS) and humans can detect TRS at almost zero concentration – detectable at 0.5 parts per billion (ppb). Like the gas used in Natural Gas, the TRS emitted from the Crofton mill is not hazardous at the low concentrations it is measured at within the 3 ambient air monitoring stations located in Crofton and 8 km south of the mill on shores of Quamichan Lake.

- **Cowichan Lake and River**

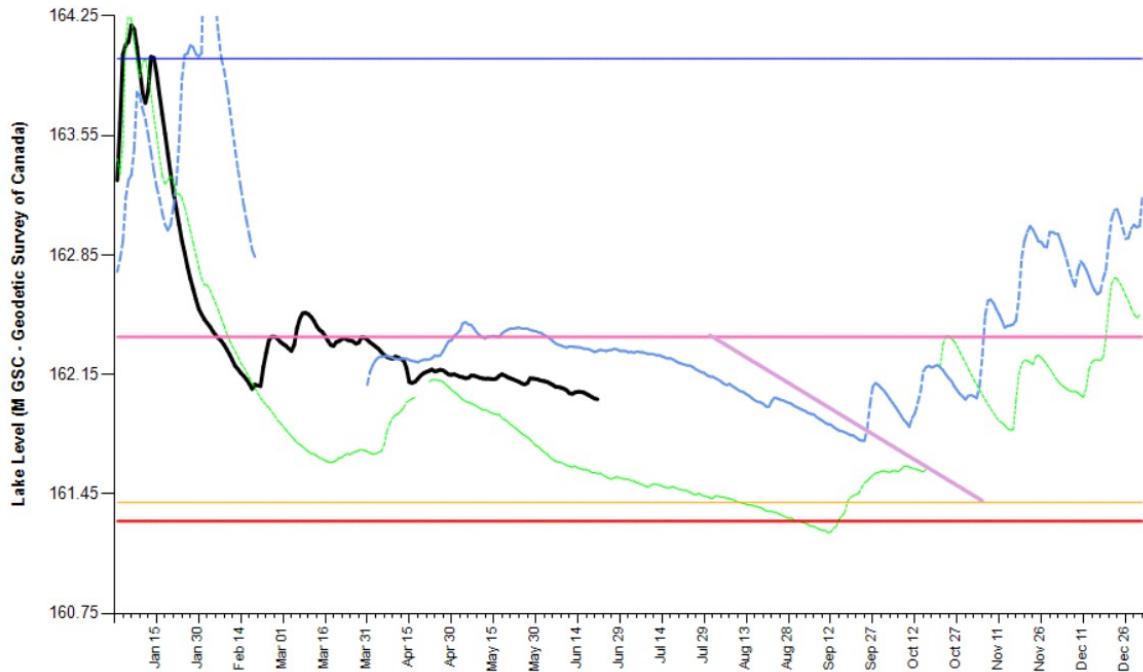
2021 conditions at Cowichan Lake are very good again this year, and similar to conditions of last year. Significant snowpack in local mountains has kept lake at about $\frac{3}{4}$ full and cooler weather has allowed snowpack to continue to melt and showing about 50% of snowpack remains to melt. Cowichan River flows have been controlled at 15 cms since May 1 and beginning on June 16 river flows from lake will be ramped down to summer base flow of 7 cms. New guide to assist decision making for river flows is shared below and shows a need to revise the guide to better reflect flow decisions when snowpack is like this year. As we exit the 15 cms ideal spring flow period and as the snow melt concludes in coming weeks, it will be apparent whether there is enough water to sustain summer base flow to the fall or if flow reductions will be needed this summer.

Put Sept 25th into your calendar. Cowichan Tribes and Cowichan Stewardship Roundtable (CSRT) are cohosting "River Day" celebrations. More details will be provided closer to the day of the event.

2021 Cowichan Lake Level and River Flow Guidance Chart - Above Average snow pack



2021 Cowichan Lake Level - 2021 (Black) & 2020 (Blue) & 2019 (Green)



5) Air Permit Amendment

Final application package is in hands of province and under review. Information sharing packages were sent to the seven local First Nations that were identified by province for this purpose. As a minor amendment, it is possible that there is no further consultation prior to the mill being provided the amended air permit.

6) Paper Excellence First Nations relationship (L. Wilhelm)

- June is traditionally an important First Nations month with national Indigenous Peoples Day on June 21.
- It is a difficult time for First Nations. Outreach to First Nations has been affected not only by pandemic closures, but to grief and healing cycle due to residential school subject. Cultural training of company leadership being provided this month to ensure more fulsome cultural understanding.
- Community and Indigenous scholarship program went very well this year. Catalyst Crofton awarded nine (9) well-deserving local secondary school students in total.
- Many great candidates stepped forward and the winners have been alerted of awards, well done to all the applicants.
- Pat Hawkes offered that she has experience with local First Nations in part from the St Anne's Church that she attends. Pat is working with local First Nations on a Willow Tree issue. A collaborative approach has been used.

7) Coordination of mill tour

Mill tour to take place on July 9th. Tour to begin at mill main office and to begin at 10:30 AM. People who will take the tour will be provided access to mill safety indoctrination program to ensure awareness of mill safety programs. Tour expected to include 4 people, Garth, Pat and two others.

8) Public Questions/Comments:

- Odour was raised as a point of discussion during Steve's overall mill update. Further discussion occurred when environmental update was provided given odour is the number 1 issue that causes residents to call the mill about.
- Request from CAF was to format agenda to discuss odour at each CAF meeting, to ensure the importance of addressing odour is kept as top priority
- Question asked by Garth; what would it take to eliminate odour releases from the mill?
- Garth commented that it can be difficult to get young doctors to the region. Odour or total reduced sulphur (TRS) emissions from the mill could be related to that as an aesthetic quality for living in this region.
- Mill response: Mill is ISO certified for environmental management. Odour is a significant aspect for the mill given calls from neighbours tend to be about odour mostly.
- Capital investment was questioned, and specifically who makes the decisions to invest capital.
- Response: The mill develops short- and longer-term direction recommendations under direction and with assistance of head office staff. Large spending at the mill includes both maintenance and capital. Capital investment into the mill ultimately is decided on by the owner of the company given the company is privately owned.
- Re-investment into the mill takes the form of regulatory initiatives, safety, environment, productivity increases, and cost reduction, etc. There are many factors to consider when planning future capital improvements for the mill. \$20 million capital has been approved for 2021.
- Request by Pat to be provided copies of the recent Qualified Environmental Professional reports that were conducted to better define if there are any impacts from the Swallowfield landfill located within the Bonsall Creek and Chemainus River estuaries. Copies will be provided.

9)- Agenda Items for future meetings:

- Cycle 8 EEM (environmental effects monitoring) summary slide deck presentation by Hatfield
- BCMOEECC to present the state of air report for most recent year issued
- 2020 ambient air report – deadline for submission to province is in June 2021.
- Quarterly Air report review

10) Meeting schedule for 2021 / adjournment

With covid restrictions easing off, it is possible that the Sept 7 meeting could be conducted face to face and in main conference room at mill. Closer to date of meeting, I will issue draft agenda with clarification of meeting location, depending on what is authorized at the time.

April 13 - Q1 meeting
June 15 - Q2 meeting
July 9 - Mill Tour (10:30 at mill)
September 7 - Q3 meeting
December 14 - Q4 meeting

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Adjourned at 7:40 PM

Minutes prepared by Brian Houle