

Environmental Liaison Committee (ELC) “A

Community Liaison Committee”

Fourth Interim Project Summary

**Submitted to Paper Excellence Canada, Northern Pulp Nova Scotia, and Ernst & Young Inc. acting as
court appointed Monitor of the CCAA proceedings October 31, 2022**

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Executive Summary

The ELC continues to operate under the Court approved mandate (Terms of Reference) with direct reporting to Ernst & Young Inc. acting as Court appointed Monitor of Northern Pulp Nova Scotia and related entities (the “**Monitor**”) while Northern Pulp (“**NP**”) is undergoing CCAA proceedings. The Monitor will consider this report as they continue with their professional responsibilities under the CCAA.

The ELC’s role is to inform the Mill transformation by:

- Reaching out to stakeholders to ensure they have an opportunity to be heard.
- Holding meetings with Northern Pulp to provide feedback from stakeholders.
- Attending NP organized presentations to stakeholders to ensure dialogue is free flowing and recorded.

To date, the ELC has met with numerous community stakeholders and received presentations to better understand the views and perspectives on the Mill of various groups and individuals. While not all stakeholders have accepted the ELC’s invitations to meet, efforts continue to ensure that all stakeholders understand the invitation remains open and the ELC would welcome their views at their convenience.

The ELC will continue to engage with the community and have plans to align its active listening and engagement sessions with those held as part of Northern Pulp’s community consultations for input into its Environmental Assessment Report.

During the period covered by this report, Northern Pulp began its extensive environmental studies related to air, light and water impacts of its transformation plan. As well, there was a significant natural disruption in September from Hurricane Fiona in the Northumberland Strait counties with most homes and businesses losing electricity for many days and much property damage occurring. The area is still recovering and efforts to re-establish normal community activities are ongoing.

This report should be read in conjunction with the ELC’s February 2020 report (the “**First Report**”), the ELC’s October 2021 (the “**Second Report**”), the ELC’s April 2022 (the “**Third Report**”).

ELC Terms of Reference (TOR)

The TOR defines the ELCs purpose as:

“To encourage that any transformation of the Northern Pulp mill (the “Mill”) be done in accordance with a manner that respects the environment (land, sea, and air) and promotes economic and social well being for its community partners, while respecting the unique cultural and traditional requirements of our Indigenous communities.”

The ELC’s October 14, 2021, Report details the objectives of the ELC.

Summary of Fourth Report Activities

Throughout the report period, the ELC met at least bi-weekly and considered many subjects to provide input to Northern Pulp and the Monitor. The main ELC activities included hosting or participating with external groups including.

- **Logging Contractor** – 3 generations of logging, discussed the impact of the mill closing on their business now and in the future.
- Woodlot Tour with **Julia and David MacMillan**.
- **Small Woodlot owner group** meeting ELC participated, recorded and de-briefed the sessions.
- **Atlantic Regional Council of the Millwright and Carpenters Union** meeting ELC participated, recorded and de-briefed the session.
- **Indigenous Relations Consultant** – provided overview of First Nations communities in NS and what reconciliation means to their community.
- **Pictou Regional Enterprise Network** discussed the impact of the mill closing on various businesses and the issues and struggles with recruiting new businesses to the area.
- **Maria Church, Reporter Canadian Forest Industries, Wood Business, Pulp and Paper Canada magazine** - article on Social License and the role of the ELC.
<https://mydigitalpublication.com/publication/?m=853&i=763130&p=48&ver=html5>
- **(Kairos Blanket Cultural Awareness Training)** – First Nations training for ELC members.
- **STFX graduate** with a BA & Science in Climate and Environment - was strongly opposed to the mill and discussed his views and opinions on the topic
- **Forestry sector meetings** in Bridgewater and Truro with 125 attending. ELC participated, recorded and de-briefed the sessions.

The ELC continues to reach out and seek presentations and information from groups and stakeholders that would be affected by the mill transformation. The following summarizes the current status of each major priority area as determined by the ELC. This Report provides reviews of five subject areas: Mill Leadership, Environment, Forestry, First Nations, and Community.

1. Mill Leadership

This subject has received significant attention in this reporting period. The ELC has seen some progress with the effort expended by Paper Excellence's transformation team led by JF Guillot who has spent a lot of time meeting with many Nova Scotians during this period. The ELC continues to advocate for further changes among mill leadership to advance the dialogue with the community.

2. Environment

Since the issuance of the First Report, the development of Northern Pulp's "Tomorrows Mill" website (www.tomorrowsmill.ca), specifically its Transformation Plan, has addressed in principle the community

issues identified by the ELC through its initial discussions with stakeholders. The reaction of the community through the EA process will be closely monitored by the ELC and reported on.

Progress has been made as the foundational “receiving water study” has begun in Pictou Harbour to assess the optimal location and suitability of the treated effluent release location. This study’s findings will help answer many of the questions the ELC has received. The ELC is discussing with Northern Pulp their plans to share the study findings with the community and stakeholder groups.

3. Pictou Landing First Nation

The ELC continues to encourage engagement with Pictou Landing First Nation (“PLFN”) to meet and discuss issues and areas of common interest. The ELC will continue to find ways to foster dialogue with this vital community partner. The ELC understands and respects the PLFN position that its primary relationship is one of Nation to Nation with the Province of Nova Scotia. The ELC continues to share information with PLFN, extend invitations to events and activities and has two seats reserved on the ELC Committee for PLFN participation should that be desirable at any time. Members of the ELC are genuinely seeking participation from PLFN either formally or informally as they are a vital part of the Pictou community and were impacted by previous decisions regarding the mill. The ELC keeps an open hand and heart to future PLFN involvement and are hopeful that as the formal EA process proceeds that PLFN will participate in many forums open to them. The ELC has availed itself of several opportunities to learn more about Indigenous perspectives during this period through direct presentations.

4. Forestry

In this period, the ELC has continued to hear concerns from the forestry sector in the community. Generally, the situation for forestry has continued to deteriorate over the last six months. There are four fundamental areas of concern that have been shared with the ELC.

Forestry Supply Chain Viability – With the uncertainty of the Northern Pulp transformation plan timing, there is concern whether the remaining forestry sector will be large enough to supply the required fiber to any pulp mill. Currently harvesters, truckers, silviculture workers, sawmill operations and woodlot owners have all been negatively impacted by the mill closure and many forestry businesses are feeling the financial pressure. There is growing anxiety and fear in the forestry sector about its ability to survive.

Bridging the Time Gap - The ELC has heard from many in forestry about options to bridge the time gap for companies to sustain themselves while the EA is underway and if successful a construction period can occur. In recent months, under the leadership of JF Guillot and NP’s Woodlands Rick Archibald, PE has been evaluating the feasibility of exporting wood fibre (chips and low-grade pulp) to France where it has a mill and at a time when the European energy and heat market has been thrown into turmoil because of the Russian invasion of Ukraine.

Lahey Report Implementation – The Province of Nova Scotia continues to advance the implementation of the Lahey Report on Crown Land and encourage Lahey forestry practices adoption on private woodlots. The difficulty is that, as the Lahey Report itself points out, the transition to ecological forestry requires a market for lower grade forest fibre to finance much of the work. The best and largest pulp grade wood and sawmill residuals market was and remains a central pulp mill like Northern Pulp.

Hurricane Fiona - Private landowners are having difficulties accessing harvesting contractors, due to the downsizing and supply chain degradation caused by the mill shutdown. There are

issues with finding viable markets for non sawlog material and species such as poplar and pine which make up a high percentage of the blow down.

5. Community

The primary role of the ELC is to ensure that community issues with Northern Pulp are heard and responded to by Northern Pulp wherever possible. There has been progress in this area with the increased publication of more information and through Q's & A's, the public dashboard, and the enhanced outreach by the project team. The Provincial government had indicated it wants to hear feedback from the community that NP has addressed any fears and concerns satisfactorily.

New efforts will include project information available at public libraries and public spaces and the creation of staffed project kiosks throughout the area.

Future Work Plan of the ELC

- The ELC will continue to meet and reassess its performance and impact on NP's activity and success in meeting its stated objectives.
- Evaluate accomplishments from previous reports.
- Restarting community engagement after covid and aligned with NP's EA workplans.
- Hire a facilitator to host public consultations and will connect the committee with-speakers who have backgrounds in environmental sciences and communication.
- Seek out and continue stakeholder and rightsholder consultations throughout the EA process.
- Receive regular updates from NP about how the company is progressing with the EA process, as well as addressing the issues submitted by the ELC.
- Local advertisements seeking contact with a new contact number set up where messages can be left, questions, input and feedback from individuals and groups in Pictou County

Recommendations and Summary Comments

The ELC continues to believe that its members can provide a valuable service to both Northern Pulp and the broader community. The ELC are the "eyes and ears" for the community acting as a liaison between the community and Northern Pulp by providing them with valuable feedback they would not otherwise receive.

The ELC ensures there is an appropriate and timely response by Northern Pulp to issues raised. This will enhance the reputation of the ELC in the community as an independent and transparent committee of interested participants to ensure any transformation of the mill is done in a manner that is reflective of the community's wishes and safe for our environment.

In the period covered by this report, the ELC would like to make the following recommendations for consideration by Northern Pulp, the Monitor and the Province of Nova Scotia that may help guide their future choices and conduct.

1. **There is urgency to the mill uncertainty.**

There is no time for never-ending and murky processes. The livelihoods of forestry families and businesses are being eroded with each passing day. Meanwhile, the ELC also hears from other

citizens that are enjoying the “peace and serenity” of the mill not operating. Sadly, the continued mixed feelings can only be overcome by good, solid information and through the building of trust between parties.

2. **The public wants informed; responsible action taken by Government.** The ELC does hear from citizens that the Provincial Government may be indifferent to the outcome of this process. Individuals, organizations, and companies have a right to have their positions heard and considered by their elected representatives.
3. **Encourage best efforts at the mediation table by all parties.** The ELC is not directly involved in the court-ordered mediation process but continues to encourage all the parties to participate with best efforts. There are many livelihoods and perspectives dependent on those efforts.