

GENERAL DIRECTORATE OF STRATEGIC ENVIRONMENTAL ASSESSMENT

Answers to supplementary questions regarding the proposed wood pellet production plant by Rentech Inc.

Directive 3214-23-005

Presented to the Review Committee (COMEX)

Minister of Sustainable Development, Environment and the Fight against Climate Change (MDDELCC)

By



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Introduction

RENTECH Inc. is pleased to present this document as a follow up to the Environmental and Social Impact Review Committee (COMEX) regarding its proposed wood pellet plant on the Eeyou Istchee James Bay Territory.

This document provides answers to supplementary questions contained in Directive 3214-23-005 that specifically relate to the RENTECH-CHAPAIS project.

In recent months, RENTECH has been active on several fronts to finalize the development of its project. With respect to engineering, RENTECH retained the services of a consortium of engineering consulting firms LCO, EXP, and Nexus (L-E-N) to further define the general design of the plant and to improve its process engineering. We are now better positioned to adequately address questions raised in Section 1.1 – Description of the Project. The work done in recent months by L-E-N has also supported the promoter in completing the final plans that will ultimately be sent to all bidders. To this end, we believe that a tendering process for plant construction (turnkey) will lower the risk profile of the project and achieve optimum cost control.

You will also find supplementary information on the benefits and impacts of the project, which are listed and discussed in Section 1.2 – Impact of the Project.

The development of the "Basis of Design" also led RENTECH to retain the services of EGS Ecosolutions to adapt the air dispersion modeling approach that was submitted previously. We believe that the results of the analysis will meet the expectations and requirements of the MDDELCC and the Review Committee. Appended are the atmospheric modeling report and the dust management plan produced by EGS for this project. The dust management plan describes the main potential sources of diffuse particles resulting from operations at the site, the causes and/or conditions that contribute to increased particulate emissions, means of mitigation, and monitoring measures put in place. Modeling results and analysis of nonpoint sources are explicitly presented in Section 1.3 – Atmospheric Dispersion Study.

On the community level, consultations and information sessions were held last spring with the various communities and First Nations peoples directly or indirectly affected by the project. The findings are discussed in detail in Section 1.4 – Consultation with Communities.

1.1 Description of the Project

Note: The promoter is submitting its answers to questions 1–7 following improvements made to the "Basis of Design" at this stage of the process. Various process diagrams can be found in Appendix 1.

QC-1. The promoter shall indicate the number of hours per day, days per week, and weeks per year that the plant will be in operation.

At its full potential, the plant will operate 24 hours a day and 7 days a week. According to our forecasts, and taking into account maintenance periods, the plant will be in operation 317 days per year, or the equivalent of approximately 45 weeks per year (about 87% of the time or 7,600 hours per year).

QC-2. The promoter shall indicate the hourly nominal capacity (MT/h) of pellet production by the plant.

Based on a nominal output of more than 300,000 metric tons (MT – 5% moisture) and 7,600 hours of production, the plant will have an hourly nominal capacity of 45 MT of wood pellets/hour.

QC-3. The promoter shall indicate if fossil fuel booster will be used in the bark furnace. If necessary, it shall specify the type of fuel used and its calorific value.

There is no planned use of fossil fuel booster in the bark furnace. Only bark and other wood residue will be used as fuel for producing the heat required for the process.

QC-4. The promoter will indicate the power rates (MT/h) of each of the different materials (wet woody material to be dried, wet bark used as fuel, etc.) introduced in the industrial furnace during operation at its nominal production capacity, excluding liquid and gaseous fuels as well as air.

The maximum feed rate of timber as fuel (wet bark, wood residue, and dust) is estimated to be 11.8 MT/h at 50% moisture (wet basis). According to the primary production plan, this value will realistically be 9.6 MT/h.

The maximum feed rate of the process woody material (bark, wood chips, shavings, and wet sawdust) is estimated to be 80 MT/h at 47% moisture (for a nominal output of 45 MT/h). The realistic feed rate will be approximately 67.5 MT/h based on the design scenario.

QC-5. The promoter shall indicate the production rate (MT/h) of dried woody materials when the industrial boiler is operating at nominal capacity.

Based on the nominal capacity of the granulators, the production rate of dried woody material at the exit of the drier is estimated to be 47.5 MT/h.

QC-6. The promoter shall specify the type and technical characteristics of the scrubber that will be installed to purify the combustion and drying gases of the industrial oven.

The most recent emission analyses and estimates related to the project indicate that a scrubber must be installed to purify the combustion and drying gases of the industrial oven, this in order to meet emission standards in effect in Quebec (according to the *Clean Air Regulation of the Environment Quality Act*). More specifically, the installation of a wet electrostatic precipitator is planned. It would be premature, however, to determine the exact technical characteristics of such equipment at this stage of the project. The promoter intends to provide this information to MDDELCC when it submits its application for environmental authorization. Indeed, the installation of such equipment is governed by Section 48 of the *Environment Quality Act*, and it is at that stage that the technical characteristics and performance of the equipment will be analyzed.

QC-7. Regarding the access road to the plant site, the promoter must provide the following information: Location of the road; length and width of the road; type of environment through which the road will be built; presence of rivers and need to build culverts; estimate of the granular material necessary for road construction, and source of the granular material.

Note: Please refer to Figure 1 – Aerial view of the site and access roads

Rentech-Chapais intends to use an existing road (blue line) adjacent to the Barrette-Chapais facilities to access the new plant site. The plant site, in yellow, will be accessible a short distance from Route Qc-113 and the access road will cross a Canadian National (CN) railroad track (black line) as shown in the following figure. The promoter intends to comply with the railway safety standards in effect in the vicinity of the railroad crossing and the loading area. This aspect will be discussed in detail with CN representatives during finalization of the logistics agreement. Moreover, instructions to drivers and staff will also be provided during the implementation of the occupational health and safety program.

Please note that no new additional access roads will be built to access the new Rentech-Chapais plant.



Figure 1 – Aerial view of the site and access roads

1.2 Impact of the Project

QC-8. The promoter indicates that the construction of the pellet plant will invest nearly \$70 million in the region, in addition to creating new jobs. It shall provide a summary assessment of the local economic impacts of the project and show how it intends to work with local communities in order to maximize benefits. The promoter shall also describe the types of jobs that will be created (along with necessary qualifications) during the construction and operational phases.

The local economic impact of the Rentech-Chapais pellet plant project will be a tremendous asset for the region of Northern Quebec. Indeed, the regional forest industry will greatly benefit from this new model of residual wood fiber use, which ensures the stability of the sub-product purchases over the long term. As was mentioned to the COMEX in an earlier submission, the business model is based on the distinctiveness of the industrial pellet market: long-term contracts with (thermal) electricity producers. That being said, the summary assessment of local economic benefits allows us to identify several positive impacts.

First, the immediate Chibougamau-Chapais area will especially benefit in the long term from advantages related to the sustainability of current sawmill operations in the area. Indeed, the sale of related sawmill products remains a key driver of the economic model of the sawmill industry. There are many examples of wood processing plants that were unable to ensure their survival after the collapse of related product markets—including recent pulp and paper mill closures across Quebec and the impact the closures have had on the already precarious state of sawmill residue markets. Consider also the tens of thousands of jobs lost since the onset of the forestry crisis over the past 15 years.

Market analysts and experts in the field now agree that the industrial structure of the primary processing sector in Quebec will require renewal in the coming years to ensure its viability. Indeed, the Quebec Government, as early as 2012 as part of its 2012-2017 Strategy to Transform Québec's Forest Products Industry (<http://www.mffp.gouv.qc.ca/english/publications/forest/understanding/fiche-strategie-2012-17.pdf>), noted the difficult market conditions in the sector and the need to take initiatives to "diversify, innovate and adjust." Indeed, Clément Gignac, former Minister of Natural Resources and Wildlife and Minister responsible for the Plan Nord, stated that it was important to make the most of forest resources by accessing new markets that provide opportunities for the future of the wood product and pulp and paper manufacturing sectors, as well as for the bioenergy sector. Specifically, we believe that the production of wood pellets, a product that adds value to sawmill residue, fits perfectly with the goal of innovation and actively contributes to the elimination of market uncertainties in Northern Quebec.

That said, the viability and stability of several hundred jobs are now associated with this new plant project. And of course, these jobs contribute directly and indirectly to the economic vitality of several neighboring communities (wages paid to employees, purchases of equipment and machinery, transportation, and fuels, etc.).

The creation of new jobs will have a significant positive economic impact in the local area. We currently estimate that over a period of 20–24 months some 200 jobs will be created during the plant construction phase (including engineering and management services). Meetings with representatives of local communities have allowed us to establish a dialogue regarding this matter, and we are committed to asking bidders to justify the use of resources from outside the regional territory. We believe that local construction firms will benefit from the tendering process related to the different stages of the project.

In addition to the construction of the plant, local economic benefits of the project will extend over the long term, in particular by ensuring the creation of approximately 100 new quality jobs (directly and indirectly). Moreover, the promoter intends to promote the hiring of employees residing in the region, and local resources will be utilized to support the process (for example, Emploi Québec and other local development centers). Hiring in the wood pellet producing operations alone should result in direct annual wages of nearly \$2 million.

A wide range of jobs and qualifications will be required. As a guide, here is a summary assessment (Table 1) of responsibilities and qualifications required of key personnel working at the new wood pellet factory. Please note that a comprehensive hiring program will be developed by the promoter within the next few months, once the various authorizations are delivered.

Types of employment	Overview of required qualifications*	Overview of tasks and responsibilities*
Management	<ul style="list-style-type: none"> ▪ University degree in engineering or forestry ▪ Significant management experience in the wood product manufacturing sector of process engineering ▪ Exemplary sense of organization ▪ Excellent interpersonal skills, personnel management, analysis, and problem solving ▪ Excellent performance management skills ▪ Communication skills (verbal and written) ▪ Computer literacy 	<ul style="list-style-type: none"> ▪ Plan and coordinate daily plant operations and yield assessments ▪ Personnel management ▪ Provide leadership in occupational health and safety ▪ Monitor costs and performance targets
Operations	<ul style="list-style-type: none"> ▪ Secondary or post-secondary education in a relevant field and/or related experience according to the type of employment ▪ Experience working in a plant an asset ▪ Impeccable history regarding occupational health and safety ▪ Ability to drive motorized equipment (forklifts and/or transport vehicles) ▪ Ability to meet production targets ▪ Ability to work in a team, communicate with all levels of the organization, and adapt quickly to change ▪ Ability to identify problems and take effective corrective measures ▪ Impeccable work ethic, good judgment and decision-making skills ▪ Ability to work shifts ▪ Some IT knowledge an asset 	<ul style="list-style-type: none"> ▪ Participate in occupational health and safety initiatives ▪ Participate in daily plant operations and ensure the achievement of weekly production targets ▪ Monitor the performance of equipment (power plant (dryer and granulators), conveyors, interim storage sites, coolers, loading and logistics, etc.) ▪ Assist with equipment maintenance and plant operations ▪ Participate in control and quality initiatives: sampling and laboratory testing
Maintenance personnel	<ul style="list-style-type: none"> ▪ Professional or junior college degree in the appropriate field ▪ Competency cards and valid work license (according to the trade) ▪ Minimum of 3 years of experience in an industrial environment ▪ Basic knowledge of management skills or related mechanical systems ▪ Excellent analytical and problem solving skills ▪ Impeccable history regarding occupational health and safety ▪ Organizational skills ▪ Basic computer skills 	<ul style="list-style-type: none"> ▪ Responsible for maintenance and repair of main plant equipment (electricity, mechanical, etc.) ▪ Participate in occupational health and safety initiatives ▪ Participate in daily plant operations and ensure the achievement of weekly production targets ▪ Collaborate with maintenance supervisor to

	<ul style="list-style-type: none">▪ Ability to work shifts	ensure optimum equipment performance and efficiency of maintenance activities (electrical and mechanical)
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**The level of qualifications and responsibilities may vary according to the position*

As for environmental issues and the fight against climate change, the project will have several positive qualitative and quantitative effects on greenhouse gas (GHG) emissions. Indeed, the purpose of the project is to produce a renewable fuel (dried wood pellets) that will be used in boilers to produce heat and steam, mostly by replacing diesel fuel, coal, or natural gas. Substituting these types of fuel with a renewable resource will generate a significant net reduction of GHG emissions.

It should be noted that the concept of carbon neutrality regarding total CO₂ emitted by burning wood is sometimes disputed, because it can vary depending on the context (fuel production, source of wood, fuel usage, etc.). Certain aspects of the project will, however, help reduce the impact of the project and maximize the net reduction of greenhouse gas emissions:

- A very large proportion of the raw material is generated by an existing sawmill (sawdust, wood chips, and shavings) located nearby: transported by a conveyor, the residue is valorized a few meters away rather than several hundred kilometers away;
- The majority of energy required for drying will be produced using bark and dust collected within the plant itself;
- Several pieces of equipment in the plant consume large quantities of electricity. However, GHG emissions associated with electricity produced in Quebec are extremely low when compared those of the rest of the planet;
- The finished product will be transported by train to the Port of Quebec, which is more efficient than transporting it by truck;
- All transfer of material within the plant will be carried out by electric conveyors;
- Recirculating hot air and properly managing the size of particles that enter the dryer will reduce energy requirements and improve drier control (reduction of organic emissions).

Finally, almost 100% of operational purchases such as electricity, wood fiber supply, fuel, and other consumables (except machinery parts manufactured elsewhere) will be made locally. Moreover, the vast majority of sales will be outside the province of Quebec.

QC-9. In the document provided by the promoter, it is stated in response to Question 10 that "the valorization of forest biomass, which consists in harvesting branches left in cutting areas, could be developed in order to ensure extra supply to the cogeneration plant." The promoter shall indicate if Rentech-Chapais intends to develop this new avenue. It is also stated that "Barrette-Chapais Ltd. confirms that it will be able to maintain the contractual obligations of the cogeneration plant." Is Barrette-Chapais Ltd. referring to the Oujé-Bougoumou plant? Will the arrival of Rentech-Chapais impact the price of sawdust?

As stated in previously-filed documents, the supply agreement signed by the parties emphasized that the vast majority of wood fiber supply required to manufacture pellets at the Rentech-Chapais plant will come from by-products of Barrette-Chapais Ltd. However, in the event that additional volumes of fiber

are required, BCL could obtain supply from existing markets or from forest biomass obtained from harvest sites.

As to its commitments, Barrette-Chapais Ltd. has contractual agreements with the thermal plant in the community of Oujé-Bougoumou (sawdust) and with the Chapais-Énergie cogeneration plant (bark). Barrette-Chapais Ltd. intends to continue its collaboration with the Oujé-Bougoumou community with regard to its sawdust supply, and no impact is expected on available quantities. As for Chapais-Énergie, Barrette-Chapais Ltd. must respect its contractual obligations and will utilize all means at its disposal to do so. Barrette-Chapais Ltd. is involved in private business arrangements and will ensure to maintain the reputation it has established.

1.3 Atmospheric Dispersion Study

Note: Following the reception of questions regarding the atmospheric dispersion study that was originally filed, Rentech retained the services of a consultant in Quebec to adapt its approach to the requirements and expectations of the MDDELCC. A modeling study (Appendix 2) and the Fugitive Dust Management Plan (Appendix 3) produced by Denis Dionne for this project are attached to the present document.

It should also be noted that the design of the project has been refined. As a result, details and sources are not exactly the same as they were when the first modeling report was filed. The following is additional information regarding our responses to issues that were raised.

QC-10. Fugitive dust emissions from the site (unpaved traffic areas, storage areas, building leakage) as well as other sources of emissions have been deemed not significant and have not been included in the atmospheric dispersion study. This choice was justified by the implementation of a fugitive dust management plan. The promoter shall present this plan. In addition, to justify its decision to not consider sources EP06 (bark grinder), EP16 (pellet storage container), and EP17 (ash storage container), the promoter shall indicate the rate of flow (m³/s) and the vertical upward speed (m/s) of gases vented into the atmosphere and the emission rate (g/s) of particles.

A management plan is now available and is included herein as Appendix 3: *Plan de gestion des poussières diffuses, Rapport 021-024B Version Finale, 8 octobre 2015* (Fugitive Dust Management Plan, Report 021-024B Final Version, October 8, 2015)

The status of several sources previously identified as fugitive sources has changed as a result of the new "Basis of Design." Storage facilities for pellets and shavings no longer have an air extraction system. In

addition, the site now has a single building that houses all processes (in addition to storage buildings). Equipment that generate dust is connected to cyclone collectors leading to a central processing system (bag filter)

Ash management is now done in wet form.

The modeling study entitled *Étude de la dispersion des émissions atmosphériques, Projet d'usine de production de granules de bois, Rapport 021-024 Version Finale, 9 octobre 2015* (Atmospheric Dispersion Study, Wood Pellet Production Plant Project, Report 021-024 Final Version, October 9, 2015) presents the updated project in Appendix 2

QC-11. In its Atmospheric Dispersion Study, the promoter shall consider sources EP01, EP03, and EP04.

Please refer to the previous answer. The modeling report presents the updated project. The design and various stages are now clearly described in the "Basis of Design" document.

The list of sources having emissions into the atmosphere and that have been retained for modeling is presented in Table 2-3 of the report and Table 2-8 shows the method used for estimating rates and justification for any exclusions.

QC-12. The emission of acrolein from the bark furnace as well as the emission of PM2.5 for all significant sources of the plant shall be modeled.

The approach used for estimating emission rates is mainly based on the one presented in the document prepared by Envirochem titled "Emissions and Air Pollution Controls for the Biomass Pellet Manufacturing Industry." The original information sources cited in the document have been retrieved and consulted. Each reference used is presented in the list of references and is accompanied by an Internet link to it.

Section 2.5 of the report details the approach used for estimating emission rates for each source. Acrolein and several other compounds are modeled (contaminant results are presented with and without standards or criteria) in Section 3.

QC-13. For each contaminant and each emission source (Tables A1, A2, A3.1, and A3.2 of the Atmospheric Dispersion Study), the promoter shall transmit reference documents (or Internet links) regarding emission intensity and detailed calculations of emission rates.

Section 2.5 of the report details the approach used for estimating emission rates for each source.

Section 5 provides references and Internet addresses for consultation purposes.

QC-14. It is mentioned that the 09292 version of AERMOD was used to perform the atmospheric dispersion study. AERMOD has been updated several times since the publication of version 09292. The promoter shall update its atmospheric dispersion study with the latest version of AERMOD (14134 or later, if any).

Section 2.2 presents the general approach and model that were used. The latest version of AERMOD (15181) was used via the AERMOD View interface (version 9.0.0) developed by Lakes Environmental. The default options (regulatory) were selected.

QC-15. The promoter shall present an image showing the calculation grid that it used and shall also specify the size of the size of the grid mesh.

Section 2.6 presents the modeling domain, the mesh of receivers used, and the discrete receivers that were considered (in the form of tables and figures).

QC-16. Regarding weather data, the modeling report mentions that "The MOE local meteorological data (5 years) that is applicable for the site and its surrounding land was used." The promoter shall identify the meteorological station from which the data was gathered and define the surface characteristics (albedo, Bowen ratio, and roughness) that were used for processing the data. Furthermore, the modeling report shall present the wind rose and a table showing average monthly temperatures. This information will help determine if the proposed meteorological data are representative of the study site (Chapais).

Section 2.8 presents the meteorological data used and the treatment method. Because the available data for the Chapais-Chibougamau airport, located about 13 km from the project, were incomplete (cloud cover not measured and a significant amount of data missing) and following a series of email messages and discussions with Gilles Boulet of the MDDELCC, it was agreed that the use of data generated from the MM5 model would be preferable.

The data were generated by Lakes Environmental for a location near the center of the project. These cover a period of five years, from January 2010 to December 2014. The location of the dummy station (in degrees) is 49.785867 N and 74.717369 W. Section 2.8 provides an analysis of the data and a comparison with airport data and climate normals.

QC-17. The promoter shall refer to the document “Normes et critères québécois de qualité de l’atmosphère” (Quebec air quality standards and criteria) available on the MDDELCC website at <http://www.mddelcc.gouv.qc.ca/air/criteres/Normes-criteres-qc-qualiteatmosphere.pdf> for the standards and criteria identified in Table A3.3. Furthermore, this document contains the initial concentrations (or pre-project concentrations) to be considered. This value is crucial in that the site is adjacent to the Barrette-Chapais sawmill. It is not clear in Table A3.3 that the modeled maximum concentration includes the initial concentration. Thus, Table A3.3 shall show, for each contaminant modeled, the modeled maximum concentration (1), the initial concentration (2), the resulting concentration (1+2), the criteria or standard, and the comparison of the resulting concentration with the corresponding criteria or standard.

Section 2.5 of the report presents the contaminants that were considered as well as applicable criteria and standards. The information was extracted from the “Guide Version 4, MDDELCC, 2015.”

The modeled concentration for emission sources was added to the initial concentration for comparison with standards or criteria, with the exception of particles near the project where an alternative approach is proposed and justified in section 2.5.1.

QC-18. In order to validate the dispersion study, the main results of the modeling shall be presented in the form of concentration isoline maps. The following maps must be presented: maximum daily TPM concentrations, maximum daily PM2.5 concentrations, peak concentrations (15 minutes) of formaldehyde, and any other contaminants with concentrations approaching atmospheric quality criteria and standards. The maps shall also show the limit of application of the Clean Air Regulation. According to Section 202 of Clean Air Regulation, atmospheric quality criteria and standards apply "off the limits of the property occupied by the source of contamination and off a sector zoned for industrial purposes or in a buffer zone adjacent to such a sector, as established by the competent municipal authorities."

Section 3 presents the results for all contaminants in the form of tables, with or without standards or criteria (for maximums and impact at two discrete receivers). Figures are shown in Appendix A.

The conversion of results to 4-minute and 15-minute averages was carried in conformity with the approach presented in the MDDELCC modeling guide.

The area considered to correspond to an industrial zone is presented in section 2.1.1.

1.4 Community Consultation

QC-19. The promoter shall indicate the steps it has taken to approach the communities of Chapais, Chibougamau, Oujé-Bougoumou, Waswanipi, and Mistissini in order to present the project. In addition, it shall present the concerns raised by these communities, where applicable, as well as any changes made to the project to address these concerns.

Consultations were held in April 2015 with the five communities of the Eeyou Istchee James Bay Territory that are, directly or indirectly, affected by the wood pellet plant project. The mayors and municipal council members of Chapais and Chibougamau, as well as aboriginal chiefs and band council members of Oujé-Bougoumou, Waswanipi and Mistissini were met (see following list) during discussion sessions held in their communities.

List of people met:

Oujé-Bougoumou (April 22, 2015)

- Reggie Neeposh, Chief
- Randy Bosum, Deputy Chief
- Sam R. Bosum, Council Member
- Margo M. Cooper, Council Member
- Lance Cooper, Corporate Secretary
- Paul Wertman, Councillor
- Nathaniel Bosum, Director of Economic Development
- Adario Mastly, Environmental Manager

Waswanipi (April 22, 2015)

- Marcel Happyjack, Chief
- Mandy Gull, Deputy Chief
- Stephen Blacksmith, Director of Natural Resources

Mistissini (April 27, 2015)

- Richard Shecapio, Chief
- Gerald Longchap, Deputy Chief
- Maggie M. Spencer, Council Member
- William Macleod, Council Member
- Jerry Matoush, Council Member
- Lucy Trapper, Council Member

Chapais (April 27, 2015)

- Steve Gamache, Mayor

- Roxanne Tremblay, Council Member
- Guy Lafrenière, Council Member
- Lucie Tremblay, Council Member
- Denise Larouche, Council Member
- Jacques Fortin, Council Member

Chibougamau (April 27, 2015)

- Manon Cyr, Mayor
- Daniel Bergeron, Council Member
- Jerry Poirier, Council Member

The objectives of these meetings were, firstly, to present to the various communities the expected social, economic, and environmental impacts and issues of the proposed pellet plant project; and, secondly, to establish a dialogue with local communities. A visual presentation (PowerPoint) was specially produced for each meeting.

Firstly, it should be noted that participants from the various communities voiced a wide range of questions and comments. All participants, however, recognized the importance of maintaining sawmill operations and jobs in the area in order to preserve the economic vitality of the region. Sawmills in the area are on the frontline of the issue as they are currently facing the impact of the decline of the pulp and paper market, the main recipient of by-products (sawdust, shavings, chips, etc.) from Quebec sawmills. Faced with cyclical and structural problems, the traditional sawmill industry must refocus to ensure the sustainability of its operations. The pellet plant project represents a viable alternative in this direction with respect to the management of mill residue.

The many jobs that depend on the plant activities contribute greatly to the vitality of both municipalities that were met (60% of plant workers live in Chibougamau while the other 40% live in Chapais). The new wood pellet plant project adjacent to the sawmill was seen as an asset by the communities, especially in terms of job creation and regional economic development. The project aims to strengthen the structure of the forestry industry in Northern Quebec and enable the creation of nearly 100 new jobs (direct and indirect) in the long term.

The First Nations representatives that were met asked the promoter to present the project at information sessions that would be open to the entire community. It was agreed that this approach would be undertaken once the project was confirmed. At the request of the heads of the Oujé-Bougoumou and Waswanipi communities, Rentech and Barrette-Chapais representatives met professional trappers, David Mianscum of Oujé-Bougoumou and Raymond Dixon of Waswanipi, on July 3rd to explain the project to them and to address any concerns they may have. The trappers are immediate neighbors of the proposed plant and are recognized by their communities as being responsible for the judicious and sustainable use of natural resources on their traditional hunting, fishing, and trapping grounds.

Again, it was emphasized at these meetings that the cumulative environmental impacts of the project on the quality of hunting, trapping, and fishing will be minimal and should, at no time, have a negative impact on either quality of life or the ability to practice traditional activities on the territory of the communities. The most frequently issue raised was whether or not there would be employment opportunities for youth of the community. Representatives of both companies have taken note of this concern.

To this end, the promoter recognizes the diverse ethnological characteristics of the population, including the Cree workforce, and has reaffirmed its desire to provide opportunities for local communities in terms of job creation and the use of local entrepreneurs. To do this, the promoter intends to adapt to the regional characteristics of Northern Quebec and to initiate discussions with local stakeholders in order to maximize the positive impact of the project.

Various stakeholders consulted expressed an interest in better understanding the potential impact, if any, that the arrival of a new player in the by-product market (including bark) would have on the Chapais-Énergie thermal plant. Accordingly, representatives of Barrette-Chapais, one of the current suppliers of the thermal plant, reassured stakeholders of their objective to fully respect their contractual responsibilities towards Chapais-Énergie. Moreover, it was clearly stated that the matter was a private business agreement between two parties and that it was therefore understandable that negotiations would not take place in public.

Appendix 1 – Plant and Process Diagrams

Appendix 2 – Atmospheric Dispersion Study

Appendix 3 – Fugitive Dust Management Plan