



This is Exhibit 7 referred to
in the affidavit of John Stubbart, P.Eng.
sworn before me on the 27th day of
August 27, 2010.

Denyse F Smart
Denyse F Smart
A Commissioner of oaths
Being a Solicitor

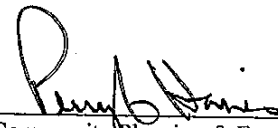
APPROVAL TO OPERATE

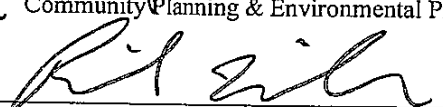
I-7139

Pursuant to paragraph 8(1) of the *Water Quality Regulation - Clean Environment Act*, this Approval to Operate is hereby issued to:

BOWATER COUTURIER INC.
for the operation of the
Baker Brook Solid Waste Disposal Facility

Description of Source:	WOOD WASTE DISPOSAL FACILITY	
Source Classification:	Fees for Industrial Approvals Regulation - Clean Water Act	Class 1B
Parcel Identifier:	35024975	
Mailing Address:	1155 rue Metcalfe Suite 800 Montreal, QC H3B 5H2	
Conditions of Approval:	See attached Schedule (s) "A" and "B" of this Approval	
Supersedes Approval:	I-5098	
Valid From:	July 01, 2010	
Valid To:	June 30, 2015	

Recommended by: 
In Community Planning & Environmental Protection Division

Issued by: 
Minister of Environment

July 6/10.
Date

SCHEDULE "A"

A. DESCRIPTION AND LOCATION OF SOURCE

The Bowater Couturier Inc. wood waste disposal facility, identified with PID 35024975 and located on the Belmont Road, in the Parish of Baker Brook, County of Madawaska and the Province of New Brunswick, is hereby approved subject to the following Terms and Conditions:

B. DEFINITIONS

1. **"Minister"** means the Minister of Environment and includes any person designated to act on the Minister's behalf.
2. **"Department"** means the New Brunswick Department of Environment.
3. **"Director"** means the Director of the Impact Management Branch of the Department of Environment and includes any person designated to act on the Director's behalf.
4. **"Approval Holder"** means BOWATER COUTURIER INC.
5. **"Approved", "Approval" and "Director's Approval"** means approved by the Department or the Director, in writing, unless otherwise stated.
6. **"Inspector"** means an Inspector designated under the *Clean Air Act*, the *Clean Environment Act*, or the *Clean Water Act*.
7. **"Facility"** means the property, buildings, and equipment as identified in the Description of Source above, and all contiguous property in the title of the Approval Holder at that location. Notwithstanding the above, this Approval deals mainly with the portion of the property that was previously used for the disposal of solid waste from the Bowater Couturier Inc. mill, including but not limited to:
 - 1) The leachate collection system;
 - 2) Leachate treatment constructed wetlands and associated manholes, pumps, piping and potential discharges;
 - 3) Leachate pumps, controls and building;
 - 4) Leachate holding tanks and associated piping;
 - 5) Various mobile equipment including excavators, trucks, compactors and loaders;
 - 6) The disposal cells;
 - 7) Access roadways.

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8. "normal business hours" means the hours when the Department's offices are open. These include the period between 8:15 a.m. and 4:30 p.m. from Monday to Friday excluding statutory holidays.
9. "after hours" means the hours when the Department's offices are closed. These include statutory holidays, weekends, and the hours before 8:15 a.m. and after 4:30 p.m. from Monday to Friday.
10. "statutory holiday", for the purpose of this approval, means New Year's Day, Good Friday, Easter Monday, Victoria Day, Canada Day, New Brunswick Day, Labour Day, Remembrance Day, Christmas Day and Boxing Day. If the statutory holiday falls on a Sunday, then the following day shall be considered to be the statutory holiday.

C. TERMS AND CONDITIONS

GENERAL CONDITIONS

11. This Facility has been classified as a **Class 1B** source pursuant to the *Fees for Industrial Approvals Regulation 93-201* filed under the *Clean Water Act*. The Approval Holder shall pay the appropriate fee **on or before April 1 of each year**.
12. The Approval Holder shall operate the Facility in compliance with the *Water Quality Regulation - Clean Environment Act* of the Province of New Brunswick. Violation of this Approval or any condition herein stated constitutes a violation of the *Clean Environment Act*.
13. The Approval Holder shall apply in writing to the Director and receive approval before making any changes to the currently approved Facility.
14. The Approval Holder shall ensure that surface water shall be prevented from entering the waste disposal area by the use of drainage ditches having a proper grade to direct surface water away from the waste disposal area.
15. The Approval Holder shall ensure that there is no burning of waste or open fires at the site. If a fire is accidentally started, efforts shall be taken to extinguish it immediately.
16. The Approval Holder shall restrict access to the Facility and take additional actions as necessary to prevent unauthorized access or disposal at the facility.
17. The Approval Holder shall, unless otherwise Approved, collect all leachate generated at the facility and transport that leachate in watertight trucks to an off-site wastewater treatment facility approved to accept the leachate for treatment and disposal.

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DISCHARGE LIMITS

18. The Approval Holder shall ensure that, if on-site disposal of leachate is Approved, the wastewater treatment facility shall be operated such that the effluent from the leachate storage and treatment system, the sedimentation ponds or any other discharge from an area shall without benefit of dilution with other water, at all times be Non-Acutely Lethal when tested as per the latest version of "Reference Method for Determining Acute Lethality of Effluents to Rainbow Trout" Report EPS 1/RM/13, Second Edition, December 2000, Environment Canada" and meet the limits in the following Tables:

Concentration limits for:

All Stations of type Leachate Holding Pond

Parameter & Unit	Maximum Monthly Average	24-hour Average	Instantaneous
Biological Oxygen Demand / mg/L	40	60	80
Chromium / mg/L	0.5	0.75	1
Copper / mg/L	0.5	0.75	1
Iron / mg/L	5	7.5	10
Nickel / mg/L	0.5	0.75	1
Zinc / mg/L	0.5	0.75	1
Suspended Solids, Total / mg/L	25	40	80

Other limits for:

Bowater Couturier - Leachate effluent

Parameter & Unit	Minimum	Maximum
PH	6.0	9.5

SOLID WASTE MANAGEMENT

19. The Approval Holder shall inspect the cover system at the wood waste disposal facility on a minimum of a quarterly basis and, within 30 days of the inspection, make any required upgrades or modifications such that the cover system remains intact and there are no erosion gullies, exposed wastes or exposed soils over the disposal area.
20. The Approval Holder shall, by July 1, 2011, register a project under the Environmental Impact Assessment Regulation to close the facility. To that end, contact Danny Stymiest of the Department's Project Assessment Section at (506) 453-6857 for more information.

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21. The Approval Holder shall, in future closure planning, include a final cover over the disposal area of 600 mm of low permeable clay having an in-place hydraulic conductivity of no more than 1×10^{-7} cm/sec, 150 mm of growing medium and vegetation, or Approved alternative.
22. The Approval Holder shall not accept any additional wastes at the facility, unless Approved.

TESTING AND MONITORING

23. The Approval Holder shall carry out a monitoring program of such detail and frequency as described in Schedule "B" or such other detail and frequency as directed in writing by the Director from time to time and the monitoring results shall be submitted to the Department in electronic format within 60 days of the sample event.

It is assumed that, in addition to any as yet undocumented monitoring wells or surface water stations, the monitoring program currently consists of the following:

Bowater Couturier Inc. Monitoring Wells:

Monitoring Well Nest	Shallow (screened interval, m)	Deep (screened interval, m)
MW1S-04	6.0-9.0	
MW2S-04	1.8-4.8	
MW3	TW3-S (2.3-3.8)	TW3-D (32-36.6)
MW4	TW4 (0.8-3.8)	
MW5S-04	0.6-3.6	
MW6S-04	0.6-3.6	

Bowater Couturier Inc. Surface Water Sampling Stations:

Surface Water Station	Relation to Site
SW04-1 (Baker Brook)	Upstream
SW04-2 (Baker Brook)	Downstream

24. The Approval Holder shall protect the monitoring wells against accidental damage and maintain the monitoring wells in good repair.

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REPORTING

25. The Approval Holder shall immediately advise the Director and the Regional Office under the Emergency Reporting protocols if testing or observation indicates that the site may pose a threat to the environment through the deterioration of surface water or groundwater quality; or if effluent from the leachate holding pond is acutely lethal.
26. **By March 31 of each year**, the Approval Holder shall submit an annual report to the Director, in electronic format and two hardcopies signed by the supervisor responsible for landfill operations, concerning the previous year's operation of the facility. At a minimum, the annual report shall include:
- the results of all environmental monitoring and inspections conducted at the site within the year, a summary of monitoring conducted at the site in previous years and a yearly evaluation, conducted by the Approval Holder's in-house personnel for even numbered reporting years and a stamped report by an independent professional engineer or geologist, experienced in the work, for odd numbered years, of whether local groundwater or surface water has been significantly affected by the operation of the facility;
 - an up to date site plan detailing all significant features on the site, including but not limited to property lines, disposal cell(s) open and closed, leachate collection/treatment components (where applicable), surface water controls and monitoring locations;
 - a review of the landfill operations indicating whether the landfill operations have complied with the terms and conditions of the Approval to Operate;
 - a summary of the quantity of leachate transported for off-site treatment and disposal on a weekly basis and the name of the receiving facility;
 - other components that the Director may specify.
27. The Approval Holder shall, **by July 30, 2010**, submit to the Department 2 paper and 1 electronic copies of the report on the monitoring and assessment conducted under the "Revised Action Plan for the leachate management of the wood waste landfill in Baker Brook", dated November 11, 2008.
28. In the event the Approval Holder violates any Term and Condition of this Approval or the *Water Quality Regulation*, the Approval Holder is to immediately report this violation by facsimile to the Department's applicable Regional Office and the Central Office in Fredericton at **(506) 457-7805**. In the event the violation may cause the health or safety of the general public to be at risk and/or significant harm to the environment could or has resulted, the Approval Holder shall follow the Emergency Reporting procedures contained in this Approval.
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EMERGENCY REPORTING

29. Immediately following the discovery of an environmental emergency, a designate representing the responsible party shall notify the Department in the following manner:

During normal office hours, telephone the Department Regional Office **until personal contact is made** (i.e. no voice mail messages will be accepted) and provide as much information that is known about the environmental emergency. The telephone number for the Regional Office is provided below:

Grand Falls Regional Office (506) 473-7744

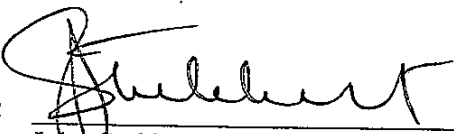
After hours, telephone the Canadian Coast Guard **until personal contact is made** and provide as much information that is known about the environmental emergency. The telephone number for the Canadian Coast Guard is provided below:

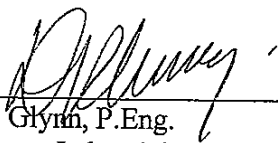
Canadian Coast Guard 1-800-565-1633

30. Within 24-hours of the time of initial notification, a faxed copy of a **Preliminary Emergency Report** shall be filed by a designate representing the responsible party to the Regional Office within the Department and the Department's Central Office using the fax numbers provided below. The Preliminary Emergency Report shall clearly communicate as much information that is available at the time about the environmental emergency.

Within five (5) days of the time of initial notification, a faxed copy of a **Detailed Emergency Report** shall be filed by a designate representing the responsible party to the Regional Office and the Department's Central Office using the fax numbers provided below. The Detailed Emergency Report shall include, as a minimum, the following: i) a description of the problem that occurred; ii) a description of the impact that occurred; iii) a description of what was done to minimize the impact; and iv) a description of what was done to prevent recurrence of the problem.

Grand Falls Regional Office (506) 475-2510
Central Office (506) 457-7805

Prepared by: 
John Stubbert, P.Eng.
Industrial Approvals Engineer, Industrial Processes

Reviewed by: 
FOR Mark Glynn, P.Eng.
Manager, Industrial Processes



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SCHEDULE "B"**MONITORING AND SAMPLING PLAN****1. Leachate Treatment System Effluent**

Station(s)	Frequency	Parameter
Bowater Couturier - Leachate effluent	May and September	Chemical Oxygen Demand
	May and September	Total Organic Carbon
	May and September	Colour
	May and September	Ammonia Total
	May and September	Total Kjeldahl Nitrogen
	May and September	Total Solids
	May and September	Total Phosphorus
	May and September	Resins and Fatty Acids, Total
	May and September	Fish Toxicity
	May and September	Biological Oxygen Demand
	May and September	Iron
	May and September	Chromium
	May and September	Copper
	May and September	Nickel
	May and September	Zinc
	May and September	Conductivity
	May and September	PH

2. Monitoring Wells

Station(s)	Frequency	Parameter
Monitoring Well(s)	May and September	PH
	May and September	Biological Oxygen Demand
	May and September	Conductivity
	May and September	Chemical Oxygen Demand
	May and September	Total Organic Carbon
	May and September	Colour
	May and September	Ammonia Total
	May and September	Total Kjeldahl Nitrogen
	May and September	Total Solids
	May and September	Total Phosphorus
	May and September	Resins and Fatty Acids, Total
	May and September	Iron
	May and September	Chromium
	May and September	Copper
	May and September	Nickel
	May and September	Zinc

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3. Surface Water

Station(s)	Frequency	Parameter
River, Stream, Brook, etc(s)	May and September	PH
	May and September	Biological Oxygen Demand
	May and September	Conductivity
	May and September	Chemical Oxygen Demand
	May and September	Colour
	May and September	Total Organic Carbon
	May and September	Ammonia Total
	May and September	Total Kjeldahl Nitrogen
	May and September	Total Solids
	May and September	Total Phosphorus
	May and September	Resins and Fatty Acids, Total
	May and September	Iron
	May and September	Chromium
	May and September	Copper
	May and September	Nickel
	May and September	Zinc



June 30, 2010
File: 2-6630-A1

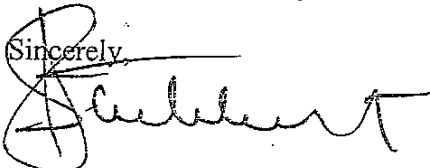
Nicole Roy, Ph.D.

Abitibi-Bowater
1155, rue Metcalf, bureau 800,
Montreal, PQ H3B 5H2
Dear Mr. Grandmaison:

Re: Bowater Couturier Inc-Baker Brook Disposal Facility-Approval to Operate I-7139

Attached is your new Approval to Operate for the Baker Brook wood waste disposal facility.

Please give me a call if you have any questions.

Sincerely,


John Stubbert, P.Eng.
Industrial Approvals Engineer
Approvals Branch
(506) 453-2177 phone
(506) 457-7805 fax
john.stubbert@gnb.ca

cc: Richard Keeley, NB Env. Region 6
js



Deputy Premier
Minister of the
Environment
Minister responsible
for the Status of
Women

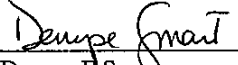
Vice-première ministre
Ministre de
l'Environnement
Ministre responsable de la
condition de la femme

New
Nouveau Brunswick

March 21, 1995
File: 4561-3-383 ✓

Mr Jacques Couturier
Raoul Couturier Lumber Limited
Raoul Guerrette Inc.
PO Box 610
Ville Degelis, Qc
G0L 1H0

This is Exhibit 8 referred to
in the affidavit of John Stubbett, P.Eng.
sworn before me on the 27th day of
August 27, 2010.


Denyse F. Smart
A Commissioner of oaths
Being a Solicitor

**RE: Environmental Impact Assessment Determination
Proposed Land Disposal Of Wood Waste
Raoul Couturier Lumber Inc, Baker Brook, NB**

Pursuant to Section 6(3) of Regulation 87-83, the Environmental Impact Assessment Regulation - Clean Environment Act, a review of the above noted undertaking has been completed. In accordance with section 6(6) of the Regulation, it has been determined that the undertaking may proceed following approval under all other applicable acts and regulations, and subject to the following terms and conditions.

1. The facility is permitted to accept wood wastes only from the R. Couturier Mill facility in Baker Brook, NB.
2. The area designated for wood waste disposal shall have a liner under each active cell of the wood waste disposal area that meets with NBDOE guideline specifications.
3. A site development and operations plan, indicating the proposed method of "cell" development, annual cover, cell closure, and site rehabilitation is to be submitted for review and approval by the Operations Branch of NBDOE prior to commencement of disposal of wood waste at the site.
4. The facility shall have a leachate collection and holding system. This system must include the ability to monitor site generated effluent to ensure discharge guideline conditions are met. Plans are to be reviewed and approved by the Operations Branch, NBDOE prior to initiating site activity. The holding pond must be located above the flood zone for Baker Brook. Should monitoring indicate effluent discharge guidelines are not being met, treatment is to be carried out prior to release of effluent.

... 2



Tel./Téléphone:
(506) 453-2558
Fax/Télécopieur:
(506) 453-2377

P.O. Box 6000
Fredericton
New Brunswick
Canada E3B 5Y1

Case postale 6000
Fredericton
Nouveau-Brunswick
Canada E3B 5Y1

5. Monitoring wells are to be installed to the satisfaction of the Operations Branch of NBDOE. Wells are to be installed prior to commencement of wood waste disposal activity.
6. Site runoff is to be controlled by check dams located in site ditching. Regular maintenance of the structures is required to reduce sedimentation of Baker Brook.
7. The proponent must provide a physical description of the aquatic habitat near the proposed site drainage and effluent discharge points. This information is to be provided to the Director of the Environmental Planning and Sciences Branch, NBDOE prior to initiating construction activity at the site.
8. Erosion control measures must be implemented during the construction and operation phases of the project.
9. Should it be suspected that remains of archaeological significance are unearthed during the construction of the facility, work in the area shall be stopped and the Director of Archaeological Services Branch, DMCH be contacted at 453-2792.

If you require any clarification with respect to this determination, please contact Kim Hughes at 506-457-4844.

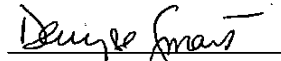
Sincerely,



Marcelle Mersereau

cc: Linda Smith
Review Committee

This is Exhibit 9 referred to in the affidavit of John Stubbart, P.Eng.
sworn before me on the 27th day of August 27, 2010.


Denyse F. Smart
A Commissioner of oaths
Being a Solicitor

CERTIFICATE OF DETERMINATION CERTIFICAT DE LA DÉCISION

NEW BRUNSWICK ENVIRONMENTAL IMPACT ASSESSMENT REGULATION RÈGLEMENT SUR LES ÉTUDES D'IMPACT SUR L' ENVIRONNEMENT DU NOUVEAU-BRUNSWICK

File Number/Numéro du dossier: 4561-3-604

This Certificate of Determination to **PROCEED** is hereby issued to the following proponent:
Ce Certificat de la décision pour **PROCÉDER** est accordé au promoteur suivant:

Alliance Forest Products - Couturier Inc.

Description of undertaking:
Description de l'ouvrage:

Expansion of an existing woodwaste landfill

Location of undertaking and PID:
Emplacement de l'ouvrage et NID:

Madawaska County
35024975

Address of proponent :
Adresse postale du promoteur:

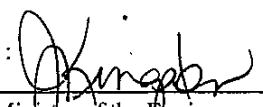
P.O. Box 1980,
Baker Brook, NB
E7A 1V8

Conditions of approval :
Conditions d'agrément :

**AS PER THE ATTACHED DOCUMENT "A"
DOCUMENT 'A' CI-JOINT**

Date of issue : 10 December 1997
Date d'émission : Le 10 décembre 1997

Recommended by : 
Recommandé par : _____
Director, Assessment and Approvals
Directeur, Évaluation et Agréments

Determination by : 
Décision par : _____
Minister of the Environment
Ministre de l'Environnement

DOCUMENT "A"

MINISTER'S DETERMINATION CONDITIONS OF APPROVAL

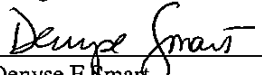
Pursuant to Regulation 87-83 under the Clean Environment Act

10 December 1997

File Number: 4561-3-604

-
1. In accordance with section 6(6) of the Regulation, it has been determined that the undertaking may proceed following approval under all other applicable acts and regulations.
 2. The Proponent shall prepare a long term waste management strategy which would be implemented once the existing landfill has reached capacity. Included in this strategy shall be a plan for waste minimization. This strategy shall be submitted to the Director of Assessment and Approvals, New Brunswick Department of the Environment for approval by August, 31, 1998.

This is Exhibit 10 referred to in the affidavit of John Stubbert,
P.Eng. sworn before me on the 27th day of August 27, 2010.


Denyse F. Smart
A Commissioner of oaths
Being a Solicitor

FILE NO: 4561-3-971

ENVIRONMENTAL IMPACT ASSESSMENT REGULATION
REGISTER OF UNDERTAKINGS/DETERMINATION
PURSUANT TO SECTION 7(1)

DATE: *Thursday, March 11, 2004*

NAME OF PROPONENT: Bowater-Couturier Inc.

NAME OF UNDERTAKING: Wood Waste Leachate Treatment - Baker
Brook

DESCRIPTION OF UNDERTAKING: Baker Brook Wood Waste Leachate Treatment
System

DATE OF REGISTRATION: Monday, September 29, 2003

CURRENT DETERMINATION : Monday, February 23, 2004

MINISTER'S DETERMINATION: Screened out with conditions. Please see
attached Certificate of Minister's
Determination.

**CERTIFICATE OF DETERMINATION
CERTIFICAT DE DÉCISION**

**NEW BRUNSWICK ENVIRONMENTAL IMPACT ASSESSMENT REGULATION
RÈGLEMENT SUR LES ÉTUDES D'IMPACT SUR L' ENVIRONNEMENT DU NOUVEAU-BRUNSWICK**

File Number/Numéro du dossier: 4561-3-971

This Certificate of Determination to **PROCEED** is hereby issued to the following proponent:
Ce Certificat de décision pour **PROCÉDER** est accordé au promoteur suivant:

Bowater – Couturier Inc.

Description of undertaking:
Description de l'ouvrage:

Baker Brook Wetland Treatment System

Location of undertaking and PID:

Baker Brook LSD, 2 km north of Village of Baker Brook, PID 35024975

Emplacement de l'ouvrage et NID:

Address of proponent:
Adresse postale du promoteur:

1 rue Mitis
Price, Québec
G0J 1Z0

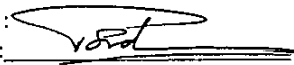
Conditions of approval :
Conditions d'agrément :

**AS PER THE ATTACHED DOCUMENT "A"
DOCUMENT 'A' CI-JOINT**

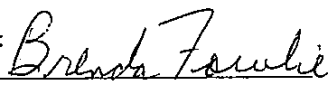
Date of issue: February 23, 2004

Date d'émission: Le 23 Février, 2004

Recommended by :
Recommandé par :


Director, Project Assessment
Directeur, Évaluation des projets

Determination by :
Décision par :


Minister of the Environment and Local Government
Ministre de l'Environnement et des Gouvernements
locaux

DOCUMENT "A"

MINISTER'S DETERMINATION

CONDITIONS OF APPROVAL

Pursuant to Regulation 87-83 under the Clean Environment Act

February 23, 2004

File Number: 4561-3-971

1. In accordance with section 6(6) of the Regulation, it has been determined that the undertaking may proceed following approval under all other applicable acts and regulations.
2. Commencement of this undertaking must occur within three years of the date of this Determination. Should commencement not be possible within this time period the undertaking must be registered under the *Environmental Impact Assessment Regulation* (87-83) – Clean Environment Act again, unless otherwise stated by the Minister of the Environment and Local Government.
3. The proponent shall adhere to all obligations, commitments, monitoring and mitigation measures presented in the EIA registration document (dated September 25, 2003), as well as all those identified in subsequent correspondence during the registration review.
4. The proponent shall obtain all necessary approvals to construct and operate the leachate treatment facility. For additional information contact Perry Haines, Director of the Approvals Branch, Department of the Environment and Local Government at (506) 444-4599.
5. Prior to commencement of construction activities, the proponent shall prepare and submit to the Director of the Project Assessment Branch, Department of the Environment and Local Government for review and approval an Environmental Management Plan (EMP) addressing erosion and sediment control measures and strategies to be implemented during site grading, facility construction, operation and maintenance, to prevent sediment from entering Baker Brook. The proponent shall adhere to the measures described in the approved plan. Contractors working on the project shall be made aware of the contents of the EMP and copies shall be available at the work site.
6. Prior to commencement of construction activities, the proponent shall prepare and submit to the Director of the Project Assessment Branch, Department of the Environment and Local Government for review and approval a materials management, spill prevention and spill clean-up contingency plan to ensure that the risk of chronic and accidental releases of hazardous materials (fuels, lubricants, hydraulic oil, waste oil etc.) during facility construction, operation and maintenance is minimized. The plan must address issues such as: standard operational procedures for activities (e.g. refueling), materials storage, materials handling, materials disposal, spill clean-up, spill reporting, etc. The approved plan shall be implemented by the proponent as required. Contractors working on the project shall be made aware of the contents of the plan and copies shall be available at the work site.
7. Prior to commencement of any work within 30 metres of Baker Brook, the proponent shall ensure that this portion of the construction area is examined by a licensed archaeologist. In the event that archaeological resources are discovered during the construction of any portion of this project (regardless of location with respect to the watercourse), all work shall cease and the Archaeological Services Section (Heritage Branch, Culture & Sport Secretariat) shall be contacted immediately at (506) 453-2756.
8. The proponent shall ensure that only native, non-invasive plant species are placed within the wetland.

9. Soils from existing natural wetlands shall not be used as a source of organic soil for the proposed wetland.
10. Prior to commencement of construction, the proponent shall prepare and submit to the Director, Sciences and Reporting Branch, Department of Environment and Local Government, a plan addressing the decommissioning and replacement of the existing monitoring wells and shall subsequently implement the approved plan. For further information, contact Darryl Pupek, Director, Sciences and Reporting Branch at 506) 457-4844.





Environment
Canada

Environnement
Canada

COPY

This is Exhibit 11 referred to
in the affidavit of John Stubbart, P.Eng.
sworn before me on the 27th day of
August 27, 2010.

Denyse Smart
Denyse H Smart
A Commissioner of oaths
Being a Solicitor

INSPECTOR'S DIRECTION

Environment Canada
Environmental Protection Branch
Atlantic Region
Office of Enforcement
77 Westmorland St., Suite 450
Fredericton, N.B. E3B 6Z3

PROTECTED
Confirmation to oral Direction

File: 1008-2004-01-07-001

Date: January 16, 2004

WITHOUT PREJUDICE

TO: Bowater Inc., Canadian Forest Products Division

AND TO : Mr. Roger Grandmaison
Environment and Project Manager, Bowater Canadian Forest
Products Division.
566 Guérette Ave. Dégelis, Québec, G5T 1G5

AND TO : Mr. Robert St-Martin
Sawmill Manager, Bowater Canadian Forest Products Division.
3300 Main St. Baker Brook, NB E7A 1V8

RE : FISHERIES ACT INSPECTOR'S DIRECTION

This letter constitutes an Inspector's Direction to Bowater Inc., Mr. Robert St-Martin in his capacity as Sawmill manager and to Mr. Roger Grandmaison in his capacity as Environment and Project manager, under subsection 38 (6) of the *Fisheries Act* and relates to the serious and imminent danger of the deposit a deleterious substance, that is, wood waste effluent, into water frequented by fish, to wit: Baker Brook, contrary to subsection 36(3) of the *Fisheries Act*.

REASONABLE GROUNDS FOR BELIEF

I, Robert JP Robichaud, an Inspector designated by the Minister of Fisheries and Oceans Canada pursuant to subsection 38(1) of the *Fisheries Act* R.S.C. 1985, as amended, have reasonable grounds to believe:

1. that there is an on-going unauthorized deposit of a deleterious substance, out of the normal course of events, to wit: wood waste effluent, into water frequented by fish, to wit: Baker Brook.

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2. that my reasonable belief is based upon information that I received from officials from Environment Canada, Fisheries and Oceans Canada, Bowater Inc. and a concerned citizen, as stated in the following paragraphs.
3. that there is a serious and imminent danger of an unauthorized deposit of a deleterious substance out of the normal course of events, to wit: wood waste effluent, into water frequented by fish, to wit: Baker Brook.
4. that immediate actions are necessary to take reasonable measures consistent with safety and with the conservation of fish and fish habitat to prevent such a deposit or to counteract, mitigate or remedy any adverse effects that may reasonably be expected to result from such a danger.
5. that reasonable measures consistent with safety and with the conservation of fish and fish habitat to prevent any occurrence or to counteract, mitigate or remedy any adverse effects that result or may reasonably be expected to result therefrom have not been taken by; Bowater Inc., Mr. Robert St-Martin, Sawmill Manager and Mr. Roger Grandmaison, Environment and Project Manager of Bowater Inc., Canadian Forest Products Division, as required by subsection 38(5) of the *Fisheries Act*.
6. that from personal conversations with Mr. Robert St-Martin and Mr. Roger Grandmaison, I have determined that Bowater Inc., Canadian Forest Products Division and the aforementioned sawmill and environment managers owns, has charge, management or control of the deleterious substance, to wit: wood waste effluent.
7. that on November 18, 2003 I received a complaint from a concerned citizen that effluent coming from Bowater Inc. wood waste disposal site and discharging into Baker Brook was contaminated. These beliefs were based on the rotten organic smell of the effluent discharging into Baker Brook.
8. that on December 11, 2003 an officer from Environment Canada's Office of Enforcement inspected Bowater Inc. wood waste disposal site on Rue Des Ormes in Baker Brook, where samples collected from the wood waste effluent were taken to Environment Canada's laboratory in Moncton NB for chemical and toxicology analysis.
9. that on December 11, 2003 I observed that the wood waste disposal site was approximately 2 to 3 acres in size.
10. that on December 11, 2003 I observed that the wood waste disposal site had a leachate collection system surrounding the property. Collected leachate was discharging out of one outfall pipe located at the westernmost side of the disposal site.

11. that on December 11, 2003 I observed that effluent was discharging via a green PVC pipe from the wood waste disposal site at a rate of approximately 45 litres per minute.
12. that on December 11, 2003 I observed that effluent discharging from the wood waste disposal site was discharging into a ditch leading to Baker Brook.
13. that on January 05, 2004 I received the laboratory results from the inspection conducted on December 12, 2003. Toxicology results showed the effluent to be acutely lethal to fish.
14. that on January 07, 2004 I issued an inspector's Direction orally to Bowater Inc., Canadian Forest Product Division, and to Mr. Roger Grandmaison to take or cause to be taken, immediately, all reasonable measures consistent with the safety and the conservation of fish and fish habitat to prevent the deposit of the aforementioned deleterious substance in water frequented by fish, and to counteract, mitigate or remedy any adverse effects that result or may be expected to result therefrom.
15. that on January 07, 2004 it was agreed by both parties; myself and Mr. Grandmaison, that Bowater Inc., Canadian Forest Products Division., will advise Environment Canada, Office of Enforcement, in writing on or before January 28, 2004 of all measures that have been taken to comply with this Direction
16. that I was advised by Ms. Paula Jackman, an Environmental Chemist employed by Environment Canada's Toxicology Laboratory at the Environmental Science Centre in Moncton NB, that the effluent samples collected by Environment Canada's Office of Enforcement on December 11, 2004 were deleterious to fish that frequent that water, to wit: Baker Brook.
17. that I was advised by Mr. Nelson Robinson, A/Supervisor and Fishery Officer employed by Fisheries and Oceans Canada in St.-Léonard NB, that Baker Brook is water frequented by fish.

**MEASURES TO BE TAKEN BY BOWATER INC. CANADIAN FOREST
PRODUCT DIVISION, MR. ROBERT ST-MARTIN (SAWMILL MANAGER) AND
MR. ROGER GRANDMAISON (ENVIRONMENT AND PROJECT MANAGER).**

Under the authority given to me pursuant to subsection 38(6) of the *Fisheries Act*, I do hereby direct ; Bowater Inc., Canadian Forest Product Division, Mr. Robert St-Martin, in his capacity as Sawmill Manager of Bowater Inc., and Mr. Roger Grandmaison in his capacity as Environment and Project Manager of Bowater Inc., to take or cause to be taken, immediately, all reasonable measures consistent with the safety and the conservation of fish and fish habitat to prevent the deposit of the

aforementioned deleterious substance in water frequented by fish, and to counteract, mitigate or remedy any adverse effects that result or may be expected to result therefrom, including:

- 1. to advise Environment Canada's Office of Enforcement, in writing by January 28, 2004 of all measures that have been taken to comply with this Direction.**

THE LAW

Subsection 36(3) of the *Fisheries Act* provides that no person shall deposit or permit the deposit of a deleterious substance of any type in water frequented by fish or in any place under any conditions where the deleterious substance or any other deleterious substance that results from the deposit of the deleterious substance may enter any such water, except in accordance with prescribed Regulations.

Failure to take reasonable measures as required by subsection 38(5) of the *Fisheries Act* and failure to comply with an Inspector's Direction issued under subsection 38(6) of the *Fisheries Act* are offences under paragraphs 40(3)(e) and 40(3)(f) of the *Fisheries Act*.

Subsection 40(3) provides that:

Everyone who

- (e) fails to take any reasonable measures that he is required to take under subsection 38(5) or fails to take such measures in the required manner; or,*
- (f) fails to comply with the whole or any part of a direction of an inspector under subsection 36(6),*

is guilty of an offence punishable on summary conviction and liable, for a first offence, to a fine not exceeding two hundred thousand dollars, and for any subsequent offence, to a fine not exceeding two hundred thousand dollars or to a term of imprisonment for a term not exceeding six months, or to both.

Section 78.1 provides that:

Where any contravention of this Act or the regulations is committed or continued on more than one day, it constitutes a separate offence for each day on which the contravention is committed or continued.

CONCLUSION

Please be advised that this Inspector's Direction is **WITHOUT PREJUDICE** to any further course of action that Environment Canada may take with respect to these alleged violations of subsection 36(3) of the *Fisheries Act*, including prosecution.

I wish to further advise Bowater Inc. Canadian Forest Products Division, Mr. Robert St-Martin and Mr. Roger Grandmaison, that Environment Canada will be conducting further inspections of the site to verify compliance with this Inspector's Direction.

If you have any questions or require clarification, please contact the undersigned at (506) 452-3286.

A handwritten signature in black ink, appearing to read 'Robert JP Robichaud', written in a cursive style.

Robert JP Robichaud
Fisheries Act Inspector

Cc:

Ken Hamilton
Regional Director
Environmental Protection Branch
Environment Canada – Atlantic Region

David Aggett
Manager, Office of Enforcement
Environment Canada – Atlantic Region

York Friesen
Head of Inspections, Office of Enforcement
Environment Canada – Atlantic Region

Guy Martin
Head of Inspections and Investigations
Environment Canada – National Capital Region

George Lindsay
Manager, New Brunswick district office
Environment Canada

Nelson Robinson
A/Supervisor and Fishery officer
St.-Leonard NB District Office
Fisheries and Oceans Canada - Scotia Fundy Region

Kirk Gordon
Director, Enforcement Section
Department of Environment and local Government
Province of New Brunswick