

## SUPPORTING THE GROWTH AND SUCCESS OF MONDI HINTON

We are planning for the continued growth of our Hinton pulp mill through facility optimization and the intended installation of a new paper machine, pending favourable market conditions and internal approvals. To support this new equipment, additional power will be required. We are proposing to retire one of the existing onsite generators and install a new generator capable of producing up to 45 megawatts (MW) of power to meet the facility's long-term needs.

## WHAT IS BEING PROPOSED?

The Alberta Utilities Commission (AUC) will review the proposed project and determine whether it should be permitted. With an anticipated in-service by 2030, we are proposing the following as part of our application to the AUC.

1. Installation of a new generator (or two generators) to generate 45 MW of power. The new turbine will operate alongside an existing generator, bringing the facility's total generation capacity to 75 MW.
2. The existing substation located on the north side of the facility may be expanded or a new substation built on the south side of the facility. This would accommodate the additional power generation and allow for potential increases in both imports and exports.
3. Installation of a 625-kilowatt emergency generator for backup power.
4. Construction of new operation buildings and a new emissions stack.

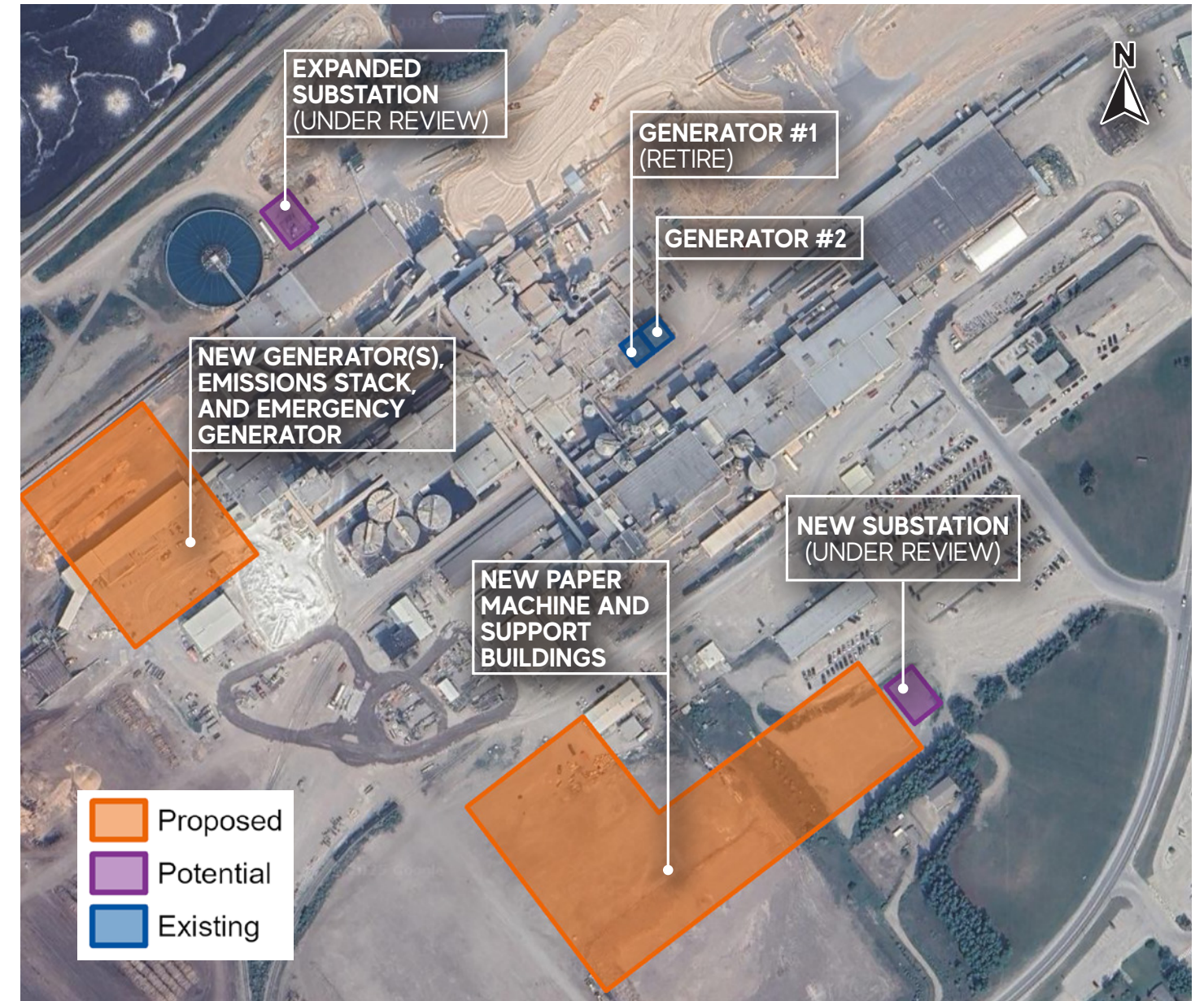
## WHY THE ADDED POWER?

We are optimizing Mondi Hinton for years of ongoing success and growth. Due to aging infrastructure, the facility will benefit from the installation of this equipment as it will lead to more efficient operations on site.

We continue to assess market conditions to determine the viability of installing a new paper machine to enhance overall production on site. Subject to internal approval and favorable market trends, the machine would be located in a six-story building on the facility's southern side. We will continue to work with the Town of Hinton to obtain the necessary municipal permits for construction and operation.

## WHAT MIGHT CHANGE ON SITE?

The Mondi Hinton facility has various buildings to support its daily operations. This project involves components that are already on site (generators), proposed locations for development (new generator(s), paper machine building), and potential areas for either a substation expansion or a new substation to support the ongoing electrical needs of the facility.



## DID YOU KNOW...

Some of the equipment on site dates back to the 1950s? This project will help modernize the mill and increase operational efficiency while lowering air and odour emissions.

## HOW IS THE ENVIRONMENT CONSIDERED IN THESE PLANS?

We work with a variety of specialists to understand the potential environmental impacts of its projects. The team undertakes desktop reviews and conducts field surveys to determine potential interactions with wildlife, water, soils, vegetation, and air quality.

The information collected will be compiled into an environmental evaluation that will be provided to both Alberta Environment and Protected Areas (EPA) and the Alberta Utilities Commission (AUC) for review and feedback.

Based on the findings, an Environmental Protection Plan (EPP) will be developed to describe the mitigation measures that will be applied during construction, operation, and reclamation. These reports will be publicly available when the application is filed with the AUC.

## WHAT COULD BE THE POTENTIAL IMPACTS, AND HOW WILL THEY BE MANAGED?

Reducing potential impacts on the environment and the surrounding community is an important part of our planning process.

### Air emissions

Air emissions have been modeled and will be reviewed by the AUC and EPA to confirm compliance with the Alberta Ambient Air Quality Objectives and Guidelines (AAAQO). The facility will meet all provincial and federal guidelines. Modeling shows that concentrations of various emissions (SO<sub>2</sub>, NO<sub>2</sub>, CO, H<sub>2</sub>S, particulate matter) are well below the AAAQO limits.

### Noise

Construction will cause some daytime noise. The new generator and the substation will be designed and operated in accordance with AUC Rule 012. Construction activities will abide by the Town of Hinton's Bylaw #1185-1.

### Lighting

New lighting will be installed at the substation, generator area, and paper machine building. Lighting will be designed to minimize glare and light spill, and overall light levels at the site are not expected to noticeably change from existing conditions.

### Odour

We are aware that our processes can cause odours that can be noticed off site. We aim to minimize odours and will only undertake activities required for the safe operation of equipment on site.

### Dust

Dust will be managed throughout construction. If there is a need for dust suppression based on weather conditions or community feedback, we will consider implementing measures (such as water application to site) to limit the potential impact on the surrounding community.

### Wildlife

We will review the findings from the environmental evaluation and in coordination with EPA determine any needs required to mitigate potential impacts to wildlife. This could include construction timelines addressing wildlife migration, pre-construction surveys, and construction monitoring to ensure local wildlife is not disturbed by project activities. Details will be found in the EPP that will be reviewed and approved by the AUC.

### Construction vibration

Pile installation will be required during construction. This activity can cause vibrations and noise that will be felt or heard outside of the project area. We will communicate schedules in advance and aim to complete this work as quickly as possible to minimize disruption.



## WHAT'S HAPPENING AT THE SUBSTATION?

The on site substation connects Mondri Hinton to Alberta's electrical transmission system (the Alberta Interconnected Electrical System), allowing the facility to both import and export power to the system.

The 138 to 13.8 kilovolt (kV) substation will be expanded to include new equipment, such as:

- **Transformers:** step up or step down the electrical voltage
- **Circuit breakers:** allow the system to safely turn on and off during a fault
- **Busbars:** direct the flow of power in and out of the system
- **Relays:** detect and isolate problems to protect the system

We are currently reviewing two options for substation development on site.

- 1) Expand the existing substation located on the north side of the facility (expansion will be approximately 220 m<sup>2</sup> (2,400 ft<sup>2</sup>)).
- 2) Build a new substation (5,600 m<sup>2</sup>/60,300 ft<sup>2</sup>) on the south side of the facility to be closer to the proposed paper machine building.

Feasibility is being reviewed and we encourage you to sign up for email notices to stay informed when decisions are made. You can do so by visiting [www.mondigroup.com/hinton](http://www.mondigroup.com/hinton)



## WHAT ARE THE BENEFITS OF THE PROJECT?

We believe that this project will support the ongoing success of Mondri Hinton well into the future. This project will benefit the community in several ways.

- **Employment opportunities:** Temporary opportunities for construction and services will be made available for the construction of the generator and substation.
- **Ongoing operations:** With increased productivity, Mondri anticipates opportunities for additional permanent positions at the facility.
- **Local economic activity:** The project is expected to generate indirect benefits for hotels, restaurants, and shops throughout construction and direct benefits such as increased tax base.
- **Facility modernization:** Mondri will be upgrading to state of the art equipment that will help to reduce emissions and odour.
- **Water and wastewater services:** The facility will continue to treat the town's wastewater and supply the town with water for its drinking water system.

## WHAT AGENCIES ARE INVOLVED IN APPROVALS?

We continue to work with decision makers as the project moves forward and is subject to various provincial approvals.

### Alberta Utilities Commission (AUC)

The AUC will be responsible for the review of the project and determine if the project is in the public interest. They will be the decision makers regarding the development of energy infrastructure. More information on the AUC and their role can be found at [www.auc.ab.ca](http://www.auc.ab.ca)

### Alberta Environment and Protected Areas (EPA)

We are working with EPA regarding this facility with focus on environmental evaluation, mitigation, and requirements under the *Environmental Protection and Enhancement Act*. EPA will review and approve the project while participating in the development of environmental protection measures to be implemented if constructed.

### Town of Hinton

We maintain a strong relationship with the Town of Hinton and will continue to keep municipal representatives informed as the project moves forward. We are committed to acquiring any necessary permits required under the Town of Hinton bylaws.

### Alberta Electric System Operator (AESO)

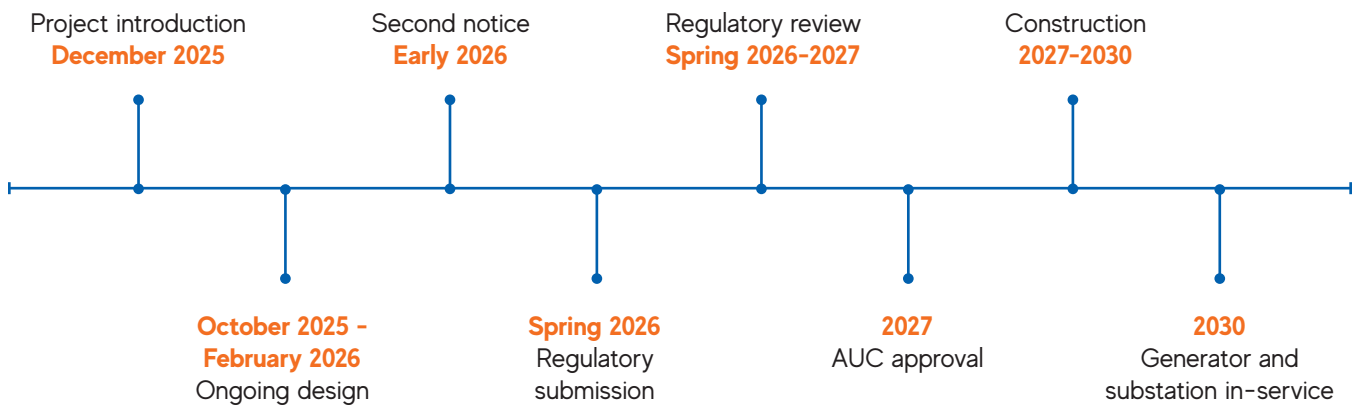
We continue to work with the AESO to determine whether a transmission line could support this facility's growth. If new transmission infrastructure is required, we will contact nearby landowners and occupants to discuss potential routing options.

# WHO IS MONDI GROUP?

Mondi is a global leader in packaging and paper, contributing to a better world by making innovative solutions that are sustainable by design. With 24,000 people working across 100 production sites in more than 30 countries and key operations in Europe, North America and Africa, sustainability is at the heart of how we do business.

Learn more by visiting [www.mondigroup.com](http://www.mondigroup.com)


## ANTICIPATED TIMELINES



Timelines subject to change

## HAVE QUESTIONS? CONTACT OUR PROJECT TEAM

Our team is available to answer your questions and provide more information as the project moves through its various stages. We encourage you to reach out at any time.

 **Phone:** 1-888-474-1702

 **Email:** [info.hinton@mondigroup.com](mailto:info.hinton@mondigroup.com)

 **Website:** [mondigroup.com/hinton](http://mondigroup.com/hinton)



Sustainability is at the heart of our strategy and is intrinsic to the way we do business. **We anticipate that future project updates will be done electronically.**

We encourage you to sign up for ongoing email notices by visiting [www.mondigroup.com/hinton](http://www.mondigroup.com/hinton) or by contacting our project team.