

Curtailment Meeting

February 23, 2023 at 3:00 pm

Present: Scott Fairless, Naminder Sharma, Darcy Lanes, Angelo Sia, Warren Dagenais, John Hagley, Wade Price, Marc Gosselin

JH: thanks for meeting with us today. We have 6 items in total that we'd to bring up. First couple Warren will speak to.

WD some conversation on floor and members are wondering what the company's plans are to retain employees through curtailments. We presented some information on the SUB program. What it is, it's a federal grant to top up on EI wages up to 95% but doesn't have to be that high. Without the person receiving EI. Have you had a change to look into that?

AC I did some research on that and passed it on to Jeanette but she isn't able to make that decision on her own so she's having discussions about that. We don't have an answer yet

WD some conversation around whether we're doing hydro?

DL Keith has a meeting with them next week

SF you mean during curtailment?

WD yes

NS March 3rd is the meeting with BC Hydro

JH is the idea of the meeting to make power during curtailment?

NS BC hydro has their own concerns. We'll see if they'll accept what we have to say

DL we want to make power. We want to run the power boiler and sell. But because we're shut down for fibre, the way it's worded in the contract, we need to figure out what that looks like. They actually penalize us.

AS your interpretation is lack of fibre?

DL yes

NS we need them to pay and there's some wording, and they don't want to pay and penalize. They're meeting next week to discuss

JH is that penalty for not making firm? Or because you're burning gas?

DL we can't make enough without recovery boiler going as well

SF GBL needs to change and whether they recognize downtime

AS what is GBL?

SF generator base load is what we need to change

JH so you're in discussions to reduce that during curtailment?

NS yes

DL for example, when we shut down for our turnaround the GBL gets adjusted during that time. But they don't recognize us curtailing because of fibre as a reason to adjust GBL. It's more convoluted but that's the short strokes

AS so that being said... actually I won't even ask. I'll wait until March 3rd

WD I think we can move to: what happens if we run out of chips before April 22nd?

DL we are monitoring and if we have to slow down we do, but it would cost us

WD we wouldn't shift the curtailment?

SF no. A few reasons, one is the high-pressure feeder. We won't be getting that rebuilt feeder back until around that curtailment window. So nothing will be changed on dates.

WP so if that breaks down...

SF the plug on the feeder controls leakage. So what happens is as the feeder wears out we bring it in to maintain leakage. We're running out of plug. We put a spacer in last time but what we do know is that we could have got 25 more mm or 15 but you can't see. Scotty is watching it and we're lucky to have it. We're only bringing the feeder in if we can't run the digester. We're maximizing. He thinks we can at least get to first week of April. The result of this means we'd just have to run slower to control leakage with pumps. What that RPM, we don't know. We haven't been there. But it doesn't mean shutting down. Controlling it in a different way. Scotty can explain better but that's the gist of it.

AS what's the length of time to change the feeder?

SF a few options but it ranges from 3 to 6 days depending on how you tackle the problem. Darcy and I have talked about this quite a bit. But we're not ready to discuss that here.

JH ok. Last thing as we get closer. People want to get organized, they know they'll be unemployed from April 22 to May 22, they've been making alternate arrangements. Is that still the plan?

DL at the moment.

JH the concern off the floor is that some are making other arrangements and the company may want them back.

DL we understand that. As we talked about, we've been asked to explore maintenance options during that time and a few other options period. Which we've been doing. We haven't been given... I wouldn't say we're as frustrated as you guys - maybe Scott is - but we're getting... we haven't been given any clear definition on which way we can go yet. We understand people are making plans and organizing themselves. As soon as we know we would share with you guys.

JH we were also going to bring up... some questions about bridging to retirement. My understanding is that Cariboo Pulp is not involved in the bridging to retirement plan. But we are hearing that West Fraser as a company is. That it is a mill by mill decision. We want some truth around that.

AC that's not the case, no West Fraser mills are currently participating. Some have in the past but not right now

DL Cariboo Pulp has even participated in the past

AS that wouldn't be up to Mercer would it?

AC not as far as I know because WF is the managing partner.

WD why are they not participating?

AC that would create extra holes for us to fill. We're already having a hard time recruiting and if more people retired that would create more empty positions.

JH it isn't because of cost to the company?

AC no

AS what is it... 50 50?

AC not quite that high but there is a bit on the company. I'm not sure on the exact split.

NS there is some miscommunication from the program rep and what is being told to our members as well. They told employees all they needed was a confirmation letter and they'd be accepted.

JH just have to reiterate I haven't done a lot of in depth study because I haven't needed to but people have asked why WF isn't part of this. They're also saying if a mill shuts down for long enough the company has to participate. Based on enough days of downtime. So they want access to what they need for that. My understanding is it's just proof of employment. I also understand administration stresses for doing that but it shouldn't be difficult.

AS my understanding is that there's 200 people accepted at a time and you need your name in the queue. We've informed our members to follow the process and it's not undue hardship on the company to provide that letter that they'd provide anyway. Our members are going to the website and calling the government rep.

NS so they just want to put in their application?

AS yes because they only run 200 at a time.

NS ok.

JH while we're talking about that, there is a person from the government trying to get in touch with us, is that real?

AC yes that's real, it's fine to ask her questions.

JH last item, we have a motion from membership to enter in discussions with you to carry over vacations. What they're asking for is 2022 beyond May 1 on a volunteer basis. We want to know what you guys would think of that.

AC I did look into that a bit and I don't think it would be feasible to manage with the systems we have so we wanted to talk to your group about the possibility of instead, allowing remaining hours to expire and then paying it out when they are off. So for example, if you have 40 hours of vacation expiring on April 30 this year, you would have the option to work instead and let those hours expire, and the pay associated with those hours would be paid out after the contract year is over.

JH how would that be any different than carrying over vacation and having it paid out while people are off?

AC because the system is already designed to pay expiring hours out, but if we were to try to carry hours the hours over it would require Krista to manually create new banks of time and money, and then manually track them in a spreadsheet and apply them to each day for each employee.

WP when would that be paid out?

DL whichever pay is following the end of the contract year. You guys may recall this happened a few years ago with a couple people; they were paid out at the end of the contract year and we ended up having to force them to take unpaid time off later.

JH right. We'll have to talk to our members

AC I'm sorry we didn't have more information for you this time, hopefully we'll have more soon

AS can we set up another meeting for after the hydro meeting on March 3rd?

AC that's a Friday, maybe the following week?

AS I'll send some dates that work for us