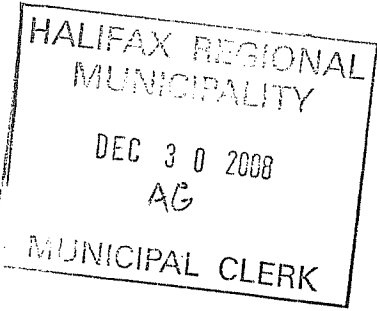


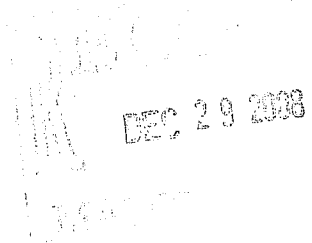


Solid Waste Resources
40 Alderney Dr., Suite 102, Dartmouth
PO Box 1749, Halifax, NS B3J 3A5



December 23, 2008

Ms. Terri M. Kaulback
Owner/Operator
Great Northern Recycling Inc.
41 Gurholt Drive
Dartmouth, NS
B3B 1J8



Dear Ms. Kaulback:

Re: ICI Paper

I refer to your letter of December 19, 2008, to Mayor Peter Kelly, Members of Regional Council and the Solid Waste Resources Advisory Committee. Your letter referenced By-Law S-600. As Administrator of the By-Law, I am replying on behalf of the HRM.

On December 8, 2008, I provided notification to local ICI collection companies that the HRM Material Recovery Facility (MRF), which is operated by Miller Waste, effective December 11, 2008, would not accept cardboard from ICI properties. This decision was necessary to ensure the safe operation of the MRF and for the successful continuation of the Residential Curbside Recycling Program. During the first week of December, the number of tonnes of paper (particularly cardboard) from the ICI properties increased significantly (from an weekly average of 70 tonnes to 180 tonnes), which was a reflection of Great Northern and Scotia Recycling charging a fee for loose ICI cardboard and not accepting mixed ICI paper. This notification did not and does not apply to other paper from ICI properties (i.e. newspaper, office paper, envelopes) which has always and continues to be accepted at the HRM MRF in small quantities.

On December 17, 2008, after receiving confirmation that Great Northern and Scotia Recycling accepts wet ICI cardboard, MIRROR NS, as the operator of the HRM Otter Lake facility, was notified not to accept wet cardboard. Dry, clean cardboard has never been accepted at the Otter Lake facility as Provincial regulations have banned it from landfill disposal since April, 1996.

**Each landfill cell costs \$15 million and is full in three years.
Help extend the life of each cell by recycling and composting.**

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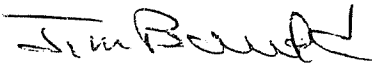
Tel: (902) 490-6606 Fax: (902) 490-6690
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So as there is no confusion, the HRM MRF and the Otter Lake facility are not accepting either wet or dry cardboard from ICI properties.

Thank you for your assistance for agreeing to accept mixed ICI fibre until March 31, 2009. This three month window provides an opportunity for HRM, with the input of the ICI paper industry, to complete a risk analysis and identify potential options and outcomes during a time of very dynamic commodity markets.

As directed by Regional Council on December 16, 2008, I am preparing a business case which will measure the requirement for and viability of the Otter Lake facility, on a contingency basis, processing ICI cardboard and other paper, should no other option be available on April 1, 2009.

Regards,



Jim Bauld, Manager
Solid Waste Resources

c: Mayor Peter Kelly and Members of Regional Council
Members of SWRAC - *Clarke's Office*
Dan English, CAO
Wayne Anstey, DCAO, Operations
Mike Labrecque, P.Eng., Director, T&PW
Kurt Jacobs, General Manager, MIRROR NS
Jeff Traver, General Manager, Miller Waste

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