EXHIBIT NUMBER: 020
File Name: Hog Review

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Puratone's Presentation to CEC

Ab Freig
The Puratone Corporation
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Who we are

- Ab Freig, President and CEO of the Puratone Corporation
- I am here to present on behalf of Puratone and the hundreds of employees, their families, our shareholders and the independent producers who make up our company.

- Puratone is a major swine production company operating mainly in Manitoba
- The company was founded in Niverville in1973 by local people and a staff of approximately 10.
- We now employ 360 people who work on farms caring for the animals, manufacturing feed in the feed mill, trucking feed and livestock or work in the office.

- Our Manitoba payroll is in excess of \$10 million a year.
- The company owns, operates and manages approximately 46,000 sows in numerous locations in Manitoba.
- We produce and manage more than one million pigs a year.

Commitment to the Environment

- Puratone has a strong and genuine commitment to the environment.
- We are committed to be a leader in environmental protection within our field.
- Our commitment stems from our conviction that the environment must be protected for our generation, our children and grandchildren's generations and many generations to come. We also believe it is good business and it is in our best interest to be good stewards of the land.

- We believe in the strong link between community wellbeing and the protection of the environment.
- Our employees, our shareholders and our families live in close proximity to most of our facilities.
- We also enjoy and use for leisure the lakes and river systems in Manitoba.
- We are committed to working with the local and provincial governments and our colleagues in the industry towards progressive and sustainable regulations, guidelines and best practices.

- To further demonstrate our commitment, we subjected our EMS to the rigorous international standards of the ISO 14001 program.
- Our EMS gets audited every year by a third party independent auditors.
- Puratone has a good track record of innovation and best management practices, we pioneered the use of vessel composting of livestock mortalities.
- We were the first and still the only company using ISO 14001 to help us manage our Environmental Management System.

- We are currently studying the separation of solids and liquids of hog manure to help us adapt to the new phosphorus regulations affecting some of our operations.
- I hope members of the CEC accept our invitation to visit any of our facilities to gain first hand experience of the environmental procedures we employ and gain understanding of our commitment to the environment.

Manure Application

- We consider the manure produced by the hog barns as a nutrient resource that need to be applied correctly to yield a maximum benefit for the crops. We don't consider it waste and we don't treat as such.
- Our manure is applied with the appropriate quantities to benefit the plants and to prevent any build up and or runoffs.
- The manure is also injected wherever possible to again maximize plant uptake and minimize any possibility of runoffs or odour.

Our view of the CEC Review

- Puratone has a very high regard to the work quality and objectivity of the CEC.
- We welcome a fact based and objective review of the industry.
- Although, we were not pleased with the decision to impose a temporary pause on expansion of the hog industry, we welcome the opportunity for you to review our industry and for us to demonstrate to you and to the public our environmental stewardship and the economic importance of our industry for Manitoba.

- The review must be objective, <u>fact and science</u> based.
- The committee must carefully review the available science-based information and must avoid the pressure from interest groups and media.
- The committee should work diligently to understand the nature of the Manitoba environment and gain understanding of the environmental procedures utilized by the industry.

Environmental Regulations

- The government just introduced new regulations in November 2006 to reduce phosphorus levels.
- The industry has worked with the government closely, providing feedback on the new regulation.
- Those new regulations must be allowed time to be implemented and evaluated for effectiveness before any new regulations are imposed.

- The industry has accepted the new regulations and I am confident that those regulations will not only be met but exceeded by the industry.
- Puratone has already started research work to prepare us for the new phosphorus regulations.

CEC and the Industry

- The CEC must focus on the <u>environmental sustainability</u> of the hog industry in Manitoba.
- The conclusions and recommendations by CEC are very important to the livelihood of 15,000 direct employees and their families.

- In summary I thank you for the opportunity to present on behalf of my company I look forward to working with the CEC to arrive to an objective and sound review of our industry.
- Thank you