EXHIBIT NUMBER: File Name:

Town of Swan River Received by: Presentation to Manitoba Clean Environment Commission Secretary) Request of Louisiana-Pacific to Decommission RTO's Statement of Support Glen W. McKenzie – Mayor

I would first like to welcome members of the CEC to Swan River and the beautiful Swan River Valley and I am here to represent the position of the Council of the Town of Swan River on the proposal of Louisiana-Pacific to decommission the plant RTO's.

I have also been the Town of Swan River's representative on the Liaison Committee set up in 1995 to provide local input into the operation of the plant.

I don't think anyone who was around for the initial hearings would argue with the statement that LP came here with a less than favorable environmental record

Having been part of the process for some 14 years I must commend Louisiana-Pacific for their willingness to work with Manitoba Environment and the Liaison Committee in addressing different concerns that have been brought forward over that time period. They have always been willing to listen and open to ideas that were for the good of the Swan Valley.

Some examples come to mind are firstly, the large bark pile that had to be disposed of in some way. It has evolved from farmers using it for bedding, to an incinerating it, to using it as a heat source. In fact the Town of Swan River has worked with LP in acquiring bark for cover at our landfill. The bark has helped a great deal in reducing what was one a huge rodent problem to something that is now a non-issue. Unfortunately for the Town of Swan River that bark is no longer readily available in the large quantities that we once needed.

A second issue that comes to mind is the ash that was at one time being transported to landfills in Alberta. A test project has been undertaken where the ash has proven useful in achieving a PH balance in what was once useless alkaline farm land and making that land productive. A positive use for what was once considered a useless by-product.

At one time the Town of Swan River Fire Department frequently responded to calls at the LP plant to assist the Minitonas Department. Through being proactive and taking suggestions from local fire departments the fire problem is all but eliminated. In fact I can't recall the last time the Town of Swan River Fire Department was called out to the LP plant.

Some mention has been made of the Baseline Health Study that was undertaken. I am trying to recall the exact details without having to go back in my files, but the initial study involved some respiratory testing, plus a survey that focused on peoples perception of the plant. After five years steps were bring taken to follow up and after the survey was completed it was noted that peoples positive perception of LP had increased dramatically and the Liaison Committee and Manitoba Environment agreed that there was no need for its continuation.

What these examples show is that Louisiana-Pacific has been more than willing to take suggestions from Manitoba Environment and the Liaison Committee and systematically tackle the tough issues and problems.

The economic impact of the forest industry on Swan River and the Swan Valley is huge. LP and other forest industry companies are making every effort to weather this downturn with minimal effect on our communities. However, the job uncertainty is already causing many of our hard working young families to seek employment elsewhere. Schools are losing children, businesses are being directly impacted.

Some have suggested that it has only been since the recent economic recession that LP has been requesting a decommissioning of the RTO's as a way of reducing their operating costs by approximately \$3 million and that in time of an economic crisis we are being asked to make a choice between jobs and the environment .This is just not true and it was as early as 2002 that the first requests came to Manitoba Environment and the Liaison Committee to find a way decommission the RTO's. The Liaison Committee was always of the opinion that this would be OK as long as the emissions were within standards set by the Province of Manitoba and Manitoba Environment.

This is what we believed to be the role of the Manitoba Government and their Environmental Department. To set the standards for emissions and enforce those standards.

The evidence we have received in the modeling that was done indicated that decommissioning the RTO's will still result in emissions that are within Manitoba Environment Standards for things like benzene, formaldehyde and VOC's. It would seem easy for Manitoba Environment to do stack sampling and ambient air monitor after decommissioning to ensure that these standards are met.

We also feel that closer attention should be paid to the reduction in GHG's and the positive impact this would have on the environment as a result of shutting down the natural gas burning RTO's.

The people of Swan River know that the CEC will make a fair decision based on factual information.

If after your deliberations the data collected shows emissions to be within Manitoba Environment Standards we see no reason why LP should be forced into a \$3 million expense that no other Canadian OSB plant has.

Thank you for allowing me to make this presentation on behalf of the Town of Swan River.

Glen McKenzie Mayor