

Statement of Support  
Rural Municipality of Minitonas

RE: Louisiana Pacific Canada Ltd. – Swan Valley O.S.B.  
Air Emission Review

On behalf of the RM of Minitonas I would like to comment on the municipality's relationship with LP Canada's Minitonas O.S.B. Plant.

Since 1996 LP Canada's Minitonas OSB Plant has been operating in our municipality, and has provided approximately 175 jobs at their Minitonas OSB Plant and their Forestry resources Division. Through their operations there has also been an opportunity for income provided to many area businesses and related service providers; CN Railways / Local Logging Equipment Operators / Local Semi-Truck Owners & Drivers / Local Fuel Companies / Local Parts & Service Companies. A Community Liaison Committee, which includes members of the local municipal councils, was formed in the early years of LP's Minitonas operation, At their regular meeting there is open dialog and communication exchanged between plant representatives and the councils of the local communities on various aspects of the mill operations. The LP representatives have openly discussed their intentions to pursue the elimination of the RTO Units and welcomed all questions from the committee members going back as early as 2001.

With over half of the employees out of work due to recent curtailments, and the shut-down of the logging side of the operation, there has been a significant decline in the amount of money being spent at local area businesses (not only through these related businesses, but also through cutbacks on spending made by laid-off employees). Most recently we are seeing employees seeking employment outside the Swan River Valley and their homes being put up for sale.

There will be further impact on the residents and business owners in the RM of Minitonas when the taxes for 2010 see a significant decrease (approximately 20%) due to LP's inability to generate the same rate of income as in past years. Over 60% of this decrease in funds is school tax dollars, money over which the municipality has no control. This shortfall must be levied on other property in the RM of Minitonas in order to maintain the current commitment of funding for local area education.

In the past, the municipalities, service clubs and non profit organizations in the Swan River Valley have also received sizeable donations from LP Canada Ltd. for local projects, like the Minitonas Arena receiving \$30,000 toward the artificial ice plant. There has also been several significant donations made to the RM & Town of Minitonas Volunteer Fire Department for safety equipment such as turnout gear, communication equipment, etc. The RM of Minitonas has also experienced a great working relationship with LP when their roads and infrastructure have required maintenance and repairs due to heavy logging truck traffic heading to their plant with loads that have caused direct damage to municipal roadways. There was also a \$150,000 upgrade project on PR#488 in which LP Canada provided approximately \$35,000, even though there is a significant amount of traffic on this road that causes damage and is in no way connected to their mill operations.

Through recent presentations and information provided to the municipality, there is no indication that the removal of the RTO's will have any adverse affect on our local environment. There is, however, an indication that Nitrogen Dioxide and CO2 Gasses are emitted through the process of burning natural gas in order to operate the RTO's. The elimination of the RTO's would result in less of these contaminates being produced as well as the reduction of consumption of a non-renewable resource. This may possibly even result in better air quality and health for local area residents.

Not only would the elimination of this process save over three million dollars per year for the local OSB Operation, but the future costs of ten million dollars to replace the RTO Units will be saved as well, This might very likely make our local plant more viable and ensure its future, along with the future of many of the local employees and related businesses. This is surely a worthwhile trade for the elimination of a system that currently shows no benefit to our environment, or to the health of local area residents.

Should the Clean Environment Commission find that the recent shut-down of the RTO's at the Minitonas OSB Plant have had no detrimental impact on the air quality in our area, and that their permanent removal would result in less emissions created by the burning of natural gas, then the RM of Minitonas is in full support of the permanent elimination of the need for LP Canada to spend over three million dollars annually on a process that shows no benefit to our environment.

Thank you for providing me with the opportunity to comment on this important issue. I trust that your committee, along with the many experts being consulted during this process, will review all relevant data collected and make a fair decision, based on facts and with consideration for the best interest of our area residents and the local environment.

Michael McIntosh, Reeve  
Rural Municipality of Minitonas