

United Steelworkers Local 1-324
Submission to Clean
Environment Commission Hearing
Re: Decommissioning
Of Regenerative Thermal
Oxidizers. (File # 3741.10)

July 29th/2009

Presenters - Chris.T.Parlow
President/Business Agent USW
- Darren Chmelowski Plant Chair/1st Vice
Local USW
- Lyle Sagert Plant Vice Chair/ 2nd Vice Local
USW

OPENING COMMENTS /BACKGROUND INFO

Dear Chairperson Edwin Yee, fellow Panel Members, and participants. Thank you for allowing us to speak at this meeting.

Please allow me to introduce myself. My name is Chris T.Parlow and as noted above I am President/Business Agent of our Local. I have also held the position of Regional Health and Safety Director. I have been in these positions for the past seven years. I also hold a position on the Steelworker Wood Council Executive which represents Forestry workers across Canada, in addition to being on the Manitoba Federation of Labour Executive which comprises of most Union/Worker Activist's in our Province.

Our on site participation at LP plant level is to be a part of committees including joint health and safety, plant committees, negotiation committees, and others. The United Steelworkers Local 1-324 represent workers in the Forestry Sector, along with other sectors across Manitoba, Canada, and Globally including specifically the Minitonas/Swan Valley area. Other operations in Manitoba in which we represent forestry workers is Winnipeg, Neepawa, Roblin, Birch River, The Pas, Cranberry, Wabowden, Thompson, and points in between.

We are here as workers to present to you information related to the decommissioning of the RTO's which we as workers know is a key component to a viable future for the Louisiana Pacific operation here in the Valley.

FURTHER FACTS ABOUT UNITED STEELWORKERS

POSITION AS PER LP'S REQUEST FOR AMENDMENT

TO ENVIRONMENTAL LICENSE. (Attached Steel Document July 16/09)

The Plant Committee on site which is elected by fellow union members to represent workers has been kept abreast of ongoing activity, as has the office of the United Steelworkers Local 1-324.

The United Steelworkers are fully in support of this request from LP to decommission its RTO's which were voluntarily installed when LP built the operations pollution control systems in 1995.

The Plant Committee on behalf of workers were formally notified and allowed to review the request to amend the environmental license during November of 2008 and afterwards.

(As per November 18th, 2008 letter from LP to Tracy Braun of Environmental Assessment and Licensing branch) .

You will note that we are c'cd as are all the others to whom the letter is forwarded to.

All regulations, procedures, environmental standards have been met since the abatement of the RTO's, and prior to the abatement as were the steps to follow when approaching the government for relief. The evidence shows this. Facts we rely on come about due to what happens in Manitoba at this operation. At no time, anytime has any professional in the environmental field whether

public sector or private sector ever revealed LP is not living up to its end of the bargain when it comes to complying with its environmental license at the mill.

Since January 1996 when workers put through the first panel of OSB, LP in Manitoba has never been found to be in violation of environmental standards in the Mill. They deserve respect for this effort in MB.

United Steelworkers work hard to make sure our environments are safe. When companies are negligent in their responsibilities we hold them accountable and work hard to fix problems.

This doesn't apply here in this issue with LP Canada in Manitoba.

All of what they have done, and are prepared to do has demonstrated they are committed to being in compliance with the laws, and regulations they are asked to abide by.

That's what we want as workers.

Workers feel it is advantageous for the province of Manitoba to amend this environmental license for the following two reasons which we feel are vital to this whole issue.

1. The United Steelworkers feel strongly that

Louisiana Pacific will comply with Manitoba's environmental license requirements without the RTO's on line.

2. Louisiana Pacific needs financial relief gained by the abatement of

the RTO's to assist it in surviving the most challenging time in the history of the Forest Industry in Canada.

**Let us share with you why we feel so strongly about
our position.**

*Oriented Strandboard manufacturers don't build
plants in Canada with RTO's. Not before, or since
Louisiana Pacific built its plant in the Minitonas area in 1995.*

*It is not a required component of Canadian facilities
in order to comply with environmental regulations.*

We believe as workers there is an obvious reason for this.

*OSB mills can run safely without them. Those who say otherwise have no
facts to show they can't. We support facts, rather than hypothetical theories
that are baseless and contribute to the vast arena of fear mongerers.*

*LP Manitoba has spent tens of millions of dollars in pollution control devices
such as state of the art burning and drying systems which utilize all the excess
bark while lowering emissions which allowed for the bark incinerator to be
shut down and improve performance as it relates to pollution controls.*

(Letter to Editor Star and Times March 17th, 2009 Lyle Sagert included)

*Lyle Sagert as mentioned earlier is a USW representative on sight at LP
with training and education in many areas. Lyle holds a Bachelor of Science in
Chemistry for example. Lyle will be sharing his thoughts shortly.*

*It is further described that by shutting down the RTO's there are fossil fuels
saved which reduce greenhouse gases and nitrogen oxides.*

Especially important to note is that pollution control equipment the mill has in place includes Wet Electro Static Precipitators which are included in the tens of millions of investment in pollution controls at LP outside of RTO's.

In concluding this part of our presentation we want to reiterate that science based on facts has revealed that LP can effectively run its mill in compliance with environmental standards.

DEVASTATING ECONOMIC CRISIS

Canadians are seeing the Forestry Industry collapse before their eyes.

Tens of thousands of families are without work in the forestry sector.

Unemployment levels in our forestry towns have reached epidemic proportions.

Manitoba has seen in the last few years and recently a reduction of forestry jobs unlike ever before seen in its history.

Currently we are enduring the longest layoff ever at LP in Manitoba where on August 4th, 2009 many of our members will have suffered through 134 days of being out of work since Jan 1st, 2009. This doesn't include the enduring being laid off in 2008 for the first time in LP's history in MB due to economic reasons which continue in 2009.

Despite this we do recognize it could even be worse.

Fellow Canadians in our industry have seen their plants close.

*In Hudson Bay Saskatchewan which is very close to the Valley
we saw the OSB operation close July 11, 2008.*

*They closed without the additional cost of RTO's being a part of the
operation.*

*Workers, Families, and Communities are desperate for relief from this crisis in
the economy.*

*Other OSB mills have closed/curtailed across Canada in as per April 2009
Wood Based Panel International.*

*Communities not unlike ours. Drayton Valley Alberta, High Level Alta,
Mirimichi, NewBrunswick, Fort Nelson B.C, Timmons, Ont, Chambord Que,
Slave Lake, Alta, Athabasca, High Prairie Alta, Wawa, Ont.*

**(Wood Based Panels International Article Titled
Brutal Times Is Attached)**

We as workers are living in these brutal times. Any characterization to the
contrary by those in opposition to this amended environmental license is false.
We hope that markets will change as some have predicted however until
then we live with uncertainty unlike ever before seen.

**(Wood Markets Monthly International Report in June/July
of 08 attached)**

This document talks about massive declines in housing starts having

the OSB producers "on the ropes in 2007". Further to this article we as workers have seen it is far worse than originally predicted.

(Wood Markets Article June/July 2008)

We as workers have felt this slaughter of jobs first hand. Fathers and Mothers telling children its my last day of work at an operation that at one time was projected to provide jobs for generations.

This onslaught of job losses has been occuring with all things being equal for companies.

We workers here in the Swan Valley region know better than most what the impact could be if things are not equal and LP is forced to have RTO's as part of their environmental requirements. The writing is on the wall.

On the wall of every facility closed permanently or curtailed.

Allegedly those in opposition describe LP using this effort to reduce costs by Decommissioning of RTO's as somehow taking advantage of a economic crisis never before seen in the forest industry to threaten closure. We as workers have never felt this is a threat. I have never been threatened with closure talk.

However all of us in the industry know the possibility if real.

We feel it is the reality of the forest industry today. Mills that ran for decades with no reason to ever imagine closure are now dismantled, or sitting idle. Believe it.

In Conclusion

We as workers will always fight for a clean environment.

Our Support for this Decommissioning of RTO's doesn't in anyway diminish our conviction to achieve a clean environment.

Rather it recognizes we can accept change to environmental licenses, which science has illustrated doesn't compromise our values or the health of citizens.

We ask that this panel recognize this can be done as it is in all other jurisdictions in Canada without exorbanent costs this company can't justify. Again no other OSB Manufacturer in Canada has RTO's and the costs that are associated with running them.

Fair playing fields are necessary in this Forestry Industry Crisis.

Louisiana Pacific deserves that due to their valuable contribution to the Valley region and Manitobans as a whole.

Give them a fair shake.

Please make this amended license a gateway to a better chance of production of OSB and rewarding jobs, rather than impose a obstacle which could spell disaster for the future of hundreds of jobs in the Valley region.

Respectfully Submitted,

Chris.T.Parlow

President

United Steelworkers Local 1-324

I would also like to thank Mr. Edwin Yee and the rest of the panel for the opportunity to speak. Some

background information about me.

I am a resident (born and raised) in the Valley. I am a 13 year employee for LP and hold the title of

press/dryer operator. I am also the chair and 1st vice president of the local 1-324 Steelworkers representing

the hourly employees at the Minitonas site.

Before LP came to the Valley I used my education in Environmental Management and Natural Resources

Management Technology to secure a position within the Department of

Natural resources in Manitoba. Part of my job description was to enforce all provincial acts and regulations.

After 6 years working in that department an opportunity was offered for me to return "home" and work on

the construction crew building the mill. Upon completion, a job was offered for me to become a dryer/press

operator by LP, which I accepted.

I am very active in my role with the Steelworkers and Safety, Health and Welfare of workers are a priority. I

would not be speaking in favour of the increased emission limits, if for one millisecond I

thought that the LP application would jeopardize my family, co workers or fellow citizens.

As an operator, I was involved in the 2004 dryer energy system project. A noticeable difference was the bark

waste, which was all but eliminated. Dryer inlet temperatures were reduced from approximately 1700 F down

to 1100 F and below. The new dryers are safer and efficient. Air is recycled back into the system allowing us

to achieve this, unlike the 3 pass system dryers before.

Lower temperatures = less chance of fires. Mr. Barkowski (Mayor of Minitonas) testified that the

Minitonas fire department has not been called to the mill for more than 2 years.

There are standard operating procedures for running the equipment which coincides with all environmental

licence guidelines.

For the record I have worked approximately 1186/12 hour nightshifts and at no time has anyone from LP

instructed me to shut an RTO down and continue to dry or produce board.

I take great offence to comments made yesterday during testimony by one of the concerned citizens of the Valley that the RTO's were being purposely shut down during the night.

We are there. On the shop floor, running and maintaining the equipment. It is important that the CEC know

as well as citizens in the Valley that we would never put them at risk. We never have and never will.

We bring this up because any allegations to the contrary, we want stopped at this CEC public meeting.

We have investigated LP's proposal and dispersion model calculation done by the National Council for air

and stream improvement inc. We have no reason not to believe the information that was submitted.

The whole process was done transparently on LP's part and we support this application.

This meeting is about the application to decommission the RTO's at LP Swan Valley, Manitoba Canada. It is

not about the past, USA or other countries. Hearsay, speculation and assumptions should be called out of

order and only the facts should be considered. Approval of this proposal will be positive for the

environment and the local economy.

I urge you to approve the application.

Thank You.

I would like to thank the chairman, Mr. Edwin Yee, and the rest of the panel for allowing me to speak on this very important issue to myself, my fellow co-workers and to the residents of the Swan River Valley. I too am a concerned citizen. One thing I noticed yesterday in sitting through the meetings was that only one member of the “Concerned Citizen’s Group” from the Valley sat through and listened to LP’s entire presentation. I would like to acknowledge Mr. Wenstob for that effort. My parents instilled in me a core value of “If you listen before you speak, you will gain the respect and trust of others tenfold.” I was very disappointed to see other members from the concerned citizens not show that same respect. My name is Lyle Sagert and I stand in support of the Louisiana Pacific’s request to revise their environmental license and eliminate the use of RTOs, both as a worker and as a valley resident.

Let me start by giving you some background about myself. I grew up on a family grain farm south of Minitonas, only 10 miles from where the mill sits now. I graduated high school in Swan River in 1990 and went on to Brandon University where I received my Bachelor of Science in Chemistry.

At the time, I never dreamed of being able to utilize my degree in the Swan River Valley, as it was in an economic decline with little industry and small farms disappearing at an alarming rate. Then late in the year, in 1994, construction of the LP mill began and I started working at the mill in October of 1995. Almost 14 years later I am still living my dream of working here in the valley, raising a family with my wife of 12 years Kara, my daughter Karlyne who is 8 and my 6 year old son Keaton.

During my time at the mill, I have worked at many different jobs within the mill, including dry end operating positions, a dyer/press operator and currently hold the position as a process technician in the quality control lab. I also have always been very involved with the union (Steelworkers 1-324), having held positions on the safety committee, negotiations committee and I am currently on the plant committee as vice chair. I also represent workers on a provincial level as the 2nd Vice president for the Local Union. I take the safety and well being of workers and their families very seriously and would never want to see that jeopardized. Our job as union committee members is to ensure that our members are respected and that we hold the company to task when they are not respected. We have been through several arbitrations over the years with the company and have both won some battles and lost some battles. At the end of the day respect is what both sides deserve. This battle the company is now enduring, with the proposed elimination of the RTOs, is something we as The Union respect and support. The company has been forthright and transparent from the beginning, working with us throughout this whole process.

It was during my time as a dryer/press operator in 2003/2004 that LP spent approximately \$26 million on a new dryer energy system utilizing single pass drying instead of triple pass drying and using a state of the art burner system to heat the dryers. This in turn would help eliminate the excess waste bark problem we had, allowing the company to shut down the inefficient bark incinerator and in the end, eliminate the need for the RTOs. At the time there was no economic crisis. It just made good business and environmental sense to make these changes and it still

makes sense today.

I was personally involved in the start up and commissioning of the new drying system. I moved off of shift work to work straight days for several months, developing standard operating procedures (SOPs) with the suppliers that would enable us to dry more efficiently and safely knowing full well being able to operate this equipment properly would hopefully lead to the eventual elimination of RTOs and making our mill even more viable. I helped develop lockout/tag out procedures, to ensure the safety of our workers while working with this new equipment.

As I said before, I was at the mill from the beginning. I was one of many workers who worked in excess of 30 days in a row during the start up of the mill, working up to 16 hours a day trying to get the mill up and running. Most of us were farm kids who never worked in industry before. When showing up to work the first few months, you did not know if you would have time to eat a sandwich on the fly. It was that tough. In the end, we persevered, becoming LP's flagship mill by breaking all kinds of production and safety records and all the while running in compliance to the environmental license set forth by the Government of Manitoba. Not bad for a bunch of farm kids.

I took pride in my job as a press/dryer operator and was both upset and hurt by the insinuations, third hand I might add, made yesterday that we shut off our pollution control equipment during night shifts. No Steelworker at Swan Valley OSB would ever cave to any such requests and no such requests were ever made. Those are the facts, firsthand!

I would like to comment on the “Ill Winds” video shown yesterday. I would like to remind the panel that we are not the Montrose Mill or the Dawson Creek Mill. We are the Swan Valley Mill. In Dawson Creek, which was a unionized IWA mill at the time of the video, not one current union worker was interviewed. Only ex-workers were interviewed which makes me take their testimony with a grain of salt. There was reference to slowing production down during stack testing there and then speeding up when it was over. Let me tell you how stack testing worked for us as press/dryer operators. I dreaded the week, sometimes weeks of stack testing. We had to be able to run and dry full speed for hours at a time, to ensure we were environmentally compliant. If something on the line were to go down for over a minute, which in the early days was quite often, the process had to start over again. It was very stressful, yet as workers, we knew that the results would show the true emissions coming out of the stacks. Why would we ever try to cheat the system? We would only be cheating ourselves, our families and our community.

LP also has an Environmental Management System at the mill in Swan Valley. It has members from management as well as union members, who develop standard operating procedures for any environmental issues, from handling leaks and spills to how to dispose of paint cans properly. I would dread to see my Dad’s reaction as a retired farmer, if he had to abide on the farm by all the procedures that we set at the mill. I’m sure a lot of the current farmers today would feel that same dread.

I currently work in the quality control lab, where we deal directly with the formaldehyde resins and MDI glue. We test the product as it comes in to ensure it

meets our quality standards. References have been made in our local paper, for which one of the reasons we are required to run RTOs is that we run a different kind of resin in our system. The fact is, I have personally re-routed resin railcars to our neighbor mill in Hudson Bay for them to use, when we have had an excess of resin on our site. Hudson Bay does not have RTOs. They are a larger capacity mill than us. They have also been indefinitely shutdown due to the economic crisis for over a year.

In a recent letter to the editor I stated “If Mr. Soprovich thinks for one minute that I would put my family’s life and health in jeopardy all for the sake of saving my job, then he is sadly mistaken.” One of the concerned citizens stated to me yesterday in a side bar from the meeting, that she would believe that statement if I was willing to move my family east of the mill where the prevailing winds blow. I was shocked to hear that statement. I was from Minitonas. I have friends with kids the same age as my kids that live east of the mill. I can’t even justify her statement.

LP is not hanging the shutdown of the RTOs over the unions head. We can see the reality of the situation ourselves. Half of our members have been laid off for the majority of the year already. Many good friends and co-workers have moved on or are barely scraping by as we speak.

I ask the commission to base their conclusions on the facts. I believe the evidence provided by the company, including the health assessment that was presented, showing that there will be no adverse health affect to the residents of the Valley. Remember, this is something that was Mill driven, not corporate. Kevin Betcher, Kevin Warkentin and Al Hambley and their families all live in this valley

alongside the rest of us, breathing the same air as us. That is very important to me. I believe in fairness. Does it make sense that we are the only OSB mill in Canada required to run RTO's? New technology or not, other OSB mills do not need or have them. Does that sound fair to the one mill that may be forced to use them? Instead of investing 3 million dollars per year into things like wages and benefits, new technology, reforestation and community groups and events, a select few would like us to spend that money burning fossil fuels and emitting huge amounts of green house gases unnecessarily. I believe the facts don't lie. If I had any doubts, I would not be up here today speaking on behalf of workers. I would like to thank the panel again for their time as well as for everyone in attendance that were willing to listen. Thank you.

