

September 1, 2009

Honourable Stan Struthers
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Mr. Edwin Yee, Chair
Louisiana Pacific Oriented Strand Board Air Emissions Public Review
Manitoba Clean Environment Commission
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Dear Minister Struthers and Chairperson Yee,

Re: Comments – Louisiana Pacific Oriented Strand Board Air Emissions Proposal
Re: Comments – Licence # 2861, Manitoba Environment Act

We appreciate the opportunity to submit our comments and express our concerns regarding Louisiana Pacific's (LP) proposal to increase air emission limits for its oriented strand board (OSB) plant, which would allow LP to decommission its regenerative thermal oxidizers (RTOs).

Our comments and concerns relate to various aspects of both the regulatory process and the proposal itself.

Regulatory and Government Decision Process

We object to the fact that the public was not provided with notice on the Minister of Conservation's January 2009 decision (via the Director of Environmental Assessment and Licensing) to permit LP to turn off its RTO equipment last winter. In fact the information was not in the public registry, or the notices about public registry contents until the decision was already made. (Licence No2861 <http://www.gov.mb.ca/conservation/eal/archive/2009/licences/2861.pdf>).

We question this decision, given (for example):

- LP's poor record of self-assessment (dating back to its 1995 Environmental Impact Statement for its 10-Year Forest Management Plan – as detailed by Mr. Dan Soprovich for the Concerned Citizens of the Valley in his July 28, 2009 presentation to the CEC)
- LP's reliance on a so-called independent study by the National Council for Air and Stream Improvement Inc. (NCASI) as evidence of the impacts of various pollutants on human health,

despite this organization being funded almost entirely by the forestry industry including LP and the fact that its vice-chairman is LP CEO Mr. Rick Frost (detailed in Mr. Soprovich's presentation)

- The known deficiencies in LP's ambient air quality monitoring program –
 - poor suitability of the two locations, as noted by the Concerned Citizens of the Valley, and based on 4 years of wind data from the Swan Valley (detailed by Mr. Kenneth Sigurdson for the Concerned Citizens of the Valley in his July 25, 2009 presentation to the CEC)
 - infrequency of sample collection, as noted by an Manitoba Conservation Department employee Mr. Dave Bezak (detailed in Mr. Soprovich's presentation)
- The fact that the Director of Environmental Assessment and Licensing had previously rejected LP's 2007 request to change from RTOs to RCOs (regenerative catalytic oxidizers) that would increase emissions levels for benzene, a known human carcinogen (detailed in Mr. Sigurdson's presentation)

This January 2009 government decision prompts us to further question whether the Manitoba government has decided to allow mills and plants to turn off pollution abatement equipment whenever requested.

The January 2009 Manitoba Conservation decision resulted in significant public outcry. Given the public outcry and the dubious claim by LP that the request for changes to the emission limits would “not result in significant impact to the surrounding environment and community health”¹ (LP Licence Amendment Request RTO Elimination Cover Letter November 18, 2008 http://www.gov.mb.ca/conservation/eal/registries/3741lp/2008_10_28_reqletter.pdf), it is our assertion that the Ministerial reference of this matter to the Clean Environment Commission (CEC) in March 2009 should have been a request for a full public hearing, not a request for an investigation that included a public meeting “in the affected community” only (CEC Terms of Reference http://www.cecmanitoba.ca/resource/File/LP_air_quality/Terms_of_Reference_-_Louisiana_Pacific_LP.pdf).

Further, the narrow nature of the Ministerial reference to the CEC is problematic. The Minister of Conservation's March 2009 Terms of Reference restricts the CEC to consideration of “potential health and environmental effects of the increased emission limits and the subsequent decommissioning of the Regenerative Thermal Oxidizer technology”. This narrow reference ignores the tremendous opportunity to examine pollution standards and limits that would better protect human health and the environment as well as alternative technologies that would enable Louisiana-Pacific to meet more stringent emissions standards. It is clear (and has been since the initial CEC hearings regarding the licensing of LPs OSB plant) that the US Environmental Protection Agency has more stringent pollution standards which US plants – including LP plants – are able to comply with. And Mr. Soprovich's presentation makes the point that “the world is moving away from using bonding agents containing

¹ We believe that this claim by LP has been successfully challenged by information provided in presentations to the CEC, such as by Mr. Dan Soprovich and Mr. Kenneth Sigurdson of the Concerned Citizens of the Valley.

formaldehyde because of the health effects”. Both the issue of standards and alternative technologies should be considered as part of the CEC review.

Standards for Self-Assessment in Environmental Impact Statements and Licensing Processes

We absolutely concur with Mr. Soprovich’s characterization of LP’s less than impressive history of self-assessment and solicitation of independent information and analysis as part of its conduct in environmental licensing processes in Manitoba over time. We agree that history has proven Louisiana-Pacific’s projections to be inaccurate and based on flawed and biased information and that, studies and analysis provided by LP should be treated with caution. LP should be required to provide original consultant reports and both Manitoba Conservation and the CEC must do their due diligence to determine the independence of information (such as determining how a study is funded, or requiring technical information to bear the seal of a registered professional – i.e. stamped by a professional engineer).

Human Health Concerns

Notwithstanding the biased report by NCASI LP has presented to support its claim the requested increase in emissions levels for pollutants poses no threat to human health, the LP evidence related to the LP OSB plant presented at the CEC public meetings warrants a full epidemiological study and application of the precautionary principle in terms of emission limits and impact on human health.

To reference just a few of the issues raised that support a call for an epidemiological study:

- The statistics presented by Mr. Soprovich concerning rates of ALS within 10 miles of the OSB plant since 1996 are stunning.
- The presence of ‘purple haze’ surrounding the mill for some miles (also documented in Mr. Soprovich’s presentation) is something that cannot be ignored and must be investigated as a direct consequence of the RTOs’ decommissioning.
- The fact that the “removal of the RTOs will result in an additional 35 tonnes of Benzene being emitted annually by this plant” (Mr. Sigurdson’s presentation) requires specific investigation in the context of human health, given that benzene is a “non threshold toxicant – a substance for which there is considered to be some probability of harm for critical effects at any level of exposure.”
- Mr. Sigurdson’s presentation raises the issue of the synergic effects of Aldehydes and that mixtures of aldehydes have been found to be “more severe and more extensive in inducing respiratory olfactory problems in rats, compared with the individual chemicals”. This requires further investigation.

We also agree that the public has a right to know exactly how frequently the RTOs have been operating since they became operational and what that has meant in terms of emissions over time. An analysis of plant compliance is imperative. The original licence issued can trigger a review of the RTO operations. Clearly there are questions much wider than the minister’s reference here, about which the CEC can make recommendations.

Greenhouse Gases (GHGs)

LP claims that the decommissioning of the RTOs will result in a reduction in natural gas consumption “equates to a GHG emission reduction of approximately 11,830 tonnes of CO₂ equivalents per year, which represents a 0.92% reduction in GHG emissions for all stationary combustion sources in Manitoba’s manufacturing industries” (LP Licence Amendment Request RTO Elimination Cover Letter November 18, 2008

http://www.gov.mb.ca/conservation/eal/registries/37411p/2008_10_28_reqletter.pdf).

However, Mr. Soprovich pointed out in his presentation that “greenhouse gas emissions from the RTOs likely represent a small portion of total GHG emissions from the plant, and that many options exist to reduce or mitigate such GHG emissions”. One of the suggested examples of ways to further mitigate GHG emissions was the implementation of pollution abatement equipment for NO_x emissions, as NO_x is GHG that is 19 times more harmful than CO₂.

This point has been substantiated by Industry Canada in an article that discusses all of the pollution control options for OSB plants (<http://www.ic.gc.ca/eic/site/fi-if.nsf/eng/oc01532.html>). It is disingenuous for LP to tout the GHG emissions reductions that would result from the decommissioning of the RTOs without acknowledging the GHG implications of NO_x emissions and what could be done to address this source of GHG and the net emissions benefits of doing so.

LP needs to control its NO_x emissions. This was recommended by the CEC back in 1994 and needs to be a recommendation that is followed through with now.

It should be noted that current thresholds for emissions and reporting are going to be changing for Manitoba due to several factors: participation in the Western Climate Initiative (WCI), Manitoba’s own climate act – which will confirm WCI thresholds, regulation on a federal basis for this sector’s emissions from plants and mills. Currently very few locations in Manitoba have to report emissions, given the high threshold. LP should be preparing for future reporting requirements rather than arguing against current requirements.

LP’s Economic Arguments for Decommissioning RTOs

Manitoba Wildlands acknowledges the strain the current recession has placed on the economy and we understand that companies are seeking ways to reduce costs and streamline operations. However, separate from this, we assume that LP engages in long term planning exercises that include the need for equipment upgrades and/or replacement and that this would also include the RTO equipment. As such, the operation and maintenance of the RTOs would have been budgeted for and funds allocated as a function of the imperative of maintaining the terms and conditions of LP environmental licence for this mill. To set a precedent by altering environmental licences that are in place to protect human health and well-being and maintain adequate air quality in order to relieve “economic burden” and maintain “competitive advantage” (LP Licence Amendment Request RTO Elimination Cover Letter November

18, 2008 http://www.gov.mb.ca/conservation/eal/registries/37411p/2008_10_28_reqletter.pdf) is a dangerous precedent and goes against the public interest.

We assume the CEC will recommend the Manitoba government direct LP to reinstate its RTO equipment immediately. We also assume the CEC will further recommend emissions standards that reflect best practices and conservative limits, applying the precautionary principle to protect human health. These need to be included in LP's environmental licence for the plant. We trust the CEC will also recommend a full epidemiological study be commissioned and LP's environmental licence be reviewed again, pending the results of this study. Independent and regular assessment of emissions from this plant should have been happening over the last 12 years. Now it must happen. The CEC also has the mandate to firmly indicate that public notification needs to be at the beginning of any supposed review period, should include all parties who have previously responded regarding LP licences, etc. It is long over due for Manitoba Conservation to set up a RSS feed, or email listserv regarding notification of requests or proposals under The Environment Act.

Finally, we hope that the CEC recognizes the need for regular monitoring and public reporting of emissions control equipment compliance, such as these RTOs on mills or plants in Manitoba and that this monitoring and reporting must be done publicly by an independent third party, not the company.

We will watch for a response to this letter. Please also acknowledge receipt. In particular, the overlap in processes spells out the need for this letter – as it pertains to a Licence under the Environment Act, and a process under the Environment Act – and all other presentations, objections and review comments be placed in the public registry file for the plant licence.

Yours truly,

ORIGINAL SIGNED BY

Gaile Whelan Enns
Director,
Manitoba Wildlands