

**OWENS CORNING STATEMENT
PUBLIC HEARING
DECEMBER 13, 2007**

Good evening, my name is Kim Howard, and I am the General Manager of Owens Corning's Foam Insulation business. It is a pleasure to be with you again tonight to talk about the foam insulation plant that Owens Corning proposes to build here in Gresham and specifically the air discharge permit for that facility.

As General Manager of Owens Corning's foam business, I am responsible for the Gresham foam plant. I have learned, during my almost two years of involvement with the plant and your community, what that means. First and foremost it means that Owens Corning must fully comply, at all times, with Oregon's environmental laws. It means that your questions regarding the Plant must be answered to the best of my ability in a timely fashion. It means that the Oregon Department of Environmental Quality must be provided with the information it needs to do its job and must be satisfied with the quality of that information. And hopefully it means that I will be given the opportunity to open the most environmentally advanced and efficient extruded polystyrene foam plant in North America next year right here in Gresham.

The plant that Owens Corning is proposing to build in Gresham will manufacturer rigid extruded foam insulation boards. The product is a unique and efficient insulator, reducing the energy consumption of a building by 20% or more. As such, it will be a significant tool in any efforts to reduce energy consumption and its associated impacts on the global environment. In addition to providing a significant thermal value, it is also resistant to moisture. Its primary use is to "seal the building envelope" – reducing the energy needed to condition that building. It can be easily installed over wood studs or masonry/concrete walls, above or below ground in vertical and horizontal applications in homes, businesses and office buildings. It is also used in green roofs where it provides the necessary moisture resistance and strength to facilitate vegetative growth while still providing insulation to a critical area of the building.

Over the last year or so, I have spent a considerable amount of time in Oregon. I met with you and your neighbors, with state, county and local government officials and with members of the business community. I have been listening and learning. What I clearly heard was a concern about the potential environmental impact of our original plan for the Gresham facility. I also heard about a desire to have us spend time ensuring that what we do in Gresham will have a positive impact on the environment. And I heard about a need for Owens Corning to be open, honest, and transparent. I have worked very hard to be able to come back to Oregon and meet those expectations.

Owens Corning listened to your concerns regarding its original proposal for Gresham. We are here tonight because Owens Corning has been able to identify an acceptable replacement for the ozone depleting HCFC's used as blowing agents in other XPS manufacturing plants. The Gresham plant will be the first XPS foam insulation plant in North America to solely utilize a Montreal Protocol compliant blowing agent. This

solution will have a 70% lower global warming potential than the blowing agents currently being used in other North American XPS foam manufacturing facilities. Importantly, this has been accomplished while retaining all of the characteristics demanded of this product in today's market.

Owens Corning has submitted an application for an air permit to the Oregon Department of Environmental Quality that if approved will allow it to construct and operate an extruded polystyrene foam manufacturing plant in Gresham. The DEQ has determined that application is complete. Based on the information that Owens Corning has provided and DEQ's review of applicable laws a draft air permit has been issued and is the subject of tonight's hearing. The draft permit contains emission limitations which the DEQ has determined to be protective of the community. The manufacturing process causes no odors or visible emissions. It is a very clean operation that recycles all process wastes. Owens Corning has reviewed the draft permit and ask that the DEQ's issue the Air Quality Discharge Permit in final form.

In order to facilitate the community's assessment of the Gresham facility, Owens Corning has voluntarily provided a life cycle analysis examining the net impact of the proposed plant on global warming. The LCA was prepared by Four Elements Consulting, independent consultants from here in Portland that are skilled at performing such assessments. The LCA was peer reviewed by Dr. Gregory Norris, a professor at the Harvard School of Public Health and President of Sylvatica Consulting Company. The LCA clearly shows that if you compare the emissions of green house gases associated with the production of XPS foam board insulation at Gresham to the savings in green house gas emissions that will result from the use of that insulation in commercial buildings and homes there is an overwhelming net positive effect on reducing green house gas emissions over the life of those buildings. For example if we assume that all of the product that will be produced at Gresham in a year is installed in homes and that those homes have a useful life of 30 years after which they are demolished, that product would reduce green house gas emissions by 1.3 million tons over the 30 year life of those homes. And if those homes had a useful life of 60 years, the savings jumps to 3.4 million tons of green house gases.

Another positive outcome from my conversations with the community is that Owens Corning reexamined its plans for the building that will become the Gresham plant and determined that there was much more we could do to improve its energy efficiency. As a result, Owens Corning has worked with GBD Architects locally to LEED certify this building, solar panels will be added to the building and 100% of the energy used in the building will now come from renewable sources.

The Gresham experience has also reinforced our efforts to look more broadly at the focus we place, as a company, on sustainability. Owens Corning is the leading producer of insulation products in the world. The products we make have a net benefit to the environment, and we have much to give and do around our commitment to change the world – and it starts with us. For instance we are now a member of Climate Leaders and

as such, we are inventorying our emissions at all of our facilities and we are committed to substantial reductions in our environmental foot print year over year.

Finally, I want to say again that I appreciate all the feedback I have received. I have listened and I believe that we have learned from your comments and suggestions. This is a great area of the country and there are many reasons why Owens Corning is committed to becoming a member of your community. We believe that Owens Corning can form a great partnership with the community. This area has a strong focus and commitment to energy efficiency which is consistent with our own sustainability goals. There is a strong commitment here to leading the way towards making the world a better place. Our experience to date has taught us much and we believe we have much more to learn – and this is the best place to gain that knowledge. Thank you for the opportunity - thank you for your support - and thank you for letting us become a larger part of your community.