



September 4, 2018

Senator Joe Manchin III
Hart Building, Suite 306
Washington, DC 20510

Dear Senator Manchin,

Thank you for reaching out to us to share questions you and your constituents have regarding the ROCKWOOL facility in Ranson and to encourage our ongoing engagement with the Jefferson County community. We agree there is a need to do so and have been increasing our efforts to share information and respond to community questions and concerns via multiple means, including having hosted a series of four community open houses on August 23 – 25, participating in multiple public meetings, and a creating a dedicated email address (ransonquestions@rockwool.com) and Facebook page (@ROCKWOOLRansonCommunity).

We are fully committed to continue these and other efforts to facilitate a fact-based discussion and to earn the community's trust.

Air quality

Regarding your questions about the Ranson facility's potential impact on health, environment and wildlife in the surrounding areas, we are convinced there is an exceptionally robust body of scientific research and analysis that underpins the determination that the ROCKWOOL facility in Ranson will have no negative consequences. This conclusion is based on two of the most important governing standards and legal limits applicable to our industry, these being the National Ambient Air Quality Standards (NAAQS) and the Maximum Achievable Control Technology (MACT) standard. These standards were developed and issued by the U.S. Environmental Protection Agency (EPA).

The MACT rules set sector-specific legal limits on specific emissions such as formaldehyde, while the NAAQS establish safe exposure limits on other substances. In both cases, the safety standards are based on the specific health needs and requirements of sensitive populations that include children, the elderly and asthmatics. The standards also take into account protection against decreased visibility as well as damage to animals, crops, vegetation and buildings.

Importantly, these standards must be met under "worst-case" conditions that include operating 24/7/365, producing the product that pushes the maximum volume through the production process in the shortest time. The standards model the maximum concentrations where they are highest at any given geographic point, taking into consideration local weather conditions based on five years of weather data. And just to reiterate, these "worst-case" conditions are applied first and foremost in relation to protecting the health of sensitive populations.

Even in these theoretical worst-case conditions, the ROCKWOOL emissions will be well below the already stringent standards. Actual emissions will be even lower. Although actual numbers for the individual substances will vary depending on product mix, plant utilization and other factors, based on experience in similar facilities, we estimate actual emissions at approximately 40 percent of permitted levels for VOCs (volatile organic compounds), while other emission levels will be closer but still well below the permitted levels.

It's worth highlighting that the MACT standards are reviewed every eight years, which makes sense as technology and scientific knowledge continues to evolve. The most recent standards were published in 2015. The EPA spent several years collecting emissions data from the entire U.S. mineral wool industry to form the basis for their evaluations. The EPA dictates to industry exactly what data must be collected; who is authorized to independently collect that data; and the methodology used to assess the data.



Constructively, the Sierra Club, which had raised concerns regarding the applicable standards for numerous industries, including mineral wool production, was party to and a very active participant in the entire rule-making process that culminated in additional limits being imposed in 2015. The Sierra Club accepted these limits, which they played a major role in crafting – again, specifically for our industry and specifically geared to protecting the health of sensitive populations such as children, the elderly, and asthmatics.

The EPA concluded that these emission limits from mineral wool manufacturing provide “an ample margin of safety for human health and the environment.” When the MACT standards are reviewed next, we fully expect that ROCKWOOL’s best-in-class environmental performance will positively influence the setting of future limits, a development we’re proud to be part of.

Because of community interest in several specific substances that are not regulated in West Virginia, we asked the leading environmental consultancy ERM to conduct a thorough assessment of the expected levels of formaldehyde, phenol, and methanol in the area around the Ranson factory. For these, the yearly average impact in the area around the factory were assessed to be respectively 10 times, 100 times, and more than 1,000 times lower than the allowed limits under Virginia regulations.

Acknowledging the community’s concern, however, we have agreed to cover the costs of installing air quality monitors to begin measuring background air quality as a baseline against which to compare once the Ranson facility is operational. We will also ensure the monitors are independently managed by a third-party and that the data is publicly available. The goal is to ensure the air monitors are installed as promptly as possible. The process will take some months depending on the chosen locations, which may require certain authorizations. Through our Ranson Facebook page, we have solicited community inputs on what should be measured and where the monitors should be installed.

We have also committed to working with the Jefferson County Board of Education to review the published research forming the basis for the NAAQS and MACT standards as well as the air modeling done specifically for the ROCKWOOL Ranson facility. We are confident the additional reviews will reaffirm the existing conclusions that our emissions will be well under scientifically-based limits designed primarily to protect the health of sensitive populations such as children, the elderly and asthmatics.

Abatement technology

We use a “Wet Electrostatic Precipitator” (WESP) technology for emissions control. This is highly efficient and considered a Best Available Control Technology (BACT) for PM 2.5 (particulate matter 2.5 microns) abatement. It uses electricity in a wet environment to electrically charge and collect particles. Some community members have asked about “wet scrubbers.” Some such approaches can also be efficient, but using this type of technology creates a stream of waste water, which we want to avoid.

Wildlife

In relation to wildlife, I would like to share with you that following several conversations with a local equine veterinarian, we ran modeling on expected PM2.5 (particulate matter, 2.5 microns, the smallest size measured) impacts at the Charles Town Race Track. We are not qualified to comment on equine health, but we can confidently say the expected impact from PM2.5 will be far below what is considered unhealthy for humans.

The facility’s contribution to the PM2.5 annual average in the area of the race track is expected to be negligible, at less than one percent of the background values and well below the level that requires modeling under the National Ambient Air Quality Standard (NAAQS). In fact, the ROCKWOOL facility’s contribution of PM2.5 would represent about 0.3 percent of the level considered safe for sensitive human populations.



Water

Some community members have asked questions about water usage and discharges from the facility. Here it's important to emphasize that because we use a closed-loop water processing system, there will be no production process waste water discharges from the facility into any waterways, sewer systems or the ground.

We do use water in the production process, but once in, it stays in. Production process water is continually recycled and reused in a closed system. Owing to evaporation, we need to regularly add water to the process, but none of it is discharged.

The only water we discharge into the sewer system is from sinks and toilets as well as residual water from purification processes. On the latter, we take in drinking water from the city water supply, purify it for use in the industrial process by removing lime and other minerals, and then discharge the residual water into the sewer system. What's in this discharged wastewater is basically the same as what's in the city water supply, albeit in greater concentrations (approximately 4x concentration).

We will also collect rainwater to use in the production process, which will reduce the amount of water drawn from the municipal supply. Taking this approach is consistent with our global sustainability strategy to minimize the use of fresh water as much as possible. In fact, we have achieved several international recognitions for our commitment and approach to sustainability, which you can read more about in our most recent sustainability report at this link: <https://www.rockwoolgroup.com/about-us/sustainability/>.

Other companies with "Rockwool" in their names

Some confusion understandably arises in relation to other companies with "Rockwool" or "Rock Wool" in their names, particularly a company called "Rockwool Industries." It's especially important to note that our company, ROCKWOOL Group, has never owned or had any relation to Rockwool Industries, which we understand has been involved in an EPA Superfund site in Texas and whose production in Missouri has been reported to be linked to increased incidences of cancer in that area. There is also another company with "Rockwool" in its name that has been linked to asbestos concerns in Alabama.

So just for full clarity, ROCKWOOL Group has never had any production in Texas, Missouri or Alabama. Aside from a similarity in name, we do not currently have nor ever have had any relationship to these other companies.

Economic impact

Once completed, the new facility will directly employ at least 150 people in well-paying, full-time positions from management to production line. People in leadership positions can expect an average annual salary of \$85,000, while technician wages range from \$35,000 - \$55,000 per year. We also offer a very attractive benefits package that includes medical, dental and vision insurance, disability, life insurance, vacation pay and 401K pension plan. The company pays 85 percent on healthcare insurance (family members can also secure coverage) and up to six percent 401K matching. We also support skills development with training, education and apprenticeship programs. Two weeks paid vacation for technicians and three weeks for those in leadership positions is also standard.

What's more, during the construction phase, we anticipate that our general contractor will sub-contract approximately \$10 million worth of local services. Based on our experience in Marshall County, MS, we also expect up to an additional 150 indirect jobs being created as well as approximately \$5 million in annual economic activity for the local community once operations begin.

During the 10-year period when the tax incentives apply between 2020 and 2029, our estimated city, state, and property tax payments will be just over \$4 million. After that time, we will pay the full applicable taxes. In addition, the employees will naturally pay all relevant income taxes on the salaries and wages they earn.



I hope the above helps address your and your constituents' questions. We would welcome visiting with you in person for further discussions if you think that would be useful or arranging for you to tour our Mississippi facility, which uses much the same technology as we will use in Ranson.

We want to be good neighbors in Jefferson County and look forward to continuing our engagement with the entire community. Thank you for your time and attention to this matter.

Best regards,

A handwritten signature in blue ink, appearing to read 'Trent Ogilvie', is written over the 'Best regards,' text.

Trent Ogilvie
President, ROCKWOOL North America