



1010 De La Gauchetière Street West, Suite 400
Montreal, Quebec, H3B 2N2 Canada
T 514-875-2160 resolutefp.com

Sent by email: substances@ec.gc.ca

April 14, 2023

The Honourable Stephen Guilbeault, P.C., M.P.

Minister of the Environment

c/o The Executive Director for the Program Development and Engagement Division

Department of the Environment

Gatineau, Quebec, K1A 0H3

Re: Notice of Objection and Request for Board of Review in relation to the Proposed Order to add 'Crude Tall Oil' to Schedule 1 to the *Canadian Environmental Protection Act, Canada Gazette, Part I, Volume 157 (February 18, 2023), Number 7: Order Adding a Toxic Substance to Schedule 1 to the Canadian Environmental Protection Act, 1999*

Dear Minister Guilbeault,

Resolute Forest Products is a leading producer of a diverse range of wood, pulp, tissue and paper products, which are marketed in 60 countries. The company operates some 40 facilities, as well as power generation assets, in the United States and Canada and has third-party certified 100% of its managed woodlands to internationally recognized sustainable forest management standards. Resolute is in fact the largest holder globally of Forest Stewardship Council® (FSC®) and Sustainable Forestry Initiative® (SFI®) certification.

We provide indispensable products for basic human necessities like shelter, personal care and education, and we contribute to the health and welfare of our society. Leveraging modern practices, we steward renewable, sustainable, fossil-free resources; seek resource maximization and waste minimization through integration and innovation; and play an important role in fighting climate change.

Resolute has received regional, North American and global recognition for its leadership in corporate social responsibility and sustainable development, as well as for its business practices.

We are actively engaged in the Canadian communities in which we operate in Quebec and Ontario, and it is with this in mind that we respond to the February 18, 2023, Gazette Notice in which the Governor in Council, on the recommendation of the Minister of the Environment, proposed an Order to add "Crude Tall Oil" (CTO) to Schedule 1 of the *Canadian Environmental Protection Act, 1999* ("CEPA") (hereafter referred to as "Proposed Order").

.../2



-2-

As a biobased raw material, CTO has historically been used for a myriad of bio-chemicals and products, and is increasingly used as biofuel or bioenergy, helping organizations to reduce their carbon footprint and support Canada with its Net-Zero 2050 target. Climate change mitigation is a foundational element of Resolute's sustainability strategy. We have reduced our scope 1 and 2 greenhouse gas emissions (GHG) by 85% since year 2000, and Resolute is a formal participant in the Science Based Targets Initiative with established targets for scope 1 and 2 as well as scope 3 GHG emission reductions.

Resolute respectfully objects to the Proposed Order and formally requests the establishment of a Board of Review under Section 333 of the Canadian Environmental Protection Act, 1999, for the following reasons:

First, the likelihood of routine releases of CTO to wastewater is extremely low, nearly null. CTO is produced in Tall Oil Plants, not inadvertently generated as part of the kraft pulp manufacturing process, nor is it spontaneously generated in mill wastewater. Tall oil plants are closed, self-contained units separated from pulp mills. For example, an accidental spill at a Resolute tall oil plant would not be sent to our wastewater treatment system, but rather collected in an isolated sump and fully reclaimed back into the pulping liquor recovery process.

Second, we believe an inadequate approach was used by ECCC in conducting the ecological exposure assessment in the Final Screening Assessment (FSA). An appropriate approach should rely on direct measurements of CTO in the final discharge to the environment or on representative emission factor estimates. However, to our knowledge, no validated or standard analytical methods currently exist for testing aqueous samples for CTO. In the absence of CTO release data, ECCC used resin acids as proxy substances for CTO across a theoretical release pathway (spent acid from the CTO plant => evaporator condensates => wastewater treatment => receiving water) and estimated a CTO emission factor by extrapolating the concentration of resin acids in the (foul) condensate. According to the National Council for Air and Stream Improvement (NCASI), this approach is not substantiated and is inadequate from a scientific standpoint. It cannot be assumed that the presence of resin acids in a process stream is evidence of the presence of CTO without additional compositional fingerprint for CTO. It should also be noted that resin acids are effectively biodegraded in the wastewater treatment systems, prior to their discharge in the receiving water.

.../3



-3-

Finally, Environment and Climate Change Canada/Health Canada's (ECCC/HC) approach used in the ecological exposure assessment of the FSA and Risk Management Approach (RMA) was substantially different from the one used in the draft screening assessment (DSA). However, ECCC/HC did not provide an opportunity for comment during this stage of their work. ECCC/HC should have released an updated DSA and invited comments. This deviation from the typical Chemical Management Plan (CMP) consultation process did not follow the principles underlying Section 4.1 of the Cabinet Directive on Regulation, and specifically the Policy on Regulatory Development. As such, with all due respect for the process and the parties potentially impacted, we believe a Board of Review should examine the decision-making process to determine if the preponderance of evidence supports the approach and respects the science-based approach.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Robert Dufresne', is written over a horizontal line.

Robert Dufresne
Vice President – Environment, Energy and Innovation