

Performance Agreement

Environmental Performance Agreement Respecting Bisphenol A in Paper Recycling Mill Effluents

Between Her Majesty the Queen in Right of Canada, as represented by the Minister of the
Environment
("Environment Canada")

and

Atlantic Packaging Products Ltd.,
Cascades Inc.,
Georgia-Pacific Canada LP,
J.D. Irving Limited,
Kruger Inc.,
Produits Kruger S.E.C,
Kruger Wayagamack Inc.,
Kruger Publication Paper Inc.,
Resolute FP Canada Inc.,
RockTenn – Container Canada, L.P.,
Société en commandite Stadacona WB,
Sonoco Canada Corporation, and
Strathcona Paper LP

("Participating Companies")

(All also referred to individually as a "Party" and collectively as "Parties")

Preamble

WHEREAS Environment Canada is responsible for administering and enforcing the *Canadian Environmental Protection Act, 1999* ("CEPA 1999");

WHEREAS Bisphenol A (also known as phenol, 4,4'-(1-methylethylidene)bis) is a substance specified on the List of Toxic Substances in Schedule 1 of CEPA 1999;

WHEREAS Effluent from Paper recycling mills has been identified as one of the sources of Bisphenol A releases in Canada;

WHEREAS Paper recycling mills have implemented pollution control measures that are expected to contribute to reductions in Bisphenol A releases;

WHEREAS the Minister of the Environment recognizes voluntary actions of industry as an efficient means to achieve environmental objectives;

AND WHEREAS the Participating Companies are willing to work towards further reducing their Effluent releases of Bisphenol A, where necessary;

Therefore, in consideration of the following terms and conditions, the Parties agree as follows:

1.0 PURPOSE

The purpose of this Agreement is to initiate action by Paper recycling mills to minimize the risk of environmental impacts from their Effluent releases of Bisphenol A, where necessary, to the greatest extent practicable.

2.0 DEFINITIONS

“Agreement” means this Environmental Performance Agreement Respecting Bisphenol A in Paper Recycling Mill Effluents.

“Bisphenol A or BPA” means phenol, 4,4' -(1-methylethylidene)bis-, Chemical Abstracts Service (CAS) number 80-05-7.

“Concentration of BPA in the Receiving environment” means a BPA concentration which is either a measured or predicted value. The methods for measurement or prediction include in-stream sampling, numerical modeling and calculations using dilution factors.

“Direct Deposit Facility” means a Paper recycling mill that deposits Effluent directly into the environment.

“Effective Date” means the date when the last Party affixes their signature to the Agreement.

“Effluent” means wastewater from a Paper recycling mill. Effluent does not include sanitary waste water or non-contact cooling water which has not been mixed with Paper recycling mill process waste water.

“Final Effluent” means Effluent being discharged into surface waters.

“Furnish” means the raw material used as inputs to make new paper (furnish includes all the fibrous materials and any other components mixed in the loose loads or bales as received at the mills)

“Indirect Deposit Facility” means a Paper recycling mill that deposits Effluent into an Off-site Wastewater System.

“Method detection limit” means the lowest BPA concentration which can be reliably detected in either a sample or a blank.

“**Mill**” means a Paper recycling mill.

“**Non-detect**” means a BPA analytical result below the Method detection limit.

“**Normal operating conditions**” means conditions that are representative of regular or typical operating conditions related to processing recovered paper or paperboard.

“**Off-site Wastewater System**” means a wastewater system that is neither owned nor operated by the Paper recycling mill.

“**Paper recycling mill**” means a facility that processes recovered paper or paperboard to make a pulp product, paper product, or both.

“**Receiving environment**” means surface waters where Effluent is deposited.

“**Wastewater system**” means any work or site used for the collection and deposit of wastewater, whether or not the wastewater is treated.

3.0 LEGAL STATUS

This Agreement does not and is not intended to create legally binding obligations among the Parties, nor does it constitute any admission of liability by any of the Parties.

By signing this Agreement, each Participating Company agrees to fully conform to its commitment for as long as the Participating Company is a party to the Agreement.

Nothing in this Agreement precludes a Party from implementing any other environmental or human health initiatives as it sees fit.

Adherence to this Agreement does not in any way exempt any Participating Company from complying with any and all applicable laws and regulations.

4.0 UNDERSTANDINGS

This Agreement will remain in effect for a period of four years from the Effective Date and will be reviewed annually by Environment Canada to ensure that its commitments are met. Before it expires, the Agreement may be amended, terminated or renewed with the written consent of all Parties.

A Participating Company may end its participation in and responsibilities pursuant to this Agreement upon 30 days written notice to Environment Canada.

This Agreement is not intended to prevent the Government of Canada from recommending or taking any legislative, regulatory or other measures necessary for the protection of the

environment or human health or any measure that it deems appropriate, and nothing in this Agreement may be construed as having such a preventing effect.

Any new or existing pulp and paper mills that may in the future process recovered paper or paperboard to make pulp or paper products will be encouraged to sign an agreement similar to this Agreement, in order to minimize the risk of environmental impacts from Effluent releases of Bisphenol A, to the greatest extent practicable.

5.0 PERFORMANCE OBJECTIVES

5.1 Direct Deposit Facilities

Each Participating Company agrees to the following objectives for their Direct Deposit Facilities:

- a) Achieve and maintain an average annual BPA concentration of below 1.75 µg/L in the Final Effluent at each Mill; or
- b) Achieve and maintain an average annual BPA concentration in the Final Effluent at each Mill, such that the Concentration of BPA in the Receiving environment does not exceed 0.175 µg/L within 100 m downstream of the point of deposit. This will be based solely on the Mill's contribution of BPA to the Receiving environment; or

If objectives (a) or (b) cannot be met, the following objective applies:

- c) The Direct Deposit Facility will develop and implement, to the greatest extent practicable, an approach to reduce the BPA concentration in the Final Effluent or Receiving environment, at each Mill, to as close to objective (a) or (b) as is technically and economically feasible.

5.2 Indirect Deposit Facilities

Each Participating Company agrees to the following objectives for their Indirect Deposit Facilities:

- a) Achieve and maintain an average annual BPA concentration of below 1.75 µg/L in the Effluent at each Mill, prior to discharging to the Off-site Wastewater System;
- b) If objective (a) is not satisfied, the Indirect Deposit Facility will contact the owner or operator of the Off-site Wastewater System to explore opportunities to work collaboratively, with the following objectives:
 - 1. Achieve and maintain an average annual BPA concentration in the Final Effluent at the Off-site Wastewater System below 1.75 µg/L. The Mill's relative contribution of BPA may also be taken into account in this objective; or,

2. Achieve and maintain an average annual BPA concentration in the Final Effluent at the Off-site Wastewater System, such that the Concentration of BPA in the Receiving environment is below 0.175 µg/L within 100 m downstream of the point of deposit of the Final Effluent of the Off-site Wastewater System. This will be based solely on the Off-site Wastewater System's contribution of BPA to the Receiving environment. The Mill's relative contribution of BPA to the Off-site Wastewater System may also be taken into account in this objective;
- c) If neither (a) nor (b) is satisfied, the Indirect Deposit Facility will develop and implement, to the greatest extent practicable, an approach to reduce the BPA concentration in the Final Effluent or the Concentration of BPA in the Receiving environment to as close to objective (a) or (b) as is technically and economically feasible.

5.3 Guiding Principles

Any assessment of the technical and economic feasibility of an approach to reduce BPA in the Final Effluent should integrate environmental and economic factors, the cost of achieving the performance objective, age and type of existing equipment at the facility, process changes, and minimization of environmental benefit trade-offs.

Each Participating Company agrees that the objectives should be met using methods other than dilution.

All Parties acknowledge that achieving the objectives for an Indirect Deposit Facility may include trying to work with the owner of the Off-site Wastewater System to assess potential options.

For objective 5.2 (b), if necessary and if possible, Environment Canada will help the Participating companies in their initial communications with the Off-site Wastewater System by providing written materials that describe this Agreement and its objectives, and to explain the importance of collaborative work with the Mill. Any concerns related to the collaboration between the Mills and the Off-site Water System will be communicated to Environment Canada.

6.0 BPA SAMPLING AND ANALYSES

6.1 General Requirements

Each Participating Company agrees to develop and implement the following sampling program for each of its Mills:

- In the first 12 month period from the Effective Date of the Agreement, Effluent will be sampled a minimum of three times at each Mill to evaluate whether the performance objectives set out in section 5.0 have been met;

- Mills that have participated in Environment Canada's Program *Sampling for Bisphenol A (cas number 80-05-7) in Influent and Effluents from Pulp and Paper Mills that Recycle Waste Paper(2012)* or Environment Canada's *Sampling for Bisphenol A (cas number 80-05-7) in Effluent and Sludges from Pulp and Paper Mills that Recycle Waste Paper (2011)*, may also use the data from those sampling programs to determine whether the performance objectives set out in section 5.0, for the first 12 month period, have been met.
- In years two through four from the Effective Date of the Agreement, Effluent will be sampled a minimum of three times annually at each Mill, unless the performance objectives in section 5.1 (a) or (b) or 5.2 (a) or (b) are met.
- If the performance objectives in section 5.1 (a) or (b) or 5.2 (a) or (b) have been met, no further sampling is required, with the exception of the final sampling program discussed in the next paragraph. In the event that there are significant alterations to processes or operations at a Mill, such as a change in Furnish or wastewater treatment, the Participating Company shall return to sampling the Mill's Effluent a minimum of three times annually.
- Participating Companies shall conduct a final sampling program at each Mill in the final year of the Agreement (year four), in the six to seven months prior to the expiry of the Agreement. The final sampling program will involve Participating Companies collecting Effluent samples a minimum of three times at each Mill to evaluate whether the performance objectives in section 5.0 have been achieved and maintained.

Where the laboratory reports a BPA concentration as Non-detect, during sampling under this Agreement, a value of half the laboratory's current Method detection limit shall be used to calculate average annual BPA concentrations.

6.2 Sample Collection and Analysis

Effluent sampling shall be conducted under Normal operating conditions. Effluent samples shall be collected in accordance with Environment Canada's "*Sampling for Bisphenol A (CAS number 80-05-7) in Influent and Effluents from Pulp and Paper Mills that Recycle Waste Paper, revised December 6, 2011*", unless a laboratory specifies a different acceptable sampling protocol.

Analytical testing for BPA to evaluate whether the performance objectives in section 5.0 have been met shall be done in accordance with generally accepted standards of good scientific practice at the time of the sampling using documented and validated methods, and shall be performed by a laboratory that is accredited by a Canadian accrediting body under the International Organization for Standardization standard ISO/IEC 17025 entitled *General*

Requirements for the Competence of Testing and Calibration Laboratories, as amended from time to time.

7.0 REPORTING

7.1 Report Contents and Format

Each Participating Company will produce and send Environment Canada a separate report for each of its Mills, which will include the following:

- Results from all BPA sampling conducted pursuant to section 6 of this Agreement, in the format outlined in Appendices A to C of this Agreement.
- If applicable, provide the measured or predicted Concentration of BPA in the Receiving environment, including supporting calculations and/or environmental sampling data.
- If applicable:
 - The Participating Company will identify feasible actions with the potential to reduce BPA in the Effluent, including a timeline for implementation, and will report on any results achieved, in the format outlined in Appendix A of this Agreement;
 - If further reductions are not feasible, the company will explain why, in the format outlined in Appendix A of this Agreement.
- Status of whether performance objectives have been met and any associated details, in the format outlined in Appendix B of this Agreement.

Each Participating Company shall submit a first report, in the format outlined in Appendix A or B of this Agreement, as appropriate, to Environment Canada no later than 12 months from the Effective Date of this Agreement, or within 12 months after the restart date if a Mill is not operating at the Effective Date. Subsequently, the frequency and type of report is as follows:

Table 1: Type and Frequency of Reporting

Time	Status of Paper Recycling Mill	Report Format	Frequency
Starting on the Effective Date of the Agreement	Mill working towards meeting the performance objectives (Progress Report)	Appendix A	Once per 12 month period
Within four months after meeting a	Mill has met a performance objective	Appendix B	Once

performance objective	and is notifying Environment Canada (Notification of Objective Achievement Report)		
Four months prior to the expiry of the term of the Agreement	All Participating Companies (Final Report)	Appendix C	Once

7.2 Retention of Records

Each Participating Company shall retain all records related to this Agreement, including laboratory analytical reports, for the duration of this Agreement, plus one year and make them available to Environment Canada upon request.

7.3 Report Submission and Publication

All reports pursuant to section 7 of this Agreement will be submitted to the following address:

Performance Agreements Secretariat
351 St Joseph Blvd. 20th Floor
Gatineau, (Québec)
K1A 0H3
Canada
Fax: (819) 953-7970;

Or electronically to: EPA-EPE@ec.gc.ca

Each year this Agreement is in effect, plus one year, Environment Canada will publish on its website (available at <http://www.ec.gc.ca/epa-epe>) a progress report based on reports received under this Agreement.

8.0 VERIFICATION

Environment Canada will review reports submitted under this Agreement within four months of receipt. Environment Canada will review the sampling results and progress reports for completeness, consistency over time, performance against objectives and use of appropriate methodologies. To assist with the verification process, Environmental Canada may request and review laboratory analytical reports. Environment Canada may also compare the sampling

results and other data provided to data collected under other regulatory instruments, for quality assurance purposes.

Designated representatives of Environment Canada may collect random samples and test for BPA in a Participating Company's Effluent(s).

The Participating Companies will cooperate with Environment Canada in carrying out the verification process.

9.0 ROLES AND RESPONSIBILITIES

Each Participating Company agrees to:

- Meet the applicable performance objectives set out in section 5.0 of this Agreement;
- Conduct BPA sampling and analyses as per section 6.0 of this Agreement;
- Report to Environment Canada as per section 7.0 of this Agreement;
- Maintain performance once the performance objectives have been achieved; and,
- Supply information requested under this Agreement to Environment Canada to support verification as per section 8.0 of this Agreement.

Environment Canada agrees to:

- Review sampling results and reports submitted by the Participating Companies;
- Monitor progress under this Agreement, oversee its administration and evaluate its performance; and,
- Publish a report on Environment Canada's website summarizing progress made under this Agreement.

10.0 ACKNOWLEDGEMENT

Environment Canada may choose to publicly acknowledge the paper recycling industry's accomplishments made pursuant to the Agreement. Environment Canada will choose, at its sole discretion, the time and manner of any such acknowledgement.

11.0 AVAILABILITY OF AGREEMENT AND INFORMATION

A copy of this Agreement will be made available on Environment Canada's Environmental Performance Agreements web site and will be accessible through the Government of Canada's Chemical Substances web site.

To promote transparency, information submitted or notices relating to this Agreement will be treated as public information, unless a request for confidentiality is submitted by a Party to this Agreement that identifies specific pieces of information and the reason why it should be treated as confidential.

(SIGNATURE BLOCKS)

**SIGNED FOR HER MAJESTY THE QUEEN IN RIGHT OF CANADA, AS REPRESENTED BY
THE MINISTER OF THE ENVIRONMENT**

BY: Mike Beale

TITLE: Associate Assistant Deputy Minister, Environmental Stewardship Branch

SIGNATURE:

DATE:

**ENVIRONMENTAL PERFORMANCE AGREEMENT RESPECTING BISPHENOL A IN PAPER
RECYCLING MILL EFFLUENTS**

SIGNED FOR ATLANTIC PACKAGING PRODUCTS LTD.

BY:

TITLE:

SIGNATURE:

DATE:

**ENVIRONMENTAL PERFORMANCE AGREEMENT RESPECTING BISPHENOL A IN PAPER
RECYCLING MILL EFFLUENTS**

SIGNED FOR CASCADES INC.

BY:

TITLE:

SIGNATURE:

DATE:

**ENVIRONMENTAL PERFORMANCE AGREEMENT RESPECTING BISPHENOL A IN PAPER
RECYCLING MILL EFFLUENTS**

SIGNED FOR SOCIÉTÉ EN COMMANDITE STADACONA WB

BY:

TITLE:

SIGNATURE:

DATE:

**ENVIRONMENTAL PERFORMANCE AGREEMENT RESPECTING BISPHENOL A IN PAPER
RECYCLING MILL EFFLUENTS**

SIGNED FOR GEORGIA-PACIFIC CANADA LP

BY:

TITLE:

SIGNATURE:

DATE:

**ENVIRONMENTAL PERFORMANCE AGREEMENT RESPECTING BISPHENOL A IN PAPER
RECYCLING MILL EFFLUENTS**

SIGNED FOR J.D. IRVING LIMITED

BY:

TITLE:

SIGNATURE:

DATE:

**ENVIRONMENTAL PERFORMANCE AGREEMENT RESPECTING BISPHENOL A IN PAPER
RECYCLING MILL EFFLUENTS**

SIGNED FOR KRUGER INC.

BY:

TITLE:

SIGNATURE:

DATE:

SIGNED FOR PRODUITS KRUGER S.E.C

BY:

TITLE:

SIGNATURE:

DATE:

SIGNED FOR KRUGER WAYAGAMACK INC.

BY:

TITLE:

SIGNATURE:

DATE:

SIGNED FOR KRUGER PUBLICATION PAPER INC.

BY:

TITLE:

SIGNATURE:

DATE:

**ENVIRONMENTAL PERFORMANCE AGREEMENT RESPECTING BISPHENOL A IN PAPER
RECYCLING MILL EFFLUENTS**

SIGNED FOR RESOLUTE FP CANADA INC.

BY:

TITLE:

SIGNATURE:

DATE:

**ENVIRONMENTAL PERFORMANCE AGREEMENT RESPECTING BISPHENOL A IN PAPER
RECYCLING MILL EFFLUENTS**

SIGNED FOR ROCKTENN – CONTAINER CANADA, L.P.

BY:

TITLE:

SIGNATURE:

DATE:

**ENVIRONMENTAL PERFORMANCE AGREEMENT RESPECTING BISPHENOL A IN PAPER
RECYCLING MILL EFFLUENTS**

SIGNED FOR SONOCO CANADA CORPORATION

BY:

TITLE:

SIGNATURE:

DATE:

**ENVIRONMENTAL PERFORMANCE AGREEMENT RESPECTING BISPHENOL A IN PAPER
RECYCLING MILL EFFLUENTS**

SIGNED FOR STRATHCONA PAPER LP

BY:

TITLE:

SIGNATURE:

DATE:

APPENDIX A – PROGRESS REPORT – FOR MILLS WORKING TOWARDS MEETING THE PERFORMANCE OBJECTIVE

Participating Companies will complete and submit a copy of this report, including information for each individual mill, to Environment Canada for every 12 month period where a Mill does not meet the performance objectives of this Agreement.

Name of Participating Company and address:

Date:

Mill Name	Mill Address	BPA Effluent Sampling Results			
		Result (µg/L)	Detection Limit	Sampling Date(s)	Name of laboratory and test method used
Average concentration in Effluent (µg/L)					
Performance objective for this Mill					

Identification of feasible actions with the potential to reduce BPA in Effluent including:

Description of action(s):

Timeline of implementation:

Results achieved:

Additional comments:

If further reductions are not feasible, explain why (gaps, issues, constraints):

I declare that this report is accurate and complete.

Name (please print)

Title (please print)

Signature of person submitting this report or person authorized to act on behalf of person submitting this report

Date, place

APPENDIX B – NOTIFICATION REPORT – FOR MILLS TO DECLARE PERFORMANCE OBJECTIVE HAS BEEN MET

Participating Companies that have met the objectives of this Agreement will complete and submit a copy of this report, including information for each individual mill, to Environment Canada within four months after meeting the objectives of this Agreement. This report shall be submitted once during the term of this Agreement.

Name of Participating Company and address:

Date:

Mill Name	Mill Address	BPA Effluent Sampling Results			
		Result (µg/L)	Detection Limit	Sampling Date(s)	Name of laboratory and test method used
Average concentration in Effluent (µg/L)					
Performance objective for this Mill					

For performance objectives set out in section 5.1 part (b), (c) and section 5.2 part (b) and (c), please provide supporting calculations and description supporting achievement of performance objective:

I declare the performance objective set out in section _____ of the Agreement has been achieved.

I declare that this report is accurate and complete.

Name (please print)

Title (please print)

Signature of person submitting this report or person authorized to act on behalf of person submitting this report

Date, place

APPENDIX C – FINAL REPORT

All Participating Companies will complete and submit a copy of this report, including information for each individual mill, to Environment Canada four months prior to the expiry of the Agreement.

Name of Company and address:

Date:

Mill Name	Mill Address	BPA Effluent Sampling Results			
		Result (µg/L)	Detection Limit	Sampling Date(s)	Name of laboratory and test method used
Average concentration in Effluent (µg/L)					
Performance objective for this Mill					

For performance objectives set out in section 5.1 part (b), (c) and section 5.2 part (b) and (c), please provide supporting calculations and/or environmental sampling of performance objective:

I declare the performance objective set out in section _____ of the Agreement has been maintained.

Or

If the performance objective has not been achieved or maintained, please provide an explanation.

I declare that this report is accurate and complete.

Name (please print)

Title (please print)

Signature of person submitting this report or person authorized to act on behalf of person submitting this report

Date, place