



## Compliance Unit Trading System (CUTS)

### Application form: Permit for product(s) above the regulatory maximum volatile organic compound concentration(s)

As written in section 7 of the *Volatile Organic Compound Concentration Limits for Certain Products Regulations* (the regulations), you may participate in a compliance unit trading system if you plan to:

- (a) generate compliance units in accordance with section 11 of the regulations in respect of all of the reformulated products for which you have elected to participate in the compliance unit trading system;
- (b) transfer unused compliance units to another person in accordance with section 12 of the regulations; or
- (c) use compliance units that are generated by you or transferred to you to compensate for the excess quantity of volatile organic compounds (VOCs) determined in accordance with paragraph 13(d) of the regulations in respect of a product.

As written in subsection 8(1) of the regulations, a person that elects to participate in the compliance unit trading system may apply for a permit authorizing them to manufacture or import a product that belongs to a product category set out in column 1 of the table to Schedule 1 and, if applicable, a subcategory set out in column 2 that has a VOC concentration greater than the applicable maximum VOC concentration set out in column 3.

#### How to apply:

**Use this form to apply for a CUTS permit for a product you manufacture or import that has a VOC concentration greater than what is set out in column 3 of Schedule 1.** Refer to sections 7 to 14 of the regulations to ensure all necessary information is provided and that you understand your responsibilities as an applicant. As written in subsection 8(3) of the regulations, the Minister may, on receiving the application, require any clarifications that are necessary for the application to be processed.

**You must notify ECCC in writing of any change to the information provided in this application** — other than the quantity of the product that is expected to be manufactured or imported each year — within 30 days after the day on which the change occurs.

Further information on the generation, transfer and reporting under the CUTS program is available on the [Alternative Compliance Options webpage](#).

#### Reporting requirements for permit holders:

**If you hold a permit, you must, no later than March 1 of each year, submit a report** that includes actual quantities, compliance units that are being used to compensate the excess quantity of VOCs and a confirmation of whether you intend to continue manufacturing or importing the product under the permit. Actual quantities can be calculated using the following formula:

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- Actual quantity = manufactured quantity + imported quantity – exported quantity

The annual report form is available on the [Alternative Compliance Options webpage](#).

**Confidentiality:**

Under section 313 of the *Canadian Environmental Protection Act, 1999* all persons submitting information to the Minister are entitled to submit a written request that specific information be treated as confidential. Persons submitting such a request should also include the reasons for that request. Under each section of this application, you may request information be treated as confidential. You have been given space to provide your explanation. If you need more space, please attach added documents.

To promote transparency in the CUTS program, ECCC will publish a list permits issued, including company name, product names and expiry date on the [Alternative Compliance Options webpage](#).

**Where to submit your permit application:**

When your application is complete, please submit it either electronically to the email address [Produits-Products@ec.gc.ca](mailto:Produits-Products@ec.gc.ca) with the subject “Permit Application – CUTS” or by mail to:

Environment and Climate Change Canada  
Products Division  
351 St. Joseph Boulevard, 9<sup>th</sup> Floor  
Gatineau, Quebec  
K1A 0H3

**Disclaimer:**

Although care has been taken to ensure that this application reflects the requirements of the *Canadian Environmental Protection Act, 1999* (CEPA) and the *Volatile Organic Compound Concentration Limits for Certain Products Regulations*, the Act and these regulations prevail over the text of this application in case of any discrepancies or inconsistencies. This application does not supersede or modify the Act or these regulations. It is ultimately the responsibility of regulatees to be familiar with the full text and application of these regulations.



## Section 1 - Applicant information

Applicant/Company Name

Business Number

Civic Address

Postal Address  Same as Civic Address

Telephone Number  Fax Number (if applicable)

E-mail Address (if applicable)



## Section 2 – Authorized Representative

Authorized Representative Name

Authorized Representative Title

### Address

Same as Section 1

Civic Address

Postal Address

Same as Civic Address

Telephone Number

Fax Number (if applicable)

E-mail Address (if applicable)



### Section 3 - Product information

#### Section 3.1 – Products included in the application

This application should apply to a single product with the same formulation. Where the product formulation is the same, multiple sizes or products with different branding/labels may be included under the same application. Please ensure to list information on all variations to ensure they are covered by the permit.

Any changes in formulation, such as differing fragrances or efficacy must be submitted under a separate application.

**Provide the list of products included in the permit application in Table 3.1 below. Please provide copies of labels for all products included in the application.** If more space is needed for the listing, extra pages can be used.

Table 3.1 - Products to be included in the permit application

#	Common or Generic Name	Trade Name	Stock Keeping Unit or Product Number	UPC Code	Product Weight (kg)	Product Volume (L) (Complete only if product is sold based on volume weight)
1						
2						
3						
4...						

#### Section 3.2 – Selection of product category

Product Category set out in column 1 of Schedule 1 or column 1 of Schedule 2  
Choose an item.

If applicable, subcategory set out in column 2 of Schedule 1  
Choose an item.



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How was the product category determined?



### Section 4 - Product concentrations and quantities

This product is:  Manufactured  Imported  Both

VOC concentration of product (w/w%)

Please provide evidence to support the VOC concentration identified above. This evidence could include laboratory testing, formulation data, etc.

Provide the expected quantity of product to be manufactured and/or imported per calendar year in kilograms, excluding any quantity that is manufactured or imported for export only

Please indicate the quantity of VOCs (in kilograms) in the product that are in excess of the applicable maximum VOC concentration using the following formula

$$(A - B) * W$$

where

- A is the VOC concentration of the product in w/w%,
- B is the maximum VOC concentration, in w/w%, set out in column 3 of the table to Schedule 1 for the product category set out in column 1 or, if applicable, the subcategory set out in column 2 to which the product belongs, and



W is the quantity of the product, expressed in kilograms, that the applicant expects to manufacture or import per calendar year, excluding the quantity that is to be manufactured or imported for export only;

Please show your calculations and the values for A, B, and W





Are you requesting confidentiality of information provided in section 4? Yes No

If yes, please indicate what information is to be kept confidential and provide a justification.



## Section 5 – Plan to compensate for the excess quantity of volatile organic compounds

Paragraph 8(2)(d) of the regulations states that the permit application must contain a “plan indicating how the applicant intends to compensate for the excess quantity of VOCs determined in accordance with subparagraph (c)(v) for all of the products in respect of which a permit is sought by using compliance units generated by them or transferred to them in accordance with sections 11 and 12.”

This application should provide clear and convincing evidence that demonstrates how you plan to compensate for excess VOC emissions through one of the following options:

- generation of compliance units from your own reformulated products. In this case, a notice of intent to generate compliance units must have been submitted to ECCC prior to consideration of the permit application;
- transfer of valid compliance units from another source. In this case, please provide information on the transferor of the compliance units. ECCC will verify if the transferor has valid compliance units or has submitted a notice of intent to generate compliance units prior to consideration of the permit application.

Do you intend to compensate for the excess quantity of VOCs determined in Section 3 by using compliance units (CUs) generated by your company? Yes No

If yes, please complete the table below:

Submission date for Notice of Intent to Generate CUs	Name of the reformulated product	Expected CUs Generated (kg VOC)	CU generation year

Do you intend to compensate for the excess quantity of VOCs determined in Section 3 by using compliance units (CUs) transferred to you from another company? Yes No

If yes, please complete the table below

Name of transferor	Number of CUs to be transferred	CU generation year



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Provide any additional information that may be necessary to clearly indicate how you intend to compensate for the excess quantity of VOCs determined in Section 5.

Are you requesting confidentiality of information provided in section 5? Yes No

If yes, please indicate what information is to be kept confidential and provide a justification.



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## Attestation

I \_\_\_\_\_ certify that the information within this document is accurate and complete at the time of submission

Signature \_\_\_\_\_

Date