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April 5, 2000

Ms. Cynthia Wright
Director General
Strategic Priorities Directorate
Environmental Protection Services
Environment Canada
Hull, Québec
K1 A 0H3

Dear Ms. Wright:

**Re: Notice of Objection Respecting Proposed Canada-Wide Standards for
Particulate Matter (PM) and Ozone - Canada Gazette Notice, Part 1, February 5,
2000**



The Canadian Petroleum Products Institute (CPPI) supports the development of Canada-Wide Standards (CWS) for identified environmental priorities. We consider Ozone and Particulate Matter (PM) as two such priorities. However, we believe that what has been proposed in the subject Canada Gazette Notice needs considerable revamp before it be allowed to proceed. In our view, the current proposal is technically unachievable, is not supported by economic analysis, ignores risk management principles, and recommends limits that go beyond what can be supported by current scientific knowledge. In addition, we are disappointed that the proposed CWS includes three provisions for consideration that were not adequately considered in the consultation process that accompanied its development. Furthermore, we feel that the material of the Gazette Notice does not adhere to the principles intended to underpin the development and attainment of CWS as set forth in the Canada-Wide Environmental Standards Sub-Agreement.

The attachment to this letter outlines our viewpoint in more detail.

We regret the critical nature of our letter, particularly after our considerable involvement in the development process to date, and we want to make constructive suggestions to move forward. We do not believe that what has been tabled in the Gazette Notice will serve Canadians well. We recommend that PM/Ozone CWS levels that are aligned with those of the U.S. should be set and then reviewed/amended when more reliable information is available. In the meanwhile, governments should engage



major source sectors in a dialogue to **determine what can, and** should, be done in both the short and long terms. The CCPI supports actions to improve air quality that are based on risk management principles, sound science and economic considerations and are willing to be an active participant in this dialogue.

Yours truly,

A handwritten signature in black ink that reads "Kerry Mattila". The signature is written in a cursive, flowing style.

Kerry Mattila
Vice-President

The CWS Proposal is Technically Unachievable

The principle signed by the federal Minister of the Environment, which underpins the development and attainment of CWS, calls for Equity wherein governments are committed to achieving a consistent level of environmental quality across Canada. To maintain credibility, our CWS development process must not impose standards that are impossible to meet. The ability to achieve the proposed ozone standard, for some regions of Canada, is highly questionable in many areas of our country, transboundary flow from the U.S. accounts for greater than 50% of Canadian ambient pollutant levels. On page 27 of the Consultation Document, the CCME PM/Ozone Development Committee states " .. *background ozone levels and the associated back trajectories, confirming little or no anthropogenic influence, indicates that background peak 8-hour levels of ozone occur naturally in the range of 60-69 ppb. These levels are apparently not extremes but levels that occur frequently at a number of monitored locations uninfluenced by anthropogenic emissions, Hence, if ozone CWS levels of 65 ppb or lower are being considered, some provision would have to be contemplated to account for elevated natural background levels.*" Indeed the proposal concedes the inability to achieve the directed CWS in regions of Canada which are influenced by transboundary flow of pollutants or natural background by essentially excusing them if they have demonstrated *best efforts!* It is inappropriate to set a standard so close to natural background as to make it unachievable, even with "provisions". The proposed standards should be rigorously reviewed by independent experts to ensure that what is being required can be met.

Economic Analysis Does Not Support the CWS Proposed Limits

In previous submissions to the CCME, the CPPI has criticized the supporting socio-economic and competitiveness analyses as inadequate to assess a public policy program of this magnitude. These critiques were based on both internal industry and independent expert reviews of the analyses. We stand firm in our view that the analyses have not shown the CWS to be cost effective, let alone socially justifiable. The Precautionary Principle laid down in the Harmonization Accord reads "*Where there are threats of serious or irreversible environmental damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.*" The proposed CWS goes far beyond the intent of the Precautionary Principle and should be amended to reflect levels that can realistically be met.

The Proposal Ignores Established Risk Management Principles

Canadians deserve clean air. However, the CWS development process must recognize that effective risk management does not equate to zero risk. We recommend that the "Continuous Improvement" and "Keeping Clean Areas

Clean" provisions of the proposal be changed to incorporate a risk management paradigm.

The Continuous Improvement provision outlined in the Gazette Notice states the CWS is only the *"first step to subsequent reductions towards the lowest observable effects level"* and that even where the CWS is being met *"Jurisdictions should take remedial and preventative actions to reduce emissions from anthropogenic sources in these areas to the extent practicable"*. While we support continuous improvement, the words used in the provision imply a never ending zero-risk approach that is contrary to the established risk assessment / risk management paradigm necessary for balanced public policy. If pursued in a literal fashion, this provision will inflict a serious uncertainty into the environmental policy arena, which will have negative implications for the investment climate in Canada. The CWS cannot become a defacto zero-risk no-effects limit.

"Keeping clean areas clean" are generic words. We agree that any clean area must not be allowed to deteriorate to unacceptable levels. However, when national ambient standards have been established, it is unacceptable to arbitrarily restrict a region to ambient levels below the CWS. The CCME consultation document Towards a *National Acid Rain Strategy* succinctly stated the provision that *"In areas where an environmental cushion exists because pollution is below environmental limits, the consumption of this cushion will be minimized and the opportunities for improvement will be sought"*. The proposed CWS provision is much more restrictive and could only be achieved by stopping development or population growth. We believe that this is inappropriate for Canada's well being and recommend that the CWS provision meet the intent of the referenced National Acid Rain Strategy, using risk management principles as the basis for making policy decisions.

Proposed CWS Limits Go Far Beyond those Dictated by Current Scientific Knowledge

A key principle of CWS development is that our target standards must be grounded in sound science. The U.S. standards for both PM and Ozone were developed based on similar science to that considered for the proposed CWS. However, the U.S. standards were developed using a much more rigorous scientific process, and substantially more time and money. The U.S. standards that flowed from their process are substantially different than those proposed for Canada (less than 1/2 for PM). While it is certainly Canada's right to set limits that are different than the U.S., it does pose the question "Can the Americans be

	OZONE	PARTICULATE MATTER
Proposed CWS	65 ppb, 6-hour average	30 µg/m ³ , 24-hour average
U.S. Standard	80 ppb, 8-hour average	65 µg/m ³ , 24-hour average

that wrong?" The levels of the proposed PM and Ozone CWS are extremely low by comparison with any jurisdiction in the world. Setting such low levels is inappropriate given the existing degree of scientific uncertainty, especially with respect to PM. As an example, an independent body of scientists² has recently concluded that there are significant information gaps and scientific uncertainties respecting PM. The U.S. has recognized the significant uncertainty surrounding PM by committing over \$400 million to fill data gaps and then to review their standard when some of the most important gaps have been addressed. Although we believe Canadian action to address these pollutants need not wait answering all the scientific uncertainties, the critical knowledge gaps must be resolved before CWS becomes our regulatory targets. As we have stated in previous correspondence, we advocate PM/Ozone CWS that are closer aligned with those of the U.S., that can later be altered if and when scientific study verifies that this is the appropriate course of action.

Additionally, the fleeting references to uncertainties in both the proposal to the CCME and the Gazette Notice are inadequate to characterize them for the public and the CCME. The CCME and public should have this information. Environment Canada should also recommend that the CCME members collectively engage in a substantial program to fill these knowledge voids. So that the process does not become open-ended, the CWS should be tied to a program designed to fill important data and knowledge gaps and review whatever standards that come forward today in 2005.

Flawed Consultation Process

The CCME PM/Ozone CWS Development Committee prepared a proposal for the CCME after extensive consultation with affected parties. However, the Gazette Notice includes three provisions developed "out of process" (i.e. course PM standard, shortening the timeframes for meeting the ozone CWS and the review period). At the November 1999 meeting of the CCME, what was tabled for consideration included aspects beyond those that had been proposed by the Development Committee following consultation with stakeholders. Subsequent to this meeting, these options were formalized for consideration by the CCME at their Spring 2000 meeting. We feel this violates the principle of "Meaningful Stakeholder Input" and oppose any of the additional options being included in the CWS, on the grounds that they make much more restrictive the already questionable CWS that emerged from the consultation process.