



December 20, 2019

Ministry of the Environment, Conservation and Parks Vicky La Financial Instruments Branch – Policy Unit 77 Wellesley Street West Toronto, ON M7A 2T5 Sent by email Vicky.La@ontario.ca

ERO Number 019-0570, Regulation, Environmental Protection Act, RSO 1990 Comment Period: Nov 20, 2019 to Dec 20, 2019 Greenhouse Gas Emissions Reporting Regulation, Greenhouse Gas Emissions Quantification, Reporting and Verification Regulation (O. Reg. 390/18)

Dear Ms. La.

Resolute FP Canada Inc. ("Resolute") would like to thank the Ontario Government for the opportunity to provide comment on the proposed regulatory changes to Ontario's Greenhouse Gas (GHG) emissions reporting program to harmonize with the federal regulatory requirements.

Resolute is a global leader in the forest products industry with a diverse range of products, including newsprint, specialty papers, market pulp and wood products. The Company owns and/or operates about 40 pulp and paper mills and wood products facilities as well as power generation assets in Canada (Quebec and Ontario) and the United States. Our Quebec facilities are covered by an emission trading system under the Western Climate Initiative.

In Ontario, Resolute's operations include an integrated facility that produces kraft pulp, newsprint from thermomechanical pulp and electricity from cogeneration, three sawmills as well as one pellet plant. These facilities are located in the Northwest region and provide 900 direct jobs and approximately 3000 indirect jobs.

Resolute appreciates the government's effort in harmonizing the Ontario's Greenhouse Gas emissions reporting program with the federal regulatory requirements. And because of this shift, the following comments are related specifically to the federal reporting requirements mandated by the 2018 Canada's Greenhouse Gas Quantification Requirements.

Pascale Lagacé

Vice-President, Environment, Energy and Innovation

Resolute Forest Products Inc.



Issue #1: Light Fuel Oils Should be Included in the Non-Variable Fuels Definition

2018 Canada's Greenhouse Gas Quantification Requirements Glossary

Non-Variable Fuels

The definition of non-variable fuels is described in the Glossary as "fuels with consistent properties and hydro carbon composition". It would be helpful if this included a list of fuel types. Included in this list should be <u>light fuel oils #1 and #2</u> as the calculation to determine their emissions is the same calculation used in determining emissions for propane, diesel and ethane.

In jurisdictions such as Quebec, Ontario and the WCI, the non-variable fuel types use default emission factors and default HHVs. The actual language used in the GHGRP is "In case where HHV is not reasonably obtainable for a specific non-variable fuel, use Equation 2-2", with a default HHV. This type of language leads to different interpretations on what is "reasonably obtainable".

In Ontario and Quebec the following language is used:

- The Ontario Guideline states: "shall not use calculation methodology 1 [with default HHVs] to calculate emissions from: (i) The combustion of a fuel for which the person: (A) Routinely performs fuel sampling and analysis for the fuel high heat value; or (B) Can obtain the results of fuel sampling and analysis for the fuel high heat value from the fuel supplier at the minimum frequency specified in ON.25(a), or at a greater frequency."
- The Quebec regulation states: "However, this method [using default HHVs] cannot be used by an emitter who determines the high heat value of the fuels used using measurements carried out by the emitter in accordance with QC.1.5.4 or using data indicated by the fuel supplier, obtained at the frequency prescribed by QC.1.5.1."

Resolute recommends the following:

- 1. In the Glossary, amend the definition to include "non-variable fuels consist of light fuel oil, propane, ethane, butane, gasoline, diesel, ethanol and bio-diesel.
- 2. In Section 2.A and 2.A.1 include light fuel oil.
- 3. Amend the language to allow the use of defaults HHV factors for non-variable fuels when measured values are not available.
- 4. Add default emission factors in Table 1 or Table 2 for light fuel oils. (Refer to HHV Tables from the Ontario Guideline or the Quebec Regulation)

Issue #2: Calculation tool for GHG emissions for Pulp and Paper Landfills

2018 Canada's Greenhouse Gas Quantification RequirementsSection 12 Quantification Methods for Pulp and Paper Production

CO2, CH4 and N2O emissions attributable to residual materials landfill are currently excluded from the Ontario and Quebec reporting requirements. In an effort to better align GHG reporting across Canada we suggest removing these emissions.



Issue #3: Wastewater Emissions Should Not Be Reported for Aerobic Treatment Systems

2018 Canada's Greenhouse Gas Quantification Requirements

Section 12 Quantification Methods for Pulp and Paper Production

Section 12A Emissions from Pulp and Paper Production

Section 12.A.3 Wastewater Emissions

Aerobic treatment plants that are well maintained are not considered to be methane emitters. Therefore, it should be clearly stated, as it is the case in jurisdictions that use the WCI methodology such as Ontario and Quebec, that the methane calculation is required only from anaerobic wastewater treatment.

Issue #4: Inclusion of Pulp and Paper Sludge in Wood Waste Category

2018 Canada's Greenhouse Gas Quantification Requirements

Section 2 Quantification Methods for Fuel Combustion and Flaring

Table 2.3 Emission Factors for Biomass

Pulp and Paper Sludge should be included in the wood waste category as the sludge uses the same CO2 emission factors in other provincial jurisdictions that are under the WCI.

Issue #5: CH4 and N2O Emission Factors for Biomass Fuels:

2018 Canada's Greenhouse Gas Quantification Requirements

Table 2-11 CH4 and N2O Emission Factors (EFs) for Biomass Fuels

Currently the Emission Factors (EFs) being used are a mix of sources for biomass, some of which are relatively dated. We are asking to consider other EFs used in such programs as the Western Climate Initiative (WCI) or the US GHG Reporting Program. Both programs can be cited as a single source of information for EFs. On one hand, using WCI emission factors would allow more consistent reporting across Canada, however on the other hand the CH4 and N2O emission factors for the US GHG Reporting Program have been revised several times with the latest versions most closely matching those developed by NCASI, based on a recent study to develop and summarize additional data for CH4 and N2O emissions from biomass-fired boilers and kraft recovery furnaces. The emission factors developed from this study are generally lower than those in current use and are likely more reflective of current emissions from sources in North America. Given this information, Resolute would recommend adopting either one of these solutions for the Ontario Reporting Regulation.