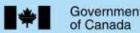
Addressing High Priority Petroleum Substances under the Chemicals Management Plan

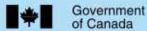
June 2, 2008





Overview

- Background
 - Categorization
 - Chemicals Management Plan
- Addressing Petroleum Sector Substances in the Chemicals Management Plan
 - In the Challenge
 - In the Petroleum Sector Stream Approach
- Opportunities with this Approach
- Questions?

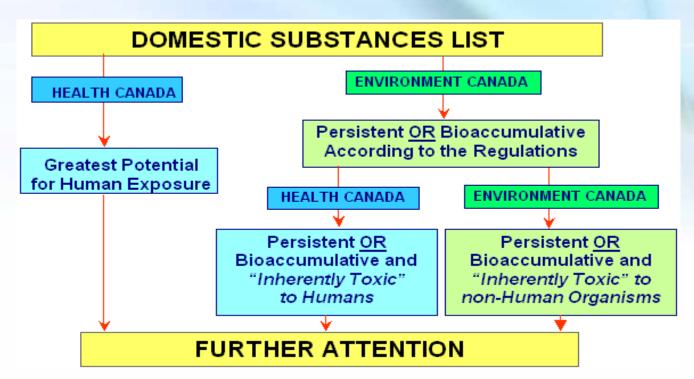




Categorization

- What was it?

 Categorization was the first step in setting priorities for conducting risk assessment of chemical substances on the Domestic Substances List

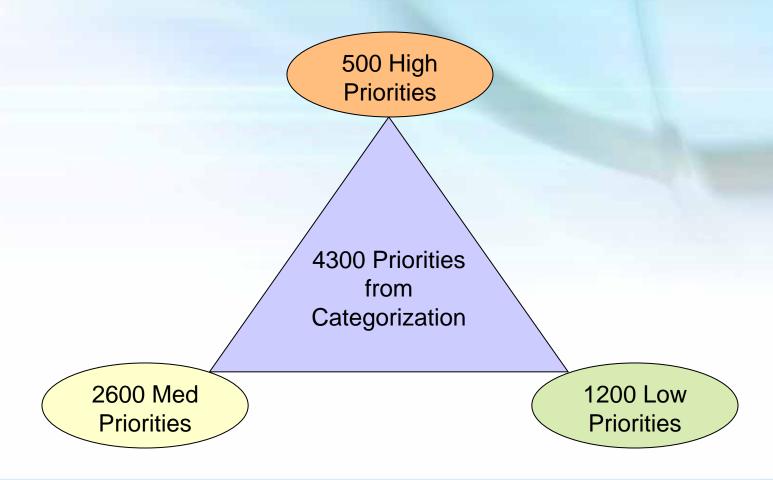






Categorization

- From 23,000 to 4300 Substances







Chemicals Management Plan

- Launched on December 8, 2006
- To address all 4300 priorities
- Key Objectives of the Chemicals Management Plan (CMP) include:
 - Significantly strengthen the existing substances regime
 - Integrate Government's Activities
 - Strengthen the Canadian Environmental Protection Act (CEPA)'s coordination with other federal statutes, including: Hazardous Products Act, Food & Drugs Act, and Pest Control Products Act
 - Strengthening industry's role in proactively identifying and safely managing risks associated with chemicals they produce and use
 - Establish Government Accountability
 - Enhanced monitoring and surveillance activities
 - · Increased research activities
 - A cyclical update of the Domestic Substances List
 - International cooperation and leadership
 - Enhanced risk communications to Canadians
- http://www.chemicalsubstanceschimiques.gc.ca





Addressing High Priority Substances under the Chemicals Management Plan

- 1. Challenge Program (~200 substances):
 - Challenge to industry to provide new information about how it is managing these high priority substances
 - Information Gathering
 - Screening Assessment
 - Risk Management (if needed)
- 2. Petroleum Sector Stream Approach (~160 substances)
 - Substances that are high priority but set aside from the Challenge to be addressed under a sectoral approach.
 - Information Gathering
 - Screening Assessments
 - Risk Management (if needed)
- 3. Significant New Activity (SNAc) Provisions (~150 substances)
- 4. Substances that are already in the assessment or management stream





Petroleum Sector Substances in the CMP

High Priority Petroleum Substances fall under 2 of these initiatives:

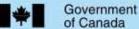
- Challenge Program
 - ~58 / 200 Challenge substances have been identified as potentially related to the petroleum sector.
 - petroleum substances (produced by the petroleum sector) that are also widely used by other sectors (e.g. butane)
 - chemical substances for which the petroleum sector is only one of many users
- Petroleum Sector Stream Approach
 - ❖ ~160 substances have been set aside for the Petroleum Sector Stream Approach because
 - there were a large number of them,
 - they are primarily related to the petroleum sector, and
 - they are complex mixtures





How the Sectoral Approach is being used for **Petroleum Substances in the CMP**

	~160 Petroleum Sector Stream Substances	~58 Challenge Petroleum Substances
Data Collection Screening Assessment	Sectoral Approach: • Section 71 Survey • contracts • voluntary information submitted Sectoral Approach • Finding efficiencies (e.g. potential	EC/HC Challenge Process: •Section 71 survey & voluntary questionnaire published every 3 months for challenge batches Sectoral Approach: • additional data gathering through contracts for specific sector-related information that may be required for potential risk management EC/HC Challenge Process •Each sector contributes to this
Risk Management (if needed)	grouping of substances) Sectoral Approach to develop RM, if needed. • will involve other sectors if and as needed.	EC/HC Challenge Process coordinating RM Sectoral Approach to develop RM pertaining to petroleum sector





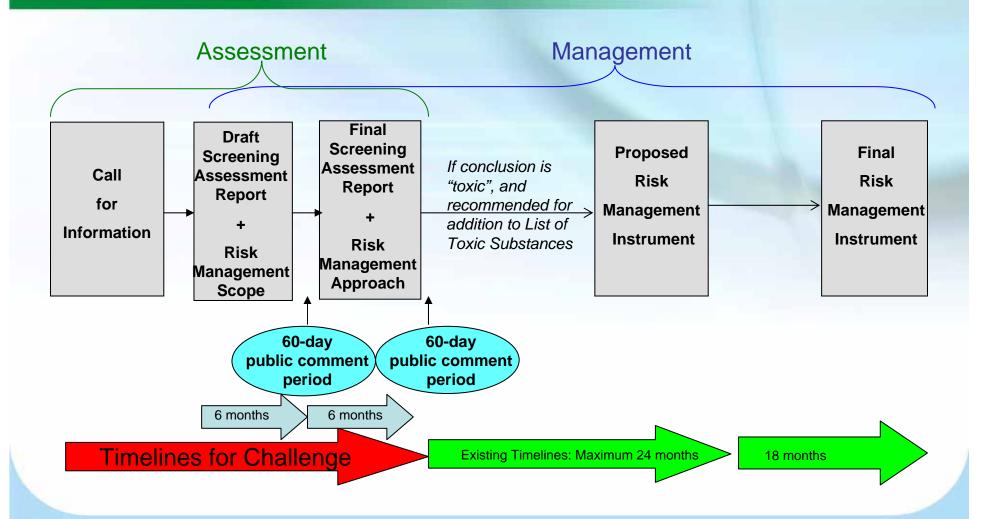
The Challenge Program

- The federal government is challenging industry to provide new information about how it is managing ~200 substances that are potentially harmful to human health or the environment.
- The government is publishing, in batches of 15-30 substances, a profile of chemical substances for industry and other stakeholders to comment on and provide information
 - batches are published every three months (first batch released in February 2007)
 - all batches to be released within 3 years
 - information provided through a mandatory survey (targeting manufacturers, importers and users
 of these substances concerning their uses, releases and management) and a voluntary
 questionnaire (on general life cycle and other pertinent management issues)
- Government scientists then publish a draft screening assessment report within 6 months (first draft reports published in January 2008) and a final report 6 months later
- For substances recommended for addition to the List of Toxic Substances in Schedule 1 of CEPA 1999, a proposed risk management instrument has to be proposed within 2 years and finalized within an additional 18 months (see diagram on next slide)
- The lack of complete information will not preclude government from taking action that safeguards human health and the environment.





Timelines for the Challenge







Challenge Petroleum Substances

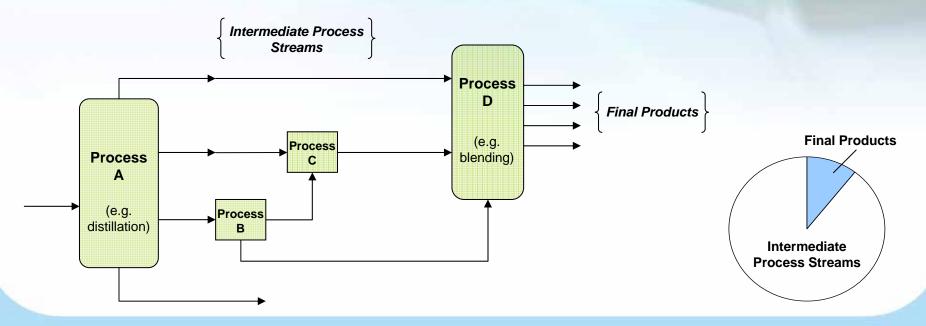
- ~ 58 substances in the Challenge are potentially related to the petroleum sector (as well as others)
- Our Role includes:
 - Information Gathering
 - Follow the progress of the Challenge batches (official data gathering tool for the Challenge)
 - Gather additional information that might be needed for future risk management work:
 - e.g. for substances related specifically to the petroleum sector, such as fuel additives
 - Risk Assessment
 - Contribute (where possible) to the draft and final Screening Assessment which proposes whether the substance is considered to be toxic as defined in CEPA.
 - Risk Management (RM)
 - Contribute to the Risk Management "Scope" (accompanies draft screening assessment), which briefly outlines target sectors and potential type of RM for the substance
 - Lead for Petroleum Sector
 - Contribute to the Risk Management "Approach" (accompanies final screening assessment), which is more detailed and gives a clearer indication of RM instruments being considered.
 - Lead for Petroleum Sector
 - If substance is recommended for addition to the List of Toxic Substances in CEPA, the government has 24 months to develop a draft RM instrument.
 - We would identify additional risk management requirements (related to petroleum sector), and lead on the development of risk managements instruments related to petroleum sector





Petroleum Sector Stream Approach

- ~160 high priority petroleum substances were set aside from the Challenge due to:
 - Large number of substances
 - Substances that are primarily, if not exclusively, related to the petroleum sector
 - Most are complex mixtures that may need to be considered differently from discrete substances
- It is expected that the majority of the petroleum substances are intermediate process streams (limited to petroleum sector facility sites)







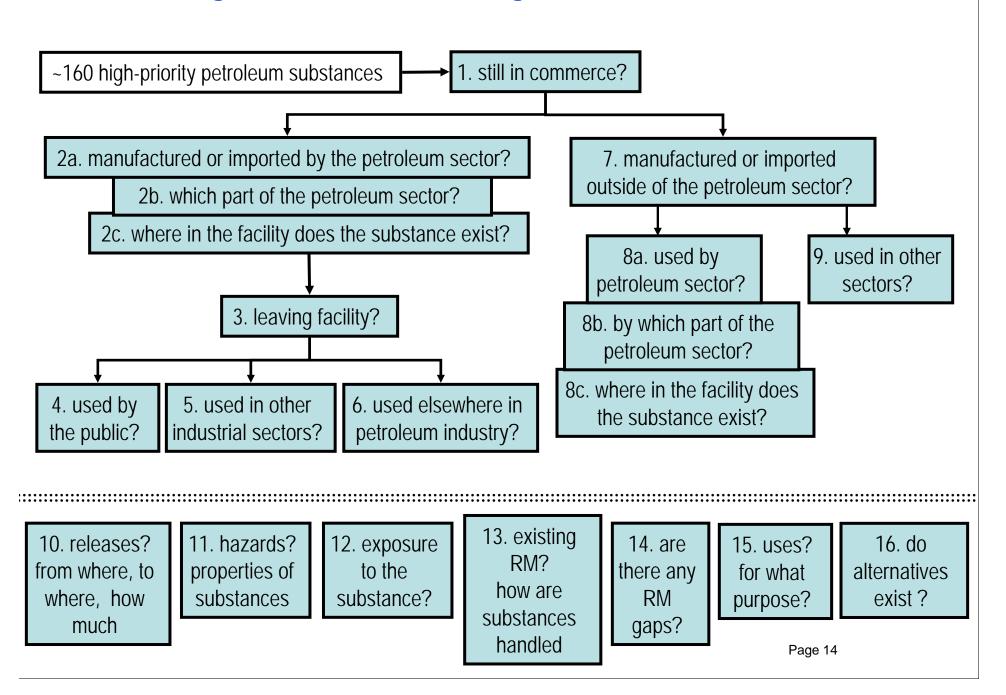
Petroleum Sector Stream Workplan

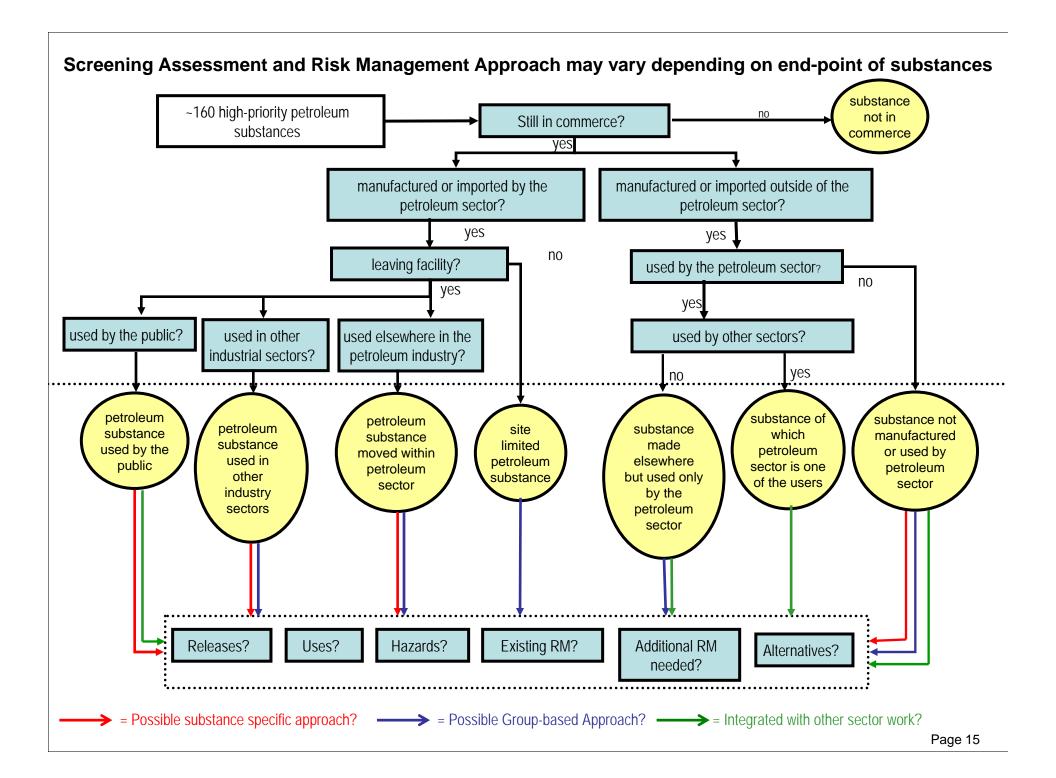
- The expectation is that the majority of these substances will be addressed according to the same timeline as the Challenge
- Current activities and next steps for the ~160 High Priority Petroleum Substances include:
 - Information Gathering
 - gather all available information so that informed decisions are made
 - Using Mandatory Survey, contracts and voluntary information submissions
 - Screening Assessments
 - Compile and analyze data to determine if substances pose any risks
 - Risk Management
 - Identify additional risk management requirements
 - Develop risk managements instruments as needed





Current Thinking on Information Gathering - Questions we need to answer





Opportunities

- Because we're using an approach that is specific to the petroleum sector, efficiencies can be found
- Opportunity to work with stakeholders to deal with large number of substances in a more innovative and efficient way
 - Focus data gathering efforts
 - Utilize existing expertise (both industry and non-industry)
 - Group similar substances for assessment & management
 - Identify potential synergies with other initiatives / Existing measures under other programs



Opportunities cont'd - e.g. Working with Industry on to Focus Data Collection Efforts

- Have held a number of targeted meetings with industry
 - to determine the scope of the task and discuss data collection
- Met first with major associations: CAPP & CPPI
 - Discussed data collection options such as mandatory survey, contracts, voluntary information, etc.
 - To understand the implications involved with each option (e.g. there is a staggering number of facilities in upstream portion of the sector)
- Determined that the majority of the PSSA substances are manufactured in refineries and upgraders, and not in extraction
 - Formed a sub-group of refiners and upgraders to discuss data collection
 - Cross-over of sub-sectors and associations
 - Also engaged non-member companies
 - Worked together to develop and refine a targeted, mandatory survey
 - Currently working together on remaining data collection activities
 - Also meeting with other parts of the sector
 - e.g. continue to voluntarily gather information from upstream portion





Questions?

- Further info can be found at: http://www.chemicalsubstanceschimiques.gc.ca
 and click on link to 'The Petroleum Sector Stream Approach'
- If you have any additional questions, please don't hesitate to contact me:

Indrani Hulan
Head Chemical Management
Oil, Gas and Alternative Energy Division
Environment Canada

indrani.hulan@ec.gc.ca 819-956-9439



