



FERTILIZER CANADA

FERTILISANTS CANADA

907 – 350 Sparks, Ottawa ON K1R 7S8

T (613) 230-2600 | F (613) 230-5142

info@fertilizercanada.ca

fertilizercanada.ca | fertilisantscanada.ca

July 9, 2021

Magda Little
Director
Oil, Gas and Alternative Energy Division
Energy and Transportation Directorate
Environment and Climate Change Canada
351 St. Joseph Boulevard, 11th Floor
Gatineau, QC K1A 0H3

Via email: ec.covsecteurpetrolier-vocpetroleumsector.ec@canada.ca

RE: A proposed approach to control volatile organic compounds (VOC) emissions from the storage and loading of petroleum liquids

Dear Ms. Little,

On behalf of our member companies, Fertilizer Canada would like to thank you for the opportunity to comment on the proposed approach to control volatile organic compounds (VOC) emissions from the storage and loading of petroleum liquids. Our industry is committed to high environmental standards, and we know these are best achieved through cooperation and transparency between government and industry.

Fertilizer Canada represents manufacturers, wholesalers, and retail distributors of nitrogen, phosphate, potash, and sulphur fertilizers – the cornerstone of Canada's agri-food economy. Fertilizer is responsible for half of the world's current food production, and our industry is a major contributor to this global supply, bolstering food security in Canada and around the world. We also contribute approximately \$24 billion annually to Canada's economic activity. Our industry has facilities across Canada supporting the employment of over 76,000 individuals throughout the supply chain.

Many of Fertilizer Canada's member companies own and operate facilities and equipment that could be captured under the proposed regulatory approach. Our industry supports policy that achieves high standards for environmental sustainability while maintaining our competitiveness. We recognize that the proposed approach is an important step toward strengthening environmental protection and mitigating emissions of VOCs. However, based on the information available, we have noted several points that require clarification and have outlined several recommendations below. We would like to note that these are preliminary recommendations based on our current understanding of the regulation, and that we may have additional comments during future consultations depending upon the information provided.



FERTILIZER CANADA

FERTILISANTS CANADA

907 – 350 Sparks, Ottawa ON K1R 7S8

T (613) 230-2600 | F (613) 230-5142

info@fertilizercanada.ca

fertilizercanada.ca | fertilisantscanada.ca

Recommendations

True Vapour Pressure (TVP)

Fertilizer Canada recognizes the advantages of policy and regulatory harmonization, and we support the effort to develop nationally consistent guidelines for managing VOC emissions. However, we must also note that the proposed regulations, by potentially capturing hundreds of facilities and equipment that has not previously been regulated under SOR/2020-231, could necessitate a very high initial administrative burden and cost to come into compliance with new regulations. There would also be an increased ongoing administrative burden due to reporting requirements on the newly captured facilities and equipment. We are concerned that the increased administrative burden of these regulations would be significant for our members.

Our understanding of the proposed regulations is that facilities will need to measure and report TVP quantified at a temperature of 20°C for liquids stored at ambient temperature. TVP is not currently measured for the tanks at our member facilities that will be newly captured under the proposed regulation; however, it is our understanding estimations of TVP with process simulation or reference text will be allowed. Additionally, it is our understanding that if actual TVP measurements are required the use of lab testing in accordance with ASTM D2879 or other appropriate testing methods. **As we are concerned with the potential administrative burden associated with measuring TVP of all industrial tanks at our facilities, Fertilizer Canada recommends that process simulation or reference text be accepted in most cases. In the rare case that an actual TVP measurement is required, we recommend that the regulation provide flexibility by allowing a variety of appropriate testing methods.**

Alignment with Provincial or Operating Permit Requirements

We have noted that some of the requirements in the proposed regulations are already captured under the operating permits of some of our member facilities. This is another example of an area where regulatory burden could be minimized. For example, some operating permits require the following: *“Effective December 31, 2014, all above ground storage tanks containing liquid hydrocarbons or organic compounds shall conform to the Environmental Guidelines for Controlling Emissions of Volatile Organic Compounds from Aboveground Storage Tanks, Canadian Council of Ministers of the Environment, PN 1180, 1995, as amended”*. **We encourage the Government of Canada to work with provincial authorities to align regulatory approaches and recommend that operating permits be an acceptable means to meet requirements to reduce duplicative efforts and administrative burden.**



FERTILIZER CANADA

FERTILISANTS CANADA

907 – 350 Sparks, Ottawa ON K1R 7S8

T (613) 230-2600 | F (613) 230-5142

info@fertilizercanada.ca

fertilizercanada.ca | fertilisantscanada.ca

Economic Considerations

We are unsure at this time whether there will also be a disproportionate cost to implementing the proposed regulations. We note that the proposed approach indicates that a cost-benefit analysis will be conducted in the development of these regulations. **Fertilizer Canada recommends that the analysis be conducted based on an estimate of tanks impacted to shed more light on the anticipated costs associated with the proposed regulation and specific to the fertilizer industry.**

Given that the fertilizer industry's mining operations have only minimal equipment that would be captured under the proposed regulatory approach, **Fertilizer Canada also recommends that an exemption be provided for mining facilities (except for oil sands facilities).** As all fertilizer mining operations are located well beyond the vicinity of any urban or residential areas, the regulation will still meet its intended purpose of reducing the impacts of VOCs on human health. This exemption will not impact the intent of the proposed regulation but would mitigate undue regulatory burden for our industry's mining facilities.

Implementation Timeline

As the proposed regulations would capture storage tanks used in our industry that are currently not captured under SOR/2020-231, we note that the proposed timeline for introducing regulations may not provide sufficient time for industry to fully understand and prepare for any necessary changes. **Therefore, we ask that the timeline for the proposed regulations coming into force be extended to 5 years from now in order to allow industry to prepare for and implement all required changes.**

Thank you again for this opportunity to provide comments on the proposed approach to controlling VOC emissions from the storage and loading of petroleum liquids. The Canadian fertilizer industry is committed to attaining high environmental standards, and we hope to continue this dialogue as the proposed regulations are developed and more details become available.

Sincerely,

McKenzie Smith
Director, Stewardship & Regulatory Affairs



FERTILIZER CANADA

FERTILISANTS CANADA

907 – 350 Sparks, Ottawa ON K1R 7S8

T (613) 230-2600 | F (613) 230-5142

info@fertilizercanada.ca

fertilizercanada.ca | fertilisantscanada.ca

CC: Lorie Cummings, Manager, Mining and Processing, Environment and Climate Change Canada

Jim Ly, Program Engineer, Mining and Processing, Environment and Climate Change Canada

Lisa Swain, Senior Science Officer, Environment and Climate Change Canada