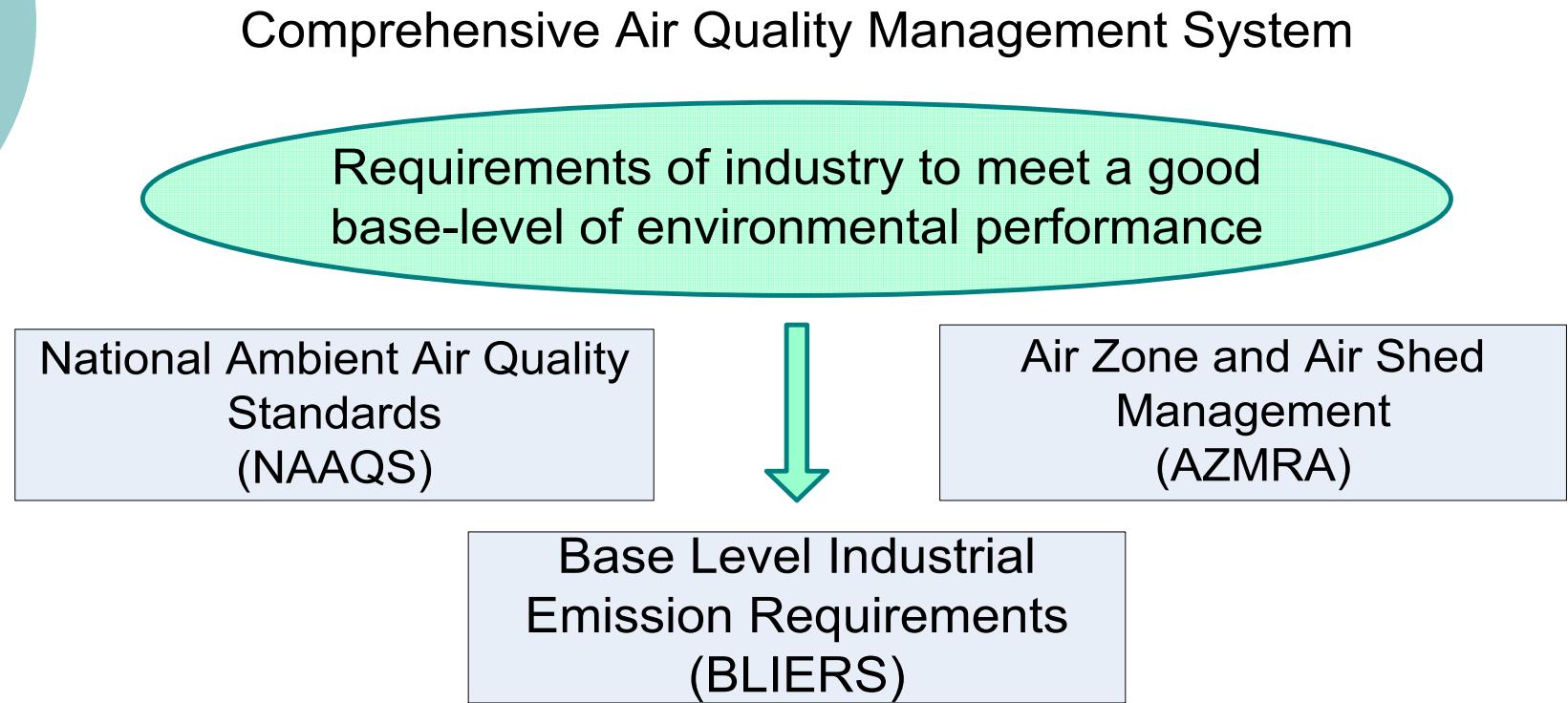


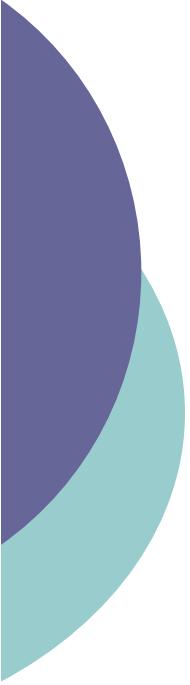
Base Level Industrial Emission Requirements

Expectations of Sector and Equipment Sub Groups

September 2009

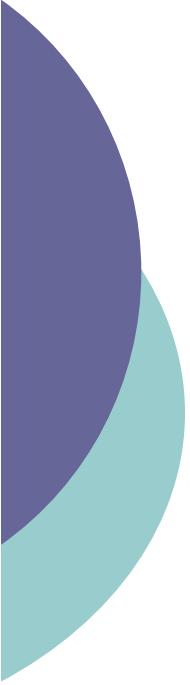
Proposed CAMS Framework





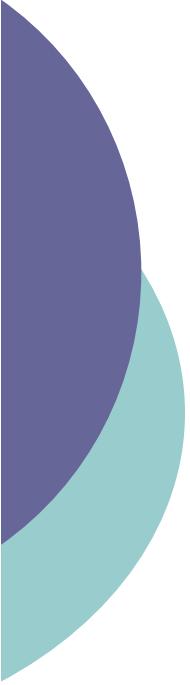
Base Level Industrial Emission Requirements - BLIERs

- Apply across Canada ensuring good industry performance everywhere
- Reflect what is required of industry in attainment areas in leading jurisdictions
- Improve over time - gap between new and existing facilities not growing



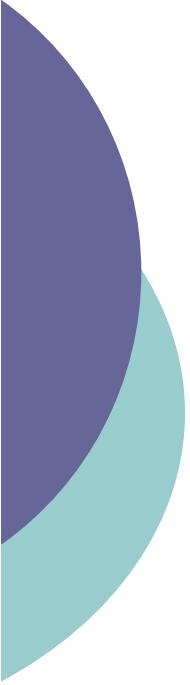
BLIERS in a Layered System

- BLIERS set base level requirement only
 - not intended to achieve all emissions reductions needed to address non-attainment of a national air quality standard
- CAMS proposal addresses regional air quality
 - Place-based Air Zone Management Plans
- How BLIERS will be implemented is under discussion, e.g.
 - Federal and provincial instruments with equivalency agreements
 - Provincial instruments with a federal “backstop” tbd



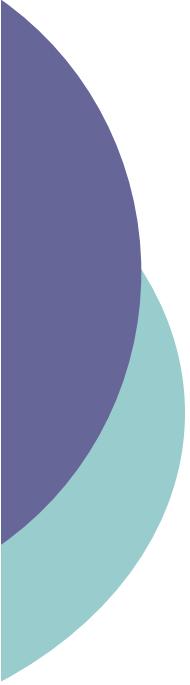
Nature of BLIERs

- Quantitative equipment based performance standards, rolled up to a facility level
 - Could be imposed by regulations or permits on existing and new facilities
 - May include equipment standards, process standards, facility standards, fuel-based standards or a combination
- Sector based assessment of requirements
 - Drawing on previous federal analysis
 - Building on current frameworks



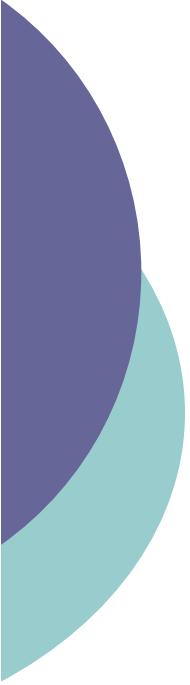
Stringency of BLIERS

- Match the requirements of leading jurisdictions – inside or outside Canada - for comparable industrial sources in air quality attainment areas, adjusted where necessary for Canadian circumstances
- Represent a good base level of environmental performance which would
 - Apply to every facility in the sector within a pre-defined time period
 - Ensure an improvement in industry performance over time
 - Create a level playing field for facilities across Canada
- Be better than status quo or lowest common denominator in the sector
- Expect to generate significant future emission reductions and environmental improvement over time



BLIERS for New vs Existing Facilities

- May be different for existing and new facilities
- Expectation that retrofits and additional abatement technology may be required for existing plants
 - Some facilities may already meet a BLIER performance level
 - Where not technically or economically feasible for an individual facility to meet the BLIER, the plant may have to close
 - May consider and provide recommendations for managing extenuating circumstances where flexibility may be required for existing facilities to meet the BLIER
 - Where longer timeframes are proposed, the environmental and economic justification is to be documented in detail
- BLIERS for new facilities may be warranted for sectors which anticipate significant growth



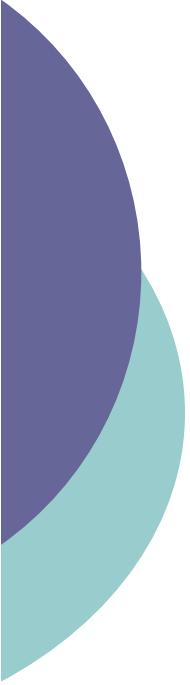
Sub-Group Deliverables

By September 18, 2009

- Recommend the list of criteria air contaminants (CACs) for which BLIERs will be developed
- Equipment groups should also specify what equipment will be addressed

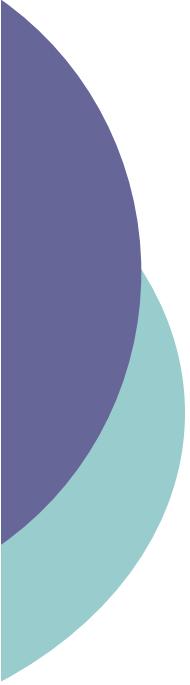
By October 30, 2009

- Recommend a BLIER for each CAC
- Sub-groups which reach agreement on a BLIER should report without delay



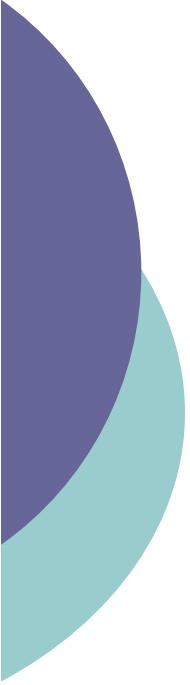
September 18 Deliverables

- Recommend and provide rationale for a the list of CACs for which a BLIER will be developed
 - Consider the CACs identified in *Turning the Corner (TTC)* and the preliminary recommendations of EC
- Specify for each CAC (if ready)
 - Whether a quantitative or qualitative performance requirement will be developed
 - Sources to which the requirements would apply (e.g. equipment, fugitives, etc.)
- For equipment-based standards
 - Specify what equipment will be addressed in the BLIER
 - Identify sectors to which standards could apply



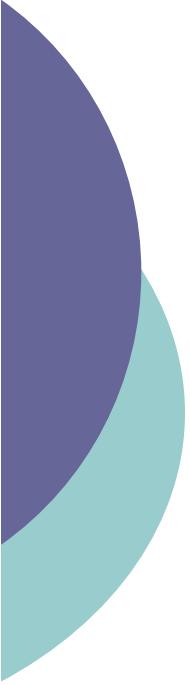
October 30 Deliverables

- Proposed BLIER for each CAC
- Date on which BLIER would come into effect
- Report which includes
 - Rationale for proposed standard, including information on key factors considered (see slide 11)
 - Expected emission reductions
 - Description of how the standard meets the objective of a BLIER
 - How it compares to what leading jurisdictions require for comparable industrial sources in areas where air quality standards are being met, adjusted for Canadian circumstances



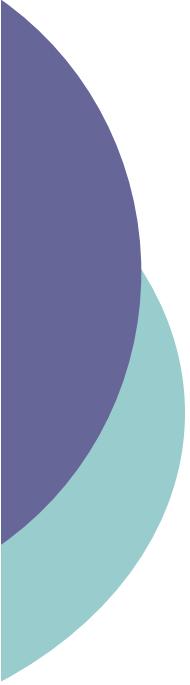
Form of a BLIER

- Quantitative performance standard
 - Equipment standards
 - Process standards
 - Facility standards
 - Fuel-based standards
 - Combination of these
- In some cases, a qualitative instrument (e.g. Code of Practice for fugitives) may be best option
 - Document recommended approach, with rationale and expected emission reductions
 - Outline steps required to develop a quantitative standard in future



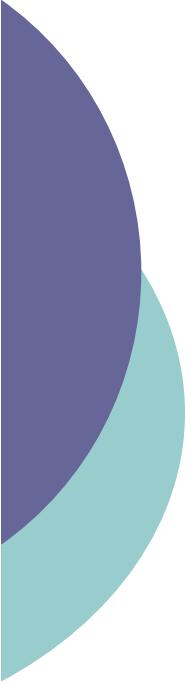
Information to Consider

- Sub-group Terms of Reference and CAMS document
- EC recommendations for substances and targets arising from validation of Turning the Corner targets
- Requirements in leading jurisdictions inside or outside Canada
 - Regulations, permits or other performance requirements for comparable industrial sources in areas where AQ standards are met
- CCME documents, e.g., Codes of Practice, Guidelines, Multi-pollutant Emissions Reduction Strategies
- Other guidance, adjusted to Canadian circumstances
 - e.g., Best Available Retrofit Technology from the US, fuel standards
- Information available from industry, governments or other sources
 - Emissions and production data
 - Technical information on process and control technologies
 - Economic information
 - Other studies and analysis



Factors to Consider

- Adjustments to benchmark performance requirements to address Canadian circumstances, e.g.
 - Age, technology of facilities
 - Characteristics, availability of feed-stocks and fuels
- Expected emission reductions
- Analysis of non-air-quality environmental impacts, e.g.
 - Co-benefits or conflicts of potential standards
 - Impact on GHG emissions
- Facility and sectoral considerations
 - Sources' remaining useful life and capital cycle
 - Facilities in compliance with proposed BLIER
 - Potential for plant closures
- Costs of implementation
 - Estimated cost of implementation
 - Estimated cost per tonne of reductions
- Reporting, enforcement and compliance mechanisms required for the BLIER



Operating Principles

- Sub-groups to work towards consensus
 - Do not need to reach consensus on all points
 - Points of disagreement should be documented and presented to the BLIERs What Working Group
- Regulatory and compliance mechanisms are being dealt with by other Working Groups

Framework Proposal Development

