National Advisory Panel

Wednesday, June 19, 2024, 8:30 am to 11:15 am (MT); Fairmont Hotel Macdonald, Edmonton, Alberta

Attendance

National Advisory Panel Jane Lister Ron Ormson

Christopher Hilkene Nadine Blaney

Alex von Knobloch

Other Participants

Bob Masterson Vanessa Foran Jeff Stevens Helder Botelho

Shawna Bruce (Facilitator)

1. Welcome Remarks

Shawna thanked NAP members and Responsible Care Committee members for attending the meeting. All attendees introduced themselves.

The June 2024 meeting agenda and February 2024 meeting minutes were approved.

2. Responsible Care® Moment

Shawna shared a Responsible Care® moment presentation titled the "Sarnia Incident - Timeline of Events: Viewing from a Public Lens." Shawna went through the timeline of event beginning on April 16, 2024, when the Aamjiwnaag First Nation called for Ineos Styrolution (a member of CIAC) plant to be shut down after the air quality monitoring station near the band office recorded high benzene levels.

- The company did not respond quickly and as a result the media reported on the event without comment from Ineos. By April 20, the government asked them to temporarily shut down the facility. The mayor of Sarnia expressed frustration with Ineos's response to the crisis. On May 1st, the Ontario Environment Ministry suspended the company's environmental compliance approval license.
- On May 17, the Environment and Climate Change Canada issues interim order requiring Sarnia-area petrochemical plants to limit benzene emissions. The order is later extended for as long as two years.
- On May 30, Ontario enacts new regulation under the Environmental Protection Act. On June 11th, Ineos issues release saying its Sarnia plant will close permanently by June 2026.
- Benzene now needs to leave Sarnia by rail and by marine transit, is this an increased risk to the community?
- Ineos Styrolution completed a verification under the new audit system in September 2024.



Bob Masterson shared some context around this situation. Benzene emissions have gone down significantly, notably after the site was acquired by a business (originally a crown corporation). First time that the industry investigated collectively a new equipment to reduce emissions and leaks in Sarnia. This situation was caused by fugitive leaks, it is not a daily occurrence.

There is a technical benzene standard for air quality in Ontario, Ineos was in compliance with this technical standard.

There is no evidence that the company recorded an exceedance of the emissions standards on their own equipment, it was only recorded on the Aamjiwnaang First Nation's equipment. It is frustrating for Ineos that the new regulation is only penalizing them when other companies have exceeded the new standard previously.

The company asked to meet with EEEC and other government ministries to discuss the new regulations and a meeting never took place.

CIAC acted as an liaison between the government and Ineos, responding to media. We asked Bryan Lucas to meet with the Responsible Care® Committee and the CIAC Board of Directors. This was a management of change issue, Bryan Lucas had built a relationship with the Aamjiwnaang First Nation but was relocated to Cincinnati, and the new manager did not build a relation with the community.

Bob met with government officials who work with the cabinet, from his perspective dealing with the industry in Sarnia was the worst of any industry they deal with anywhere in Canada. When they speak with communications people and lawyers from Sarnia who say, you can't regulate us because we are vulnerable. The message was this was an issue for Ineos, but also for the whole industry, what is its future. For the industry to sustain itself it is going to have to change its approach to adapting to new regulations.

One NAP member commented how ongoing communication that builds trust, if that is broken everything falls apart.

Sarnia Energy and Chemistry Advisory Council – Bob suggested that AFN should be involved, but the Mayor said no. The ball is in their court to revitalize the council, to do that they need to involve AFN and active industry, not just retirees from day one. It will involve difficult conversations; they have agreed to make the presentation to the council.

Q: How did the leak happen?

A: This was not a leak; these were fugitive emissions. Ineos was given 45 days by the government to install complete vapour control tanks. It would take much more time to order the necessary parts to install this vapour control equipment.

NAP Member - this would have ended differently if Ineos had been more transparent with the community.

A: Bob, if Bryan had been there, the AFN would have gotten a response more quickly. But a site cannot be self reliant on one individual.

3. President's Remarks and CIAC Updates

Bob Masterson provided a personal welcome from CIAC. At the next NAP meeting the panel can ask CIAC how it is addressing this going forward.

Bob informed the NAP that he communicated to the Board of Directors his intention is to retire in 2025. The Board of Directors will begin to determine the transition to new leadership.

4. Responsible Care® Committee Updates

Helder Botehlo, Head of Operations Canada, Lanxess Canada CO./CIE and member of CIAC's Responsible Care® Committee (RCC) spoke on behalf of Emily Fattore who was not able to attend.

Our view is that this is not the RCC's mandate this is the board's mandate. Sarnia impacts every single company and the industry's reputation.

There will be a new branding logo for Responsible Care, being driven by the ICCA. Launching on June 24th.

The RC 14001 gap closure plan, Peter Noble is leading that initiative on our behalf, we are getting really close to having something you can provide feedback within the next three months.

Even though Ineos was verified, I don't want people to think there is anything wrong with that process. I think having Ineos come in to present to the NAP with deliver more transparency and accountability.

We want to align the expectations with the ACC to incorporate in the gap closure plan. How do we audit our members.

Bob shared that the CIAC received three applications for membership from ammonia producing companies, our understanding is that the Federal government will be supporting the transportation of ammonia out of Canada to Asia. By the time the board meets in October this will a record year of membership growth.

Question / Answer

Q: What percentage of total sales do CIAC members make up of the chemical industry?

A: 70 percent of chemical sales are done by CIAC members.

5. NAP Recruiting Review of Candidates

The NAP reviewed three potential applicants to join the panel. Discussion regarding conflicts of interest and clarification of current roles was shared. There is no charter for NAP, or code of conduct. It was suggested these be established.

6. In-Camera Session

The panel entered an in-camera session and then adjourned the meeting.