September 11, 2024

Hon. Steven Guilbeault, P.C., M.P. Minister, Environment and Climate Change Canada Ottawa, Ontario K1A 0A6

Hon. Mark Holland Minister, Health Ottawa, Ontario K1A 0A6

RE: the Draft Updated State of Per- and Polyfluoroalkyl Substances (PFAS) Report, *Canada Gazette*, Part I, Vol. 158, No. 28, on July 13, 2024. (substances@ec.gc.ca)

Dear Ministers Guilbeault and Holland:

The undersigned organizations appreciate the opportunity to comment on Canada's Draft Updated *State of Per- and Polyfluoroalkyl Substances (PFAS) Report* and the Risk Management Scope for PFAS. These essential chemistries are used for their unique characteristics to resist heat and improve product durability and performance in sectors spanning the broad economy — including aviation, aerospace, national security, automotive, cell phones, medical devices, and public and industrial safety.

We commend you for recognizing that all PFAS are not the same. As such, you excluded fluoropolymers from the scope of the report since fluoropolymers have many important applications across the economy, are considered polymers of low concern, and have distinct physical, chemical, and biological properties from non-polymers.

Our coalition remains concerned about key aspects of the report and recommends the following actions:

• **Develop a consensus definition**. The report still utilizes the OECD definition, which without a specific exclusion includes low global warming potential (GWP) hydrofluorocarbons. By not excluding f-gases, including low GWP HFCs, the report is inconsistent with global implementation of the Kigali amendment to the Montreal Protocol, which are critical to avoiding up to 0.5 degrees in warming of the planet. The underlying science for f-gases does not warrant consideration beyond their capability to help meet our ambitious climate goals. We propose instead using the consensus-based definition developed in Delaware and West Virginia (USA) legislation that was already enacted.

According to the new Delaware and West Virginia laws "PFAS" means non-polymeric perfluoroalkyl and polyfluoroalkyl substances that are a group of man-made chemicals that contain at least 2 fully fluorinated carbon atoms, excluding gases and volatile liquids. These definitions also include exclusions for f-gases and volatile liquids, which have very low solubility in water.

Definitions are important to build a better understanding of what methodologies support detection of well-defined and characterized chemistries. We urge the ministries to make advances on what methodologies are appropriate for different chemistries; therefore, positioning future regulatory decision making to accurately characterize PFAS of critical interest.

- **Perform individual risk assessments**. The government should conduct individual risk assessments for the 4 remaining PFAS subgroups (perfluoroalkyl substances, polyfluoroalkyl substances, perfluoropolyethers, and side-chain fluorinated polymers) and individual chemistries for substances used in Canada. Similarly to that rationale, fluoropolymers, perfluoropolyethers and side-chain fluorinated polymers should be individually evaluated and be excluded from the report. In addition, because HFOs, HCFOs, and HFCs are specified as perfluoroalkyl substances according to the overly broad definition utilized in this report and have uses and properties that are dissimilar to other substances in this category, an individual risk assessment is also necessary for these substances.
- Avoid regulatory policies that are barriers to free trade. Similar to our concerns about Canada's regulatory actions on plastics, conflicting U.S. and Canadian regulatory approaches would contrast starkly with the historic collaboration between the two governments that has yielded a vast reduction in the number and volume of PFAS chemicals in commerce. It would also conflict with the goals of U.S.-Mexico-Canada Agreement (USMCA), the work of the USMCA Free Trade Commission, the Regulatory Cooperation Council, and other committees and working groups, which were established to avert the emergence of new regulatory divergences that in time may become trade barriers. Furthermore, there is an ongoing review of ozone depleting substances and halogen alternatives (ODSHAR) regulations in Canada. This review, in part, is based upon industry request for updates to these regulations to achieve greater alignment with regulations pertaining to refrigerants in the U.S. under the American Innovation and Manufacturing (AIM) Act. Such alignment will encourage trade through alleviation of differing regulatory requirements across the two jurisdictions. We also want to point out that fluorinated gases (HFCs) are already managed via Refrigerant Management Canada (RMC) which is focused on recovery and emission reductions of refrigerant gases (HFCs - with potential to expand to HFOs).
- Foster decisions based on the best available science and most comprehensive understanding of risk. The report acknowledges that various PFAS exhibit different properties and that many substances within the class are data poor, but the report suggests the somewhat ad hoc qualitative information collected allows for broad conclusions (based on potential exposure data rather than actual chemistries and exposure data) for PFAS as if they warranted the same level of concern. We support accelerating actions to protect human health and the environment based on actual exposures to hazards backed by science. Approaches like the European Union are not necessarily based on exposures linked to protecting human health, occurrences in the environment, or supported by the best

available science and most comprehensive understanding of risk. Some U.S. states as noted in the draft report have also undertaken specific regulatory actions with respect to PFAS, many of which are not feasible or practicable. This approach was exemplified in Maine where legislation was modified to resolve challenges, uncertainty, and unintended consequences posed by the original legislation. We are pleased that Canada also made important changes to the report. This aside, consideration should also be given to whether certain concentration thresholds, and/or exemptions for incidental presence may be needed in any risk management instruments for PFAS. Due to the vast array of analytical methods and equipment around the world, diligence is needed to ensure that de minimis levels are included in regulation.

- Identify critical uses. PFAS are tied to many products and technologies, which help meet various safety codes and standards, including public and industrial safety and national security applications. The U.S. Department of Defense released <u>a report on critical uses of PFAS</u> last fall. The findings underscore the complexities of a transition to alternatives and challenges for national security supply chains. The Department of Energy also evaluated the potential for <u>alternatives to fluoropolymer applications</u>. We urge Canada to consider the outcomes from these analyses especially around uses that currently do not have replacements.
 - Essential fluorochemistries provide inputs important to the energy transition and helping meet our ambitious climate goals. Technology innovations that we will depend on reduce greenhouse gas emissions from wind and solar to electric vehicle batteries and energy efficiency.
 - Fluorinated gases play an important role across many sectors of the economy including storage and preservation of medicines; preservation of food during the entire cold chain including processing, transportation, storage, cooling needs for data centers, and comfort cooling in both commercial and residential settings.
 - Decarbonization efforts that rely on electrification as a means to achieve emissions reductions will require the use of high efficiency refrigeration and air conditioning systems which will rely on the use of fluorinated refrigerants, including HFOs and HFO/HFC blends, to meet both performance and energy efficiency criteria. In conjunction with energy efficient appliances, fluorinated foam blowing agents are critical for insulation and sealing building envelopes to achieve superior energy efficiency.
- Develop a cost-benefit analysis. We recommend that Canada conduct a thorough costbenefit analysis. The U.S. Chamber of Commerce has submitted a report to the White House's Office of Management and Budget (OMB) modelling the potential costs attributable to various drinking water treatment levels. The estimated annualized costs for a proposed national drinking water standard for PFOA and PFOS of 4 ppt are approximately \$1.8 billion. Our cover letter to OMB and the report are <u>here</u> and <u>here</u>. The U.S. Chamber also conducted <u>analysis</u> of the economic impact of seven critical sectors that utilize

essential fluorochemistries in products on which Americans rely. Many of the findings should be immediately translatable from the American to Canadian setting on behalf of consumers and taxpayers in both countries.

Please let us know if you have questions.

Sincerely,

AdvaMed Alliance for Chemical Distribution Canadian Chamber of Commerce Fluid Sealing Association National Council of Textile Organizations PRINTING United Alliance TRSA – The Linen, Uniform and Facility Services Association U.S. Chamber of Commerce