

TEMBEC - CHAPLEAU OPERATIONS

175 PLANER ROAD, CHAPLEAU, ONTARIO P0M 1K0

TOXICS REDUCTION ACT TOXIC SUBSTANCE REDUCTION PLAN SUMMARIES 2012

REPORT PREPARED BY:

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REPORT PREPARED FOR:

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TEMBEC

JANUARY 3, 2013

LONDON

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1. PLAN SUMMARY – CADMIUM (AND ITS COMPOUNDS)

Name and CASRN of Substance	Cadmium (and its compounds)	Not Applicable
Substances for which other plans have been prepared	Methanol	67-56-1
	Lead (and its compounds)	Not Applicable
	Manganese (and its compounds)	Not Applicable

1.1 Basic Facility Information

Basic facility information has been included in Section 7 of this document.

1.2 Toxic Reduction Policy Statement of Intent

Tembec's corporate vision is to be an industry leader in value creation by being the best steward of resources: human, capital and forest.

In 2000, Tembec was the first major Canadian forest products company to implement across all of its operations an Environmental Management System (EMS) that complies with the ISO 14001 standard. Our EMS provides a rigorous management structure that is applied in all Tembec manufacturing and forest operations under our control. The EMS is an internationally recognized set of environmental best management practices that guides all activities that have a relationship with the environment. The EMS facilitates the achievement of important sustainability objectives and programs, such as maximizing environmental performance in manufacturing, and maintaining Forest Stewardship Council® (FSC®) certification in all forestry operations.

Tembec shares with the community important responsibilities towards the environment in which we live and work. The Corporation supports the responsible stewardship of resources, including forest, fish and aquatic habitat, wildlife, air, land and water. Responsible stewardship, combined with a continual improvement process, makes possible sustained economic development and an improved quality of life. In this spirit, Tembec commits to implementing and maintaining an effective environmental management program that will govern its attitude and action in environmental matters and will benefit the environment, the community, the shareholders, employees and customers.

Wherever feasible, Tembec will reduce the use and release of Cadmium (and its compounds) in full compliance with all federal and provincial regulations. Toxic substance reduction will be an ongoing effort at Tembec, and we will continue to monitor technological advancements to ensure that options that are both technologically and financially viable are implemented at our facility.

1.3 Reduction Objectives

Our goal is to reduce the use and release of Cadmium (and its compounds) where technically and economically feasible by the timetable noted in the plan. We will achieve these reductions through procedure improvements and employee education and training. It is important to note that Cadmium and compounds are naturally in the wood materials used by the facility and that most current research seeks to abate these emissions using end of pipe controls.

1.4 Description of Substance

Cadmium (and its compounds) are naturally occurring in the wood waste used to produce steam in the facility's kiln boiler and cogeneration unit.

1.5 Toxic Substance Reduction Option to be Implemented

The following option has been identified for implementation to reduce the use and release of Cadmium (and its compounds):

- Improved Operating Practices – continuous improvement of boiler and cogen efficiencies and steam use.

Cadmium (and its compounds) reductions due to implementing the option above are as follows:

Company Name: Tembec

Substance: Cadmium (and its compounds)

CASRN: Not applicable

Reduction Option: Improved Operating Practices

	Used	Created	In Product	On-site Releases			Disposals		Recycling
				Air	Water	Land	On-site	Off-site	Off-site
Baseline	50.939	0	0	0.616	0	0	0	50.323	0
Estimated reduced amount	48.392	0	0	0.585	0	0	0	47.807	0
Reduction	2.547	0	0	0.031	0	0	0	2.516	0
% Reduction	5%	NA	NA	5%	NA	NA	NA	5%	NA

Note: All values are presented in kilograms (kg) per year unless noted.

1.6 Plan Summary Statement

This plan accurately reflects the content of the toxic substance reduction plan for Cadmium (and its compounds), prepared on behalf of Tembec, dated December 14, 2012.

1.7 Copy of Plan Certification

A copy of the plan certification is presented in Section 8 of this document.

2. PLAN SUMMARY – LEAD (AND ITS COMPOUNDS)

Name and CASRN of Substance	Lead (and its compounds)	Not Applicable
Substances for which other plans have been prepared	Methanol	67-56-1
	Cadmium (and its compounds)	Not Applicable
	Manganese (and its compounds)	Not Applicable

2.1 Basic Facility Information

Basic facility information has been included in Section 7 of this document.

2.2 Toxic Reduction Policy Statement of Intent

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In 2000, Tembec was the first major Canadian forest products company to implement across all of its operations an Environmental Management System (EMS) that complies with the ISO 14001 standard. Our EMS provides a rigorous management structure that is applied in all Tembec manufacturing and forest operations under our control. The EMS is an internationally recognized set of environmental best management practices that guides all activities that have a relationship with the environment. The EMS facilitates the achievement of important sustainability objectives and programs, such as maximizing environmental performance in manufacturing, and maintaining Forest Stewardship Council® (FSC®) certification in all forestry operations.

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Wherever feasible, Tembec will reduce the use and release of Lead (and its compounds) in full compliance with all federal and provincial regulations. Toxic substance reduction will be an ongoing effort at Tembec, and we will continue to monitor technological advancements to ensure that options that are both technologically and financially viable are implemented at our facility.

2.3 Reduction Objectives

Tembec’s goal is to reduce the use and release of Lead (and its compounds) where technically and economically feasible by the timetable noted in the plan. We will achieve these reductions through procedure improvements and employee education and training. It is important to note that Lead and compounds are naturally in the wood materials used by the facility and that most current research seeks to abate these emissions using end of pipe controls.

2.4 Description of Substance

Lead (and its compounds) are naturally occurring in the wood waste used to produce steam in the facility’s kiln boiler and cogeneration unit.

2.5 Toxic Substance Reduction Option to be Implemented

The following option has been identified for implementation to reduce the use and release of Lead (and its compounds):

- Improved Operating Practices – continuous improvement of boiler and cogen efficiencies and steam use.

Lead (and its compounds) reductions due to implementing the option above are as follows:

Company Name: Tembec

Substance: Lead (and its compounds)

CASRN: Not Applicable

Reduction Option: Improved Operating Practices

	Used	Created	In Product	On-site Releases			Disposals		Recycling
				Air	Water	Land	On-site	Off-site	Off-site
Baseline	865.514	0	0	12.820	0	0	0	852.694	0
Estimated reduced amount	852.238	0	0	12.179	0	0	0	810.059	0
Reduction	43.276	0	0	0.641	0	0	0	42.635	0
% Reduction	5%	NA	NA	5%	NA	NA	NA	5%	NA

Note: All values are presented in kilograms (kg) per year unless noted.

2.6 Plan Summary Statement

This plan accurately reflects the content of the toxic substance reduction plan for Lead (and its compounds), prepared on behalf of Tembec, dated December 14, 2012.

2.7 Copy of Plan Certification

A copy of the plan certification is presented in Section 8 of this document.

3. PLAN SUMMARY – MANGANESE (AND ITS COMPOUNDS)

Name and CASRN of Substance	Manganese (and its compounds)	Not Applicable
Substances for which other plans have been prepared	Methanol	67-56-1
	Cadmium (and its compounds)	Not Applicable
	Lead (and its compounds)	Not Applicable

3.1 Basic Facility Information

Basic facility information is included in Section 7 of this document.

3.2 Toxic Reduction Policy Statement of Intent

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Wherever feasible, Tembec will reduce the use and release of Manganese in full compliance with all federal and provincial regulations. Toxic substance reduction will be an ongoing effort at Tembec, and we will continue to monitor technological advancements to ensure that options that are both technologically and financially viable are implemented at our facility.

3.3 Reduction Objectives

Tembec’s goal is to reduce the use and release of Manganese (and its compounds) where technically and economically feasible by the timetable noted in the plan. We will achieve these reductions through procedure improvements and employee education and training. It is important to note that Manganese and compounds are naturally in the wood materials used by the facility and that most current research seeks to abate these emissions using end of pipe controls.

3.4 Description of Substance

Manganese (and its compounds) are naturally occurring in the wood waste used to produce steam in the facility’s kiln boiler and cogeneration unit.

3.5 Toxic Substance Reduction Option to be Implemented

The following option has been identified for implementation to reduce the creation and release of Manganese (and its compounds):

- Improved Operating Practices – continuous improvement of boiler and cogen efficiencies and steam use

Manganese reductions due to implementing the option above are as follows:

Company Name: Tembec
 Substance: Manganese (and its compounds)
 CASRN: Not Applicable
 Reduction Option: Improved Operating Practices

	Used	Created	In Product	On-site Releases			Disposals		Recycling
				Air	Water	Land	On-site	Off-site	Off-site
Baseline	48.729	0	0	0.014	0	0	0	48.715	0
Estimated reduced amount	46.293	0	0	0.013	0	0	0	46.279	0
Reduction	2.436	0	0	0.001	0	0	0	2.436	0
% Reduction	5%	NA	NA	5%	NA	NA	NA	5%	NA

Note: All values are presented in metric tonnes (Mg) per year unless noted.

3.6 Plan Summary Statement

This plan accurately reflects the content of the toxic substance reduction plan for Manganese (and its compounds) prepared on behalf of Tembec, dated December 14, 2012.

3.7 Copy of Plan Certification

A copy of the plan certification is presented in Section 8 of this document.

4. PLAN SUMMARY - METHANOL

Name and CASRN of Substance	Methanol	67-56-1
Substances for which other plans have been prepared	Cadmium (and its compounds)	Not Applicable
	Lead (and its compounds)	Not Applicable
	Manganese (and its compounds)	Not Applicable

4.1 Basic Facility Information

Basic facility information is included in Section 7 of this document.

4.2 Toxic Reduction Policy Statement of Intent

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Wherever feasible, Tembec will reduce the creation and release of Methanol in full compliance with all federal and provincial regulations. Toxic substance reduction will be an ongoing effort at Tembec, and we will continue to monitor technological advancements to ensure that options that are both technologically and financially viable are implemented at our facility.

4.3 Reduction Objectives

Tembec’s goal is to reduce the creation of Methanol where technically and economically feasible by the timetable noted in the plan. We will achieve these reductions through procedure improvements and employee education and training. It is important to note that methanol and its precursors are naturally in the wood materials used by the facility and that most current research seeks to abate methanol and VOC emissions using end of pipe controls.

4.4 Description of Substance

Methanol and methanol precursors are naturally occurring in the wood chips and green lumber used by the facility and the wood waste used to produce steam in the facility’s wood waste fibre combustor and cogeneration unit. Evaporation of moisture containing Methanol and Methanol precursors in the green lumber results in the release of Methanol to the atmosphere.

4.5 Toxic Substance Reduction Option to be Implemented

The following option has been identified for implementation to reduce the creation and release of methanol:

- Process Modification – green lumber sorting based on moisture content to prevent over and under drying of lumber in the wood kilns.
- Improved Operating Practices – monitoring of lumber moisture content to prevent over-drying of the lumber in the wood kilns.
- Improved Operating Practices – continuous improvement of boiler and cogen efficiencies and steam use

Methanol reductions due to implementing the options above are as follows:

Company Name: Tembec

Substance: Methanol

Reduction Option: Process Modifications and Improved Operating Practices

CASRN: 67-56-1

	Used	Created	In Product	On-site Releases			Disposals		Recycling
				Air	Water	Land	On-site	Off-site	Off-site
Baseline	0	7.219	0	7.219	0	0	0	0	0
Estimated reduced amount	0	6.521	0	6.521	0	0	0	0	0
Reduction	0	0.698	0	0.698	0	0	0	0	0
% Reduction	NA	9.7%	NA	9.7%	NA	NA	NA	NA	NA

Note: All values are presented in metric tonnes (Mg) per year unless noted.

4.6 Plan Summary Statement

This plan accurately reflects the content of the toxic substance reduction plan for methanol, prepared on behalf of Tembec, dated December 14, 2012.

4.7 Copy of Plan Certifications

A copy of the plan certifications are presented at the end of this document.

5. BASIC FACILITY INFORMATION

Facility Identification and Site Address		
Company Name	Tembec	
Facility Name	Tembec Chapleau	
Facility Address	Physical Address:	Mailing Address
	175 Planer Road Chapleau ON P0M 1K0	175 Planer Road Chapleau ON P0M 1K0
Spatial Coordinates (UTM)	318489.7 (Easting)	5301986.7 (Northing)
Datum	WGS84	
Number of Employees	167 (Full time equivalents)	
NPRI ID	10397	
ON MOE ID	-	
Parent Company Information		
Parent Company Name & Address	Tembec 10, chemin Gatineau Témiscaming, PQ J0Z 3R0	
Percent Ownership	100%	
CRA Business Number	000965578	
Primary North American Industrial Classification System Code (NAICS)		
2 Digit NAICS Code	31-33 Manufacturing	
4 Digit NAICS Code	3211 Sawmills and Wood Preservation	
6 Digit NAICS Code	321111 Sawmills	
Company Contact Information		
Facility Public Contact	Linda Coates, VP Communications and Public Affairs	Contact Address
	Linda.Coates@tembec.com	Tembec
	Phone: 416-775-2819	405 The West Mall, Suite 800
	Fax: 416 621-3119	Toronto, ON M9C 5J1

6. COPY OF PLAN CERTIFICATION

Rationale Statement – Highest Ranking Employee

Submission of the required plan summaries and certification statements via the Environment Canada Single Window Information Manager (SWIM) system has been delayed as a result of the investigation and assessment of reduction options taking longer than anticipated to complete. Rather than compromise the integrity of the report and results by rushing the assessment to meet the deadline, we have chosen to take the time to properly evaluate all options we believe to be currently available for our operations. As such, submission of the required elements of the toxic substance reduction plans could not be made by the regulatory deadline.

Confirmation by the Highest Ranking Employee

As of January 3, 2013, I, Eric Tremblay, confirm that I have read the toxic substance reduction plans for the toxic substances referred to below and am familiar with their contents, and to my knowledge the plans are factually accurate and, with the exception of the regulatory deadline, comply with the Toxics Reduction Act, 2009 and Ontario Regulation 455/09 (General) made under that Act.

Toxic Substances:

Cadmium (and its compounds)	Manganese (and its compounds)
Lead (and its compounds)	Methanol



Eric Tremblay
General Manager - Acting
Tembec Chapleau Operations



Confirmation by Licensed Planner

As of January 3, 2013, I, Tim Logan certify that I am familiar with the processes at Tembec's Chapleau facility that use or create the toxic substances referred to below, that I agree with the estimates referred to in subparagraphs 7 iii, iv and v of subsection 4 (1) of the Toxics Reduction Act, 2009 that are set out in the plans dated December 14, 2012 and that the plans, with the exception of the regulatory deadline, comply with that Act and Ontario Regulation 455/09 (General) made under that Act.

Toxic Substances:

Cadmium (and its compounds)	Manganese (and its compounds)
Lead (and its compounds)	Methanol



, January 3, 2013

Tim Logan (License No. TSRP0003)
President
O2E Inc. Environmental Consultants



O2E Inc. Project Number 11-085
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