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Roswell, Georgia 30076

April 4, 2014

California Air Resources Board
1001 I Street
Sacramento, CA 95812

[Submitted electronically via capandtrade13 http://www.arb.ca.gov/lispub/comm/bclist.php]

Subject: Comments for California Cap-and Trade Regulation Attachment 1 Modified Regulatory Order For Proposed Changes To Benchmark For Tissue - March 21, 2014

Members of the Board:

Kimberly-Clark Corporation is submitting the enclosed comments on the proposed changes to the benchmark for tissue manufacturing, which impacts our facility located in Fullerton.

If you have any further questions, please contact me at (770) 587-7118 or dell.majure@kcc.com.

Sincerely,

Dell Majure

Dell Majure
Air Program Leader

Comments on Proposed Benchmark Changes for Tissue

During the two-and-half years since the California Air Resources Board ("CARB") first proposed product-based GHG emission benchmarks, CARB has proposed or adopted five different benchmarks for the tissue sector. Just two months before announcing the proposal now before the Board, CARB informed companies with tissue facilities in California that the benchmark now on the books was incorrect and a different one would apply. While CARB has flip-flopped many times in the last two years, the proposed benchmark on which it has now landed is perhaps the most needlessly complicated and scientifically unsupportable of them all. We address these problems in detail below, but first highlight the major flaws.

1. **The proposed tissue benchmark departs from CARB's principles for product-based benchmarks and plainly favors one facility over another. CARB has provided no adequate scientific explanation for the proposed benchmark; the explanation it has provided is contradictory.**

   The tissue benchmark now in the Regulation was developed using CARB's "Best-in-Class" principle, though in January of this year CARB announced that the correct benchmark was one based on its "90% of Average" principle. These are CARB's two alternative principles for developing product benchmarks, and both are based on tonnage (*i.e.,* GHG emissions intensity expressed in terms of average tons of products produced). See Appendix B to July 2011 Proposed Cap and-Trade Regulation at 3. CARB now proposes to adjust the benchmark for water absorbency. Adjusting for water absorbency unquestionably favors the more GHG emissions-intensive through-air drying ("TAD") technology over conventional tissue technology, which is more efficient in terms of both energy and GHG emissions. There are only two tissue facilities in the State; one uses TAD technology and the other utilizes conventional technology. The proposed benchmark is discriminatory, and as such is inconsistent with the statute.

   In an email to K-C dated March 11, 2014, CARB staff justified the use of this water absorbency adjustment by quoting the statement in Appendix C to the 2013 proposed amendments to the Regulation: "While it is true that the two facilities use different technologies to produce different types of tissue products with different qualities, staff believes that the functionality of the product is still the same: to absorb water." However, in the very next paragraph, CARB staff stated, "After conferring with the representatives from your company, staff agrees that different tissue products focus on different functionality: facial tissue focuses more on softness, *bathroom tissue is the balance of softness, strength and absorbency*, and paper towels focuses more on absorbency and strength." (Emphasis added.) Thus, CARB itself acknowledges that bath tissue's functionality cannot be measured by water absorbency alone, and thus its own justification for adding the discriminatory water absorbency adjustment to the bath tissue benchmark makes no sense.

   Note also that CARB's recognition that the function of bath tissue is "the balance of softness, strength and absorbency" is consistent with both common sense and K-C's consumer research. Wikipedia defines toilet paper as "a soft tissue paper product primarily used for the cleaning of the

anus to remove fecal material after defecation or to remove remaining droplets of urine from the genitals after urination, and acts as a layer of protection for the hands during this process." This definition is consistent with K-C consumer research indicating that users typically choose to use a quantity of toilet paper based on their judgment of "substance-in-hand." In other words, the amount perceived adequate to do the cleaning task required, while also protecting their hand from contamination. Clearly, there are factors other than water absorbency capacity controlling usage behavior and consumption. In light of this, the proposed benchmark's departure from CARB's stated principles for developing product benchmarks in favor of a discriminatory benchmark that favors the facility with higher GHG emissions intensity is without justification and at odds with AB 32.

2. **CARB cannot demonstrate that absorbent capacity is related to tissue utility in such a way that it is a superior metric than CARB's stated tonnage-based principles for product benchmarks.**

   In order to justify a change from the traditional GHG per ton metric, the replacement metric must relate to the utility (*i.e.*, the quantity used based on functionality) of the product better than the traditional metric. There is insufficient basis to justify CARB's selection of absorbent capacity as the sole predictor of utility/consumption for this product.

   P&G apparently has persuaded CARB that lower density tissue products made using the more emissions- intensive TAD technology should be credited for their higher absorbent capacity. CARB has arbitrarily chosen to value the entire volume of the absorbent capacity in the product by testing samples as if this entire capacity was actually used by the consumer. This decision results in a benchmark much higher than can be justified by the actual mass of fiber in the tissue sheet. In addition, adjusting for water absorbency necessarily raises the benchmark and thus allows for greater GHG emissions, which is at odds with AB 32's purpose of reducing emissions. For example, if the water absorbency capacity adjustment were set at ten, then the benchmark would be set at ten times what it would be if based on tonnage alone. It is not at all clear that the actual consumption of a bath tissue product is inversely proportional to its absorbent capacity, as implied by the proposed correction factor, and CARB has provided no evidence to support that the extreme value given to absorbent capacity in the proposed benchmark.

3. **There is no reasonable basis for CARB to segregate the emissions data, and in so doing, to determine the individual benchmark value for each type of tissue (facial tissue, delicate task wipers, paper towel and bath tissue).**

   The proposed benchmarks for the different categories of tissue are based on the erroneous assumption that the amount of GHG emissions per ton of finished product is the same for each type of tissue at each facility. For example, the emission per ton value that CARB determined for facial tissue and delicate task wipers, products manufactured by K-C, is the same (1.32 per ton). In fact, however, K-C knows that based on production rates the emissions value per ton for facial tissue is significantly higher than for delicate task wipers and bath tissue. While daily emissions of GHG from its facility are nearly the same over time, approximately 33% more delicate task wipers tonnage or 51% more bath tissue tonnage can be produced per day as compared to facial tissue. CARB, having

only collected total facility emissions, lacks the data required to accurately calculate the difference; and K-C does not have the necessary metering capability on each tissue machine required to accurately report the emissions associated with each type of tissue product. In short, CARB lacks the data required to justify the proposed benchmarks, and the data required to develop these benchmarks is not currently available.

4. **The addition of the water absorbency adjustment to the bath tissue benchmark and not the other three types of tissue appears to be based solely on the fact that at present only bath tissue is produced by both of the facilities in the state. It is inappropriate to base a benchmark based on the range of tissue products manufactured by the two facilities, as a facility's product mix may change.**

   CARB utilizes the Best-in-Class principle for all four product types but adds the water absorbency adjustment only to bath tissue. In its March 11, 2014 email, CARB staff explained that this was because, "While facial tissue, paper towel and wipers are manufactured only by one company, bathroom tissue is produced by 2 companies." This begs the question: if one company were to change its product mix, such that both also produced one of the other tissue product types, would CARB amend the Regulation to add the water absorbency adjustment to that other tissue product benchmark? Would it do so on an annual basis as these companies adjust their product mix from year-to-year? Or even month-to-month? This is clearly an inappropriate basis upon which to base a GHG emissions product benchmark.

We are concerned that CARB's intent with this most recent proposal is to arbitrarily balance the incremental cost that each of the two remaining tissue manufacturing facilities in California will incur either to reduce GHG emissions through manufacturing process changes or to purchase allowances to cover their respective obligations. There is significant risk that these incremental costs could cause either company to shift the manufacture of tissue products outside the state. P&G's facility utilizes tissue manufacturing technology that has a significantly higher GHG emissions intensity than K-C's facility. P&G's facility also has more than five times the tissue production output as the K-C facility. The first benchmark for tissue that CARB adopted in 2011 (and is still on the books, though CARB announced in January that it had been calculated incorrectly) was based on the Best-in-Class principle, which was K-C's facility, and P&G's facility faced a significantly higher compliance cost because of its higher GHG emissions intensity (as well as its larger production).

By incorporating water absorbency capacity as a principle factor for the shared bath tissue products, CARB favors the TAD technology used by P&G, as it manufactures tissue sheets with more void space. Assigning a disproportionate and excessive value to absorbent capacity further skews the benefit to P&G over K-C. In short, CARB's current proposal shifts significant cost to the K-C facility from the P&G facility. This is neither fair nor consistent with AB 32.

We believe that CARB should set only one benchmark for tonnage that can be applied equally to all types of tissue products. This approach is consistent with CARB's benchmark setting guidance and is the approach taken by the European Emissions Trading Scheme ('EU ETS"). If on some principled basis CARB

determines that it must adjust tonnage for functionality, then, as demonstrated below, the only scientifically defensible basis upon which to do so is surface area. Accounting based on either tonnage or surface area fairly represents all types of tissue products, is based upon standard measurements utilized by the industry, is supported by evidence (unlike that of tonnage adjusted by water absorbency capacity), and incentivizes the reduction of GHG emissions per unit of finished product.

Detailed Supporting Rationale for Comments

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Introduction

There are two tissue manufacturing facilities in California, and, as the California Air Resources Board ("CARB") has observed, they do not both produce all four categories of tissue -- bathroom tissue (a.k.a. bath tissue), facial tissue, paper towel, and delicate task wipers. Kimberly-Clark Corporation's ("K-C's") facility currently produces bath tissue, facial tissue and delicate task wipers using light-dried crepe/conventional technology ("LDC/CTEC" or "LDC technology"). The Proctor and Gamble Company's ("P&G's") facility currently produces bath tissue and paper towel using creped through-air-dried ("CTAD" or "TAD") technology.

When the Cap-and-Trade Regulation ("CTR") was first adopted in 2010 it did not yet include greenhouse gas ("GHG") emission benchmarks. CARB first proposed benchmarks in July 2011 in its first set of 15-day CTR modifications. At that time, it set the tissue benchmark at 1.43[1] "allowances/air dried short ton of

[1] While the proposed regulation actually read 1.3, it was erroneously based on metric tons instead of short tons. See the October 2011 FSOR at 68. If the proposed benchmark was expressed in short tons as intended, then it would have been 1.43 and not 1.3.

TAD tissue." The 1.43 benchmark apparently was based on CARB's 90% of the Average principle. (See Appendix B to July 2011 CTR proposal at 3 describing the alternative principles of 90% of the Average and Best-in-Class.) In September 2011, in its second set of 15-day CTR modifications, CARB revised the benchmark to 1.14 "allowances/air dried short ton of tissue" and dropped the definition of TAD tissue. The 1.14 benchmark was based on a Best-in-Class determination, which was (and is) K-C's facility. This benchmark was incorporated into the final version of the CTR that was formally adopted on December 21, 2011, and remains in force today.

On January 17, 2014, CARB informed K-C and P&G on a joint conference call that the 1.14 benchmark was adopted in error because it was based on Best-in-Class, which is to be utilized only if no existing California facility meets the 90% of the Average threshold. As 90% of the Average for tissue was 1.276, which the K-C facility meets (and exceeds), CARB stated that it would apply a benchmark of 1.276 to 2013 emissions instead of 1.14. Essentially, CARB announced that it had gone back to its original approach of basing the benchmark on the 90% of Average principle.

However, CARB also noted that this benchmark would be trued-up in 2015 pursuant to any other modifications to the benchmark that might be made, including those that might be based on what it had proposed in September 2013. At that time, CARB proposed to adjust the benchmark once again, this time to 0.101 "allowances/air dried short ton of tissue produced adjusted by water absorbency capacity." CARB also added a new definition of the term "tissue produced adjusted by water absorbency capacity." As discussed below, CARB has yet to provide an adequate explanation for why it proposed to depart from the product benchmark principles set forth in the July 2011 Appendix B to develop a tissue benchmark adjusted for water absorbency.

Now CARB proposes a refinement of this ill-conceived water absorbency-based benchmark. It divides tissue into four, newly-defined categories, purports to apply a Best-in-Class benchmark to each of the four, and then adjusts the bath tissue benchmark for water absorbency. Apparently bath tissue is singled out because it is the only category of tissue that both K-C and P&G are currently producing (though that might change). As detailed below, after all this flip-flopping, CARB has landed on an approach that is overly complicated and even more flawed than the September 2013 proposal.

Tissue Technology, Greenhouse Gas Emissions, Water Absorbency Capacity/Bulk, and Basis Weight Characteristics

There are two technologies for producing tissue that have significant differences in the required energy for manufacturing tissue and resulting greenhouse gas ("GHG") intensity, and their characteristics of water absorbency capacity/bulk and basis weight for each technology. Figure 1 is Light Dried Crepe/ Conventional Technology ("LDC/CTEC or LDC") technology which is utilized by the K-C facility. Figure 2 is Creped Through Air-Dried ("CTAD or TAD") technology which is utilized by the P&G facility.

Greater than 95 % of GHG emissions come from manufacturing the parent rolls which are large rolls of tissue that measure approximately 15 ft long x 15 ft high. Both parent rolls that are manufactured at the facility and optionally that are purchased from outside the facility are then converted by cutting them into the sheet size and then packaging the number of sheets for the finished product. Converting is less than 5 % of the GHG emissions. This is important because only the tonnage of parent rolls manufactured at the facility should be included; the GHG intensity would be skewed if parent rolls purchased from outside the facility were included.

Figure 1 – LDC/CTEC Process Diagram

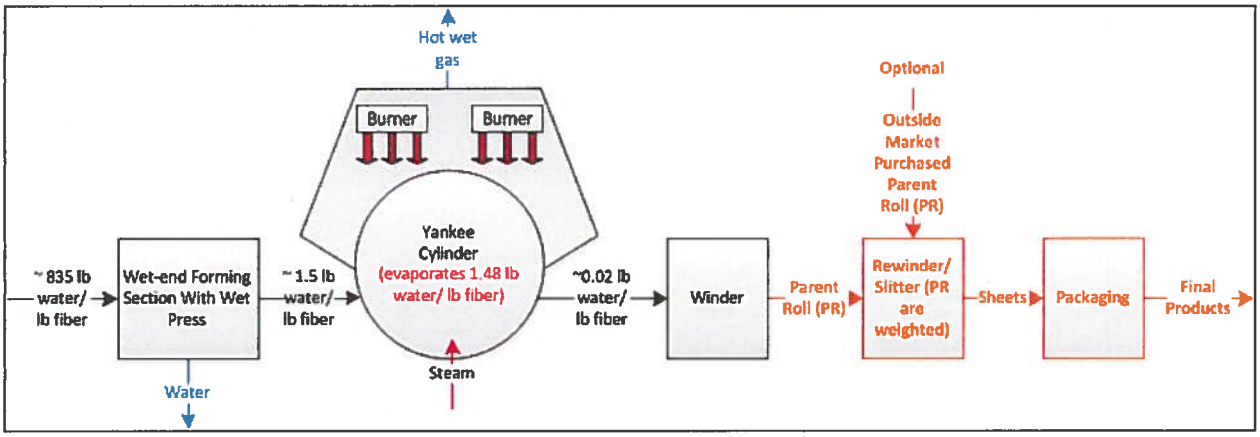
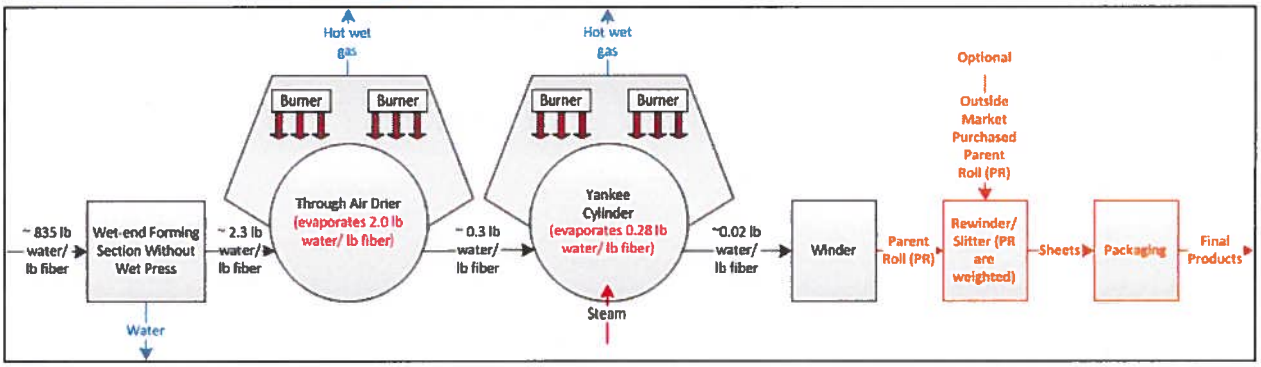


Figure 2 – CTAD Process Diagram



Energy Required and Greenhouse Gas Emission Intensity

The amount of energy required for each technology centers on how the pulp fiber used to form the tissue product is dried to remove water from the sheet. The most energy efficient technology is LDC/CTEC, where the pulp fiber is mechanically dried by wet pressing and thermally dried using indirect heat from steam injected into the Yankee Cylinder and the natural gas fired burners inside the hood as shown in Figure 1. The second technology is CTAD, which utilizes a suction section to remove water from the pulp fiber, followed by thermal drying with natural gas fired burners that heat air that passes through the tissue fiber, and indirect heat from steam injected into the Yankee Cylinder and the natural gas fired burners inside the hood as shown in Figure 2. By comparison, LDC/CTEC requires

approximately half the energy per air-dried ton of tissue product hence its GHG emissions are almost half per ton of tissue product. The primary contributing factor to this is that the LDC/CTEC technology evaporates approximately almost two times less water (1.48 lb water/lb fiber for LDC/CTEC and 2.28 lb water/ lb fiber for CTAD) because it removes a significant amount of water mechanically through wet pressing. The amount of water being evaporated is the primary driver for creating GHG emissions and mechanical dewatering is much less energy intensive.

Water Absorbency Capacity

The two technologies produce a tissue product where the CTAD produces a thicker product that has more void capacity resulting in it being lighter, fluffier and more absorbent. This is because the CTAD tissue fibers are not pressed while in a wet state like the LDC/CTEC, which utilizes wet presses for dewatering. Hence it is less dense than tissue that has been pressed while wet (i.e., the wet pressing produces a denser tissue). As such, there is more void volume between the fibers and hence more volume to absorb water. Testing for water absorbency capacity on tissue produced from LDC/CTEC technology will typically yield approximately half the water absorbency capacity and bulk.

It is important to note that water absorbency capacity can be increased further in the converting process (less than 5 % of the GHG emissions) by (1) utilizing an embosser or its equivalent, and (2) by increasing the number of plies, like a two ply bath tissue because the gap between the plies creates additional void space to hold water. Thus, if CARB selects to adjust tonnage of finished product utilizing water absorbency capacity or bulk then GHG emissions intensity could be skewed inappropriately.

Water absorbency capacity and bulk are important characteristics to paper towel and somewhat to bath tissue but are not for facial tissue and delicate task wipers.

Basis Weight

Basis weight is the amount of weight per unit of surface area. It is determined by taking the bone-dry (i.e., 0 % moisture) weight of the finished tissue product and dividing it by surface area of the sample. Basis weight can be increased in the manufacture of the parent roll sheet utilizing either LDC/CETC or CTAD technologies. In addition, basis weight of the finished product can be increased in converting where parent roll sheets are plied together making the sheet thicker (i.e. bulkier with a higher basis weight).

Benchmark Based Upon Surface Area

Consumers use tissue by sheet and not by volume (which is what water absorbency capacity and bulk measure). This is true regardless of the tissue type (facial tissue, paper towel, delicate task wiper, and bath tissue). Sheets are counted in packages of finished product but can have different dimensions (length and width). The best way to account for the different dimensions is to measure surface area.

Virtually all tissue products include this information on the package (length and width of sheets, number of sheets) as shown in Appendix A. The tissue industry has standard measures for determining surface area. The tissue industry measures tissue production by weighing parent rolls. This is standard across the industry. The tissue industry converts parent rolls into sheets of finished product and then sells packages of sheets to the customer.

Below explains how to determine surface area from roll tonnage.

Surface Area = Total Tissue Weight / Finished Product Basis Weight

$$(Roll\ weight\ @0\ \%) = (Roll\ weight\ @M\%\ tonne) \times \frac{1 - M\ \%}{1 - 0\ \%}$$

$$(Roll\ weight\ in\ grams) = (Roll\ weight\ @0\ \%) \times (1{,}000{,}000\ g/tonne)$$

$$(Surface\ area) = \sum_{i=1}^{n} \{(\text{roll weight in grams})_i\ /\ (\text{basis weight of finished product})_i\}_n$$

M = moisture of tissue

Basis weight is the mass per unit area of all types of paper. Determine basis weight using "Grammage of paper and paperboard (weight per unit area), Test Method TAPPI/ANSI T 410 om-13" or equivalent protocol. Basis weight is at 0 % moisture.

Below is an example of how to determine surface area from roll tonnage.

- Facility production for year:
  - Puffs (P&G) – 24,000 finished product tonne @ 3.4 % moisture with a finished product basis weight of 29.6 g/m^2
  - Kleenex (K-C) – 24,000 finished product tonne @ 3.7 % moisture with a finished product basis weight of 19.5 lb/2,880 ft^2
- Parent roll weight (grams):
  - (24,000 tonne) x (1 – 3.4 %)/(1 - 0 %) = 23,184 tonne x 1,000,000 g/kg = 23,184,000,000 g
  - (24,000 tonne) x (1 – 3.7 %)/(1 - 0 %) = 23,112 tonne x 1,000,000 g/kg = 23,112,000,000 g
- Basis weight (g/m^2):
  - (19.5 lb/2,880 ft^2) x (453.16 g/lb) x ((3.2808 ft)^2/m^2) = 33 g/m^2
- Surface Area (m^2):
  - (23,184,000,000 g) / (29.6 g/m^2) = 783,243,243 m^2
  - (23,112,000,000 g) / (33 g/m^2) = 700,363,636 m^2
  - Total = 1,438,606,880 m^2

Surface area is a superior measurement of finished product over tonnage. The rationale is that tissue is utilized in fixed increments of sheets by the consumer. A sheet is inherently surface area. The evidence of this is overwhelming, where the number of sheets and sheet size (surface area) is shown on the finished product packaging for all types of tissue products. Surface area captures tissue in a meaningful and practical way because tissue is used by sheet (i.e. surface area) and surface area is easily determined by industry standard measurements of tonnage and basis weight. GHG emissions are most closely related to tonnage and converting this to surface area via basis weight further accounts for that fact that tissue is used by sheet (i.e., accounts for the utility (i.e. the quantity used based on functionality) that CARB is attempting to account for in order to normalize all the tissue products. Surface area takes into account both ply weight and number of plies, and rightfully penalizes higher basis weight products because they encourage more fiber to be used per unit area (i.e. per sheet). More fiber per unit area is more GHG per unit area.

Adjusting The Benchmark To Account For Functionality of Tissue

Benchmark Adjustment Activities Leading To CARB's Flawed Proposal

There are only two tissue manufacturing facilities in California. K-C's facility produces facial tissue, delicate task wipers and bath tissue. P&G's facility produces paper towel and bath tissue.

The first proposed benchmark published July 2011 was inclusive of all types of tissue that is in the units of GHG emissions intensity per ton of finished product. This benchmark was determined via the Best-in-Class approach, which is the K-C facility.

P&G commented on this benchmark stating that their product is unique and that the proposed benchmark was inappropriate for their premium products. CARB rejected that position in 2011. In the FSOR, CARB explained this decision as follows: "We worked with stakeholders to assess different technologies used to manufacture tissue (e.g., conventional and through-air drying (TAD) processes), and found that final products that use TAD are lighter, fluffier, and more absorbent. However, the functionality of the product is still the same despite these differences. Therefore, we believe that it makes sense to group tissue products, regardless of the technology."

Subsequently, CARB collected test data on water absorbency capacity of all types of tissues and on July 18, 2013 proposed to adjust the benchmark based upon tonnage to tonnage adjusted by water absorbency capacity. This adjusted benchmark was for all types of tissues. CARB did not consult with K-C during this time; it apparently worked only with P&G while developing this new approach to the benchmark. K-C only became aware of it in July 2013 when CARB published the discussion draft of the proposed amendments to the Regulation. K-C subsequently engaged CARB and during August 2013 worked with CARB to understand the rationale for the change. When CARB formally proposed the

benchmark as part of the September 2013 amendments, it had made no changes, apparently disregarding K-C's input on the discussion draft.

Following a call with CARB staff on September 30, 2013, K-C met with CARB staff on October 18, 2013 and provided evidence that demonstrated the falsity of CARB's conclusion that the functionality of all types of tissue was the same which is to absorb water. CARB staff acknowledged that their conclusion was incorrect and stated that they would work with the industry sector to develop a revised proposal.

On October 25, 2013, CARB posted its board meeting resolutions but there was no indication that CARB would make a change to the proposal to adjust tonnage by water absorbency capacity. However, CARB staff separately reassured K-C that CARB was reviewing the tissue benchmark.

On January 13, 2014, K-C met with CARB at their request to discuss alternatives for establishing a benchmark that adjusted tonnage for functionality. CARB indicated that it was considering a benchmark that would adjust tonnage by bulk to account for functionality instead of water absorbency capacity. The stated rationale was that bulk accounted for the voids in the tissue sheet and thus would avoid the problem that some tissues are designed to have no water absorbency capacity. K-C stated that this was simply a substitute for water absorbency capacity which does not account for other functionalities of tissues. While K-C maintained that there was no good reason to depart from the tonnage principles set forth in CARB's product benchmark policy (Appendix B to the July 2011 package), K-C agreed to consider possible metrics for tissue functionality. On January 17, 2014, CARB determined that the initial benchmark that was based upon Best-in-Class was in error, which is to be utilized only if no existing California facility meets the 90% of the Average threshold. Since K-C's facility does meet the 90 % of the Average threshold CARB stated that it would apply this benchmark to 2013 emissions instead of the Best-in-Class benchmark.

On January 31, 2014, K-C met with CARB and proposed that if tonnage must be adjusted for functionality, then the best metric is surface area.

On March 10, 2014, CARB announced to the tissue sector that it would propose the separate tissue benchmarks now before the Board.

Root Problem With Adjusting The Benchmark To Account For Functionality

It appears that CARB started with a benchmark based upon tonnage, consistent with its policy for developing product benchmarks, and then P&G persuaded CARB to depart from its policy to account for its products made using the more emissions-intensive TAD technology, basing this change on the insupportable contention that water absorbency is the sole function of all tissue products. It appears that CARB did not recognize until late in process that developing a way to adjust tonnage to account for functionality was going to be difficult (likely impossible) and it was not until K-C got engaged that this became clearer to CARB. It appears that CARB's latest proposal is a result of it having run out of time to develop a workable metric for functionality, causing it to propose this ill-conceived refinement of the

September 20, 2013 proposal. The result, however, is a needlessly complicated set of benchmarks that will be difficult if not impossible to implement. More importantly, the proposed benchmark suffers from the same fundamental flaw as the September 2013 proposal: by adding the water absorbency metric, it departs from CARB's tonnage principles for developing product benchmarks without adequate justification or even explanation, and does so with a discriminatory effect (even if not a discriminatory purpose).

Comparison of 90 % of The Average Based Upon Tonnage To CARB's Proposed Benchmarks

CARB's current proposal is not superior to the standard approach of the 90 % of the Average of tonnage as shown in the comparison below.

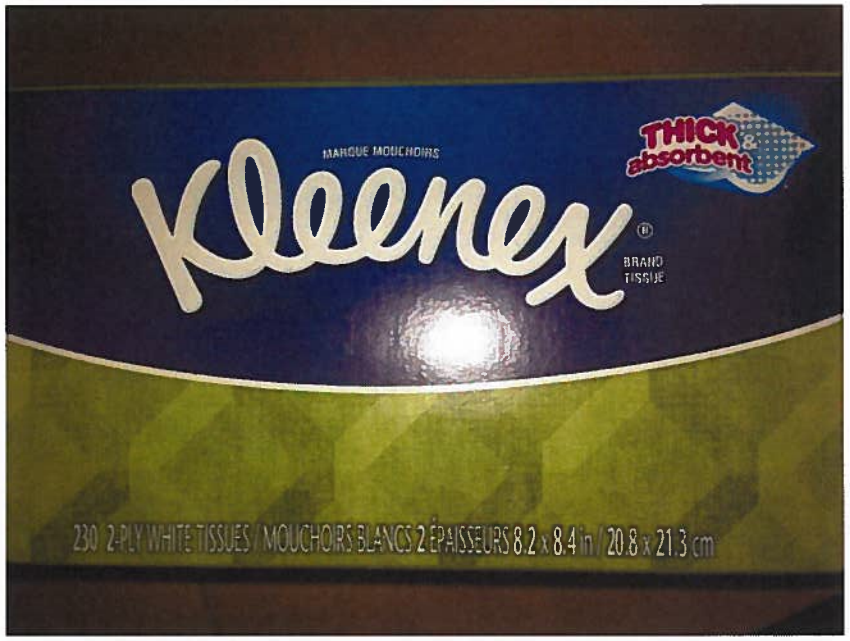
90 % of The Average Based Upon Tonnage

- Consistent with CARB's benchmark guidance and the benchmark for European Emissions Trading Scheme.
- Simple with only one benchmark.
- Acknowledges that GHG emissions are most closely related to tonnage.

CARB's Proposed Benchmark

- Utilizes Best-in-Class approach. Applies this best-in-class approach to products specific to each facility.
- Is not consistent with the benchmark for European Emissions Trading Scheme because it adjusts tonnage to account for functionality.
- More complex having four benchmarks and further adjusts for water absorbency capacity for bath tissue only.
- Inappropriately assumes the same GHG emissions intensity for each type of tissue product at each facility. This is because that level of detailed information is not readily available.
- Assigns a disproportional amount of importance for water absorbency capacity over tonnage with no substantive justification.
- Increases the amount of recordkeeping and reporting burden because of multiple benchmarks and testing for water absorbency capacity.
- Violates the one-product one-benchmark principle because P&G's bath tissue has more water absorbency than K-C because of the technology used for manufacturing. The principle does not allow for the benchmark to account for differences in technology.
- Shifts the costs for compliance to K-C and away from P&G.

Appendix A – Packaging Exhibit


MARQUE MOUCHOIRS
Kleenex
BRAND TISSUE
THICK & absorbent
230 2-PLY WHITE TISSUES / MOUCHOIRS BLANCS 2 ÉPAISSEURS 8.2 x 8.4 in / 20.8 x 21.3 cm


Kleenex
BRAND TISSUE
anti-viral*
68 3-PLY TISSUES
ACTIVE INGREDIENTS
Citric Acid
Sodium Lauryl Sulfate
INERT INGREDIENTS
Total


MARQUE MOUCHOIRS
Kleenex
BRAND TISSUE
76 2-PLY WHITE TISSUES / MOUCHOIRS BLANCS 2 ÉPAISSEURS 8.2 x 8.4 in / 20.8 x 21.3 cm

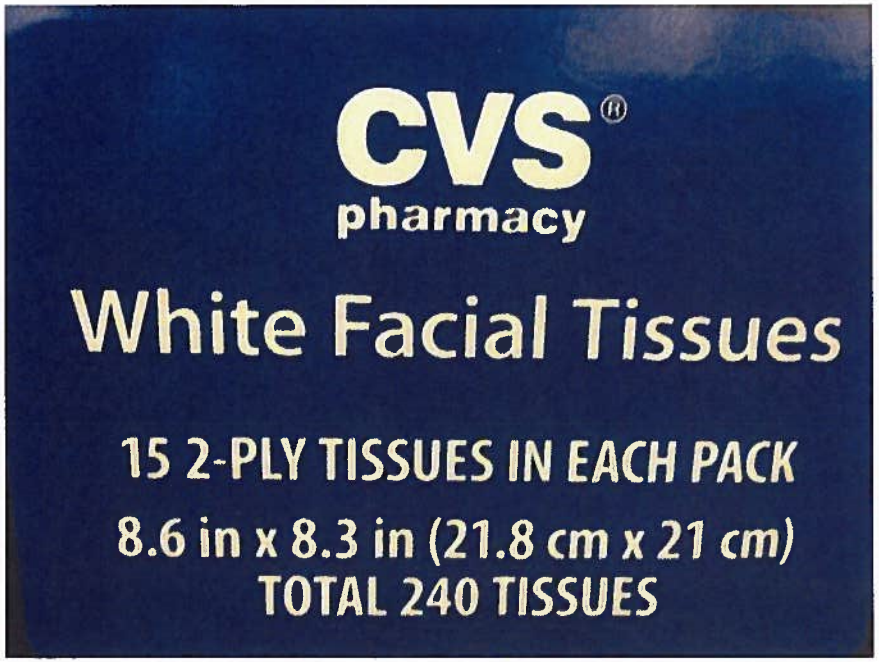

Kleenex
BRAND TISSUE
SNEEZE SHIELD
lotion aloe/aloès & E

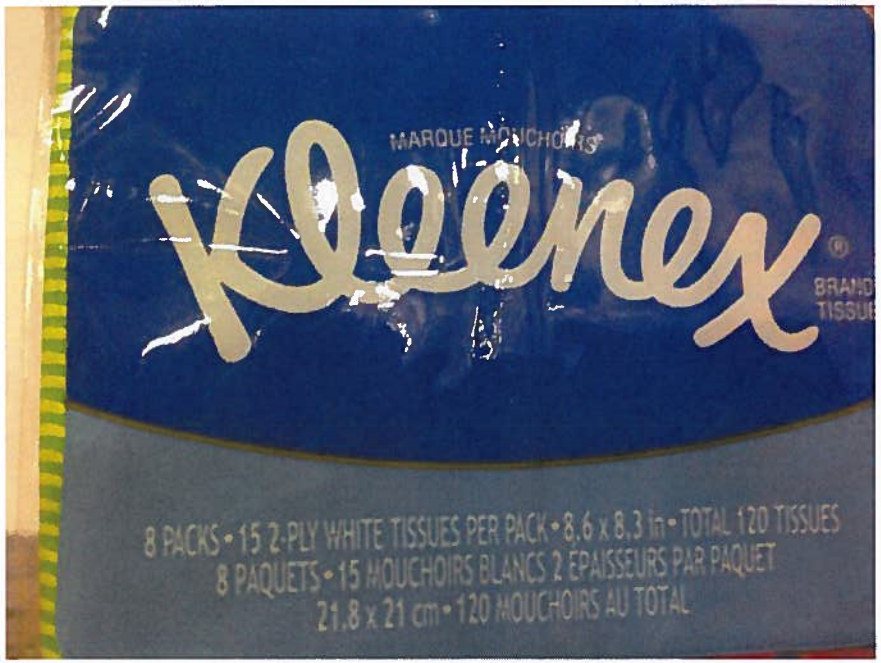

Puffs
Basic™
Everyday Softness. Everyday Value.
Une douceur et un prix avantageux tous les jours.
NON-LOTION WHITE FACIAL TISSUE
MOUCHOIRS BLANCS SANS LOTION
PAÑUELO DESECHABLE SIN LOCIÓN


home
sense™
Kroger
FROM OUR FAMILY TO YOURS™
white unscented facial tissues
Comfortably Soft
No Inks, Dyes or Perfumes

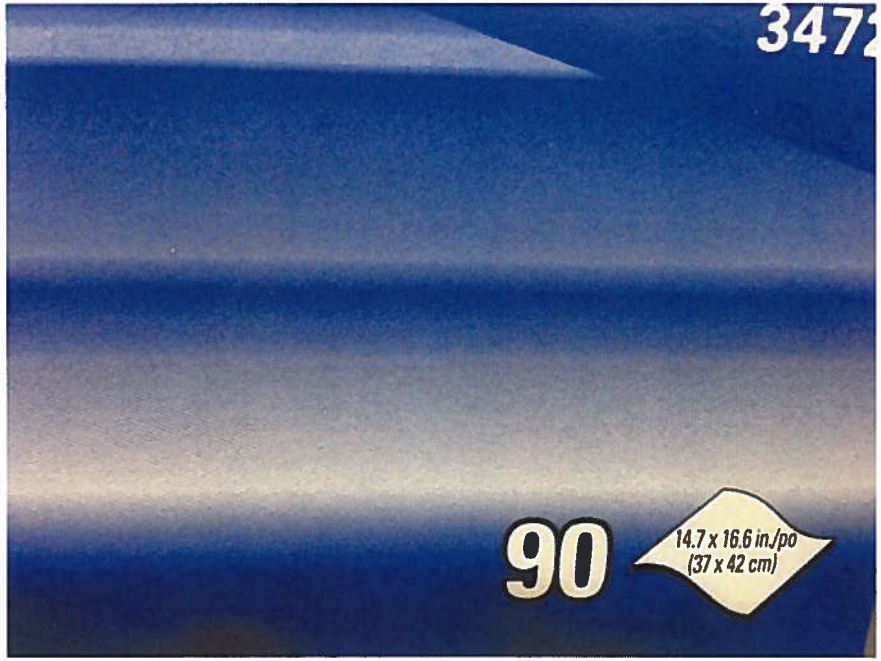

Puffs
Plus
SOOTHING
APAISANTS
SUAVIZANTE PARA TU


& Strong™
Our Best Non-lotion Tissue
Notre meilleur mouchoir sans lotion
Nuestro mejor pañuelo desechable sin loción
NON-LOTION WHITE FACIAL TISSUE
MOUCHOIRS BLANCS SANS LOTION
PAÑUELO DESECHABLE SIN LOCIÓN
3 BOXES/BOÎTES/CAJAS • 124 2-PLY TISSUES PER BOX/MOUCHOIRS
2 ÉPAISSEURS PAR BOÎTE/PAÑUELOS DE HOJA DOBLE POR CAJA
372 TOTAL TISSUES/MOUCHOIRS AU TOTAL/PAÑUELOS EN TOTAL
21.3 cm x 20.8 cm (8.4 IN/PO x 8.2 IN/PO)


CVS®
pharmacy
White Facial Tissues
15 2-PLY TISSUES IN EACH PACK
8.6 in x 8.3 in (21.8 cm x 21 cm)
TOTAL 240 TISSUES


MARQUE MOUCHOIRS
Kleenex
8 PACKS • 15 2-PLY WHITE TISSUES PER PACK • 8.6 x 8.3 in • TOTAL 120 TISSUES
8 PAQUETS • 15 MOUCHOIRS BLANCS 2 ÉPAISSEURS PAR PAQUET
21.8 x 21 cm • 120 MOUCHOIRS AU TOTAL


4.4 x 8.4 in./po
(11 x 21 cm)
KIMTECH Scie
Presisjonskluter / Precision Torkdukar /
Протирочные материалы для высокоточных работ /
Czyściwo do zadań specjalnych / Utěrky pro speciální použi
280
Hvit / Vit / Белые / Biały / Bílá
Kimberly-Clark®


3472
90
14.7 x 16.6 in./po
(37 x 42 cm)


Kleenex
Cottonelle
TOILET PAPER • PAPIER HYGIÉNIQUE
CleanCare
touch of soft cotton
pointe de coton doux
STRONG & EFFECTIVE for a CONFIDENT CLEAN


NORTHERN
Ultra Plush
3 ply
with
INNERLUX® LAYER
CLEAN YOU EXPECT, GENTLENESS YOU WANT
BATHROOM TISSUE • 4 ROLLS • 78.2 SQ FT (7.2 m²) • 176 3-PLY SHEETS PER ROLL • 4.0 IN x 4.0 IN (10.1 cm x 10.1 cm)

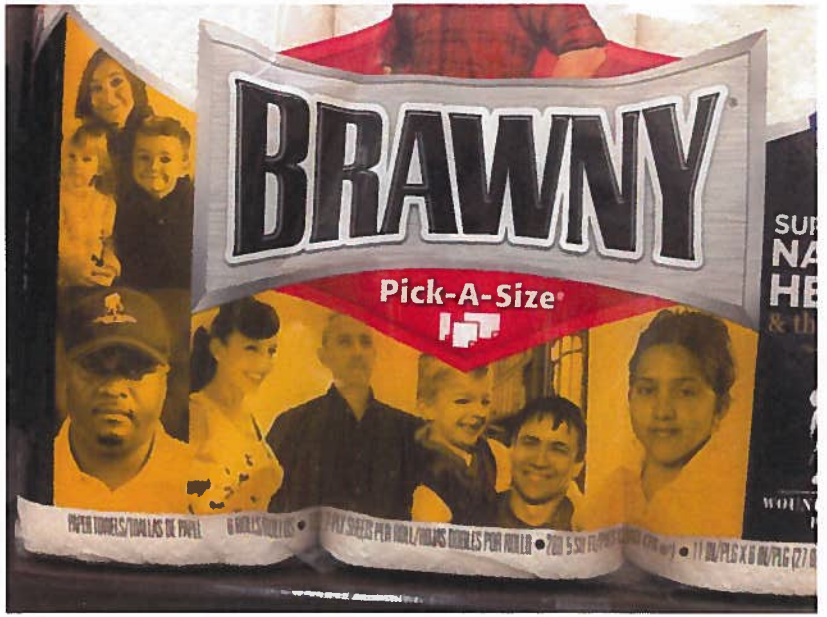

Charmin
Ultra Soft
Irresistibly soft & absorbent so you can use less†
ROULEAUX/ROLLOS • BATHROOM TISSUE/PAPIER HYGIÉNIQUE/PAPEL HIGIÉNICO • 164 2-PLY SHEETS PER ROLL/164
FEUILLES PAR ROULEAU/164 HOJAS DOBLES POR ROLLO • TOTAL 6.5 m² (71.4 FF/PF) • 9.9 cm X 10.1 cm (3.92 IN/PO X 4 IN/PO)


Scott
Tissue
1000
Sheets Per Roll
20 Rolls
UNSCENTED BATHROOM TISSUE ONE-PLY • 4.1 X 3.7 IN. (10.4 X 9.3 cm) • TOTAL 2096.0 SQ. FT. (192.0 m²)


ULTRA
STRONG
MegaRoll
4 rolls* in 1
BATHROOM TISSUE/PAPIER HYGIÉNIQUE/PAPEL HIGIÉNICO • 330 2-PLY SHEETS PER ROLL/330
330 HOJAS DOBLES POR ROLLO • TOTAL 19.7 m² (215 FT²/PP) • 9.9 cm x 10.1 cm


Ultra Soft
MegaRoll
4 rolls* in 1
BATHROOM TISSUE/PAPIER HYGIÉNIQUE/PAPEL HIGIÉNICO • 328 2-PLY SHEETS PER ROLL/328
328 HOJAS DOBLES POR ROLLO • TOTAL 19.6 m² (214 FT²/PP) • 9.9 cm x 10.1 cm


Locks in
with
2 ROLLS/ROLLOS • 103 2-PLY SHEETS PER ROLL/103 HOJAS DOBLES POR ROLLO


BRAWNY
Pick-A-Size


Bounty
DuraTowel
3X
CLEANER
THAN A GERMY
DISHCLOTH