

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary _ Public

Date: 2/27/2017

GAIN Report Number: CA17118

Canada

Post: Ottawa

Canada Proposes National Clean Fuel Standard

Report Categories:

Biofuels

Agriculture in the News

Approved By:

Jeff Zimmerman

Prepared By:

Lina Urbisci

Report Highlights:

Environment and Climate Change Canada is seeking comments on its proposed Clean Fuel Standard regulation under the *Canadian Environmental Protection Act*, 1999 to reduce Canada's greenhouse gas emissions through the increased use of lower carbon fuels and alternative technologies. Environment and Climate Change Canada is accepting written comments on the Clean Fuel Standard Discussion Paper until April 25, 2017.

Canada Proposes National Clean Fuel Standard

Environment and Climate Change Canada is consulting with provinces, territories and stakeholders to develop a regulation under the <u>Canadian Environmental Protection Act</u>, <u>1999</u> to reduce Canada's greenhouse gas emissions (GHG) through the increased use of lower carbon fuels and alternative technologies. The purpose of the <u>Clean Fuel Standard Discussion Paper</u> is to facilitate consultations to help inform the development of the regulatory framework in advance of developing a Clean Fuel Standard.

Current Federal and Provincial Renewable Fuels Regulations:

The federal Renewable Fuels Regulations require petroleum fuel producers and importers to have an average renewable content of at least 5% based on their volume of gasoline and an average renewable content of at least 2% based on their volume of diesel fuel and heating distillate oil. The purpose of the Regulations is to reduce overall GHG emissions from gasoline and diesel fuel, primarily used in transportation.

The provinces of British Columbia, Alberta, Saskatchewan, Manitoba, and Ontario already have renewable fuels mandates equal to or higher than the current federal requirements for the transportation sector.

Background:

The proposed Clean Fuel Standard is part of a wider national climate change strategy. The Vancouver Declaration on Clean Growth and Climate Change released on March 3rd 2016 outlines the vision and principles that will guide the federal, provincial and territorial governments towards sustainable and clean economic growth.

In October 2016, Prime Minister Justin Trudeau announced a <u>Pan-Canadian approach to pricing carbon pollution</u>, which would require all provinces and territories to have some form of carbon pricing plan in place by 2018.

In November 2016, Federal Environment and Climate Change Minister Catherine McKenna announced plans to <u>transition away from coal</u> towards cleaner sources of generation by 2030.

On December 9th, 2016, the Government of Canada released its <u>Pan-Canadian Framework on Clean Growth and Climate Change</u> to address climate change and grow the Canadian economy.

Next Step:

Please submit written comments by mail or email by April 25, 2017, to the following address:

Mark Cauchi Executive Director, Oil, Gas and Alternative Energy Division Clean Fuel Standard Energy and Transportation Directorate Environment and Climate Change Canada 351 St. Joseph Boulevard, 12th Floor Gatineau, QC K1A 0H3

Email: ec.cfsncp.ec@canada.ca