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February 6, 2023

Michael Bishop Climate Change Programs and Partnerships Branch 135 St. Clair Ave. West 11th Fl Toronto, ON M4V 1P5

## RE: ERO 019-5144, Proposed Lifecycle Analysis Models and Technical Guideline Updates for the Cleaner Transportation Fuels Regulation

Dear Mr. Bishop;

Thank you for the opportunity to provide the following comments as part of ERO 019-5144, Proposed Lifecycle Analysis Models and Technical Guideline Updates for the Cleaner Transportation Fuels Regulation.

The Canadian Fuels Association (CFA) represents the producers<sup>1</sup>, distributors and marketers of transportation fuels including gasoline, ethanol, biobased diesel, jet fuel as well as specialty fuels and lubricants. Our sector represents 111,000 workers operating 15 refineries, including 5 refineries right here in Ontario, 75 fuel terminals and 12,000 retail sites from coast to coast to coast. Our members supply 95 percent of Canadians' transportation fuel, or 109 B litres/year, and over 25% of biofuels made in Canada.

CFA members are committed to a future where Canadians achieve significant transportation GHG emissions reductions without compromising the ability to move people and goods. Our <u>Driving to 2050</u> <u>Vision</u> highlights how Canada's transportation fuel sector is innovating and investing in the development of lower carbon transportation-energy choices which include reliable, affordable low-carbon liquid fuels.

Canadian Fuels and our members are supportive of the proposed changes to Lifecycle Analysis Models and Technical Guideline Updates for the Cleaner Transportation Fuels Regulation. CFA members are actively exploring and investing in opportunities to produce and deploy lower carbon fuels to meet Canada and Ontario's transportation needs, including the use of renewable diesel, sustainable aviation fuel (SAF), and more sustainable, bio-based feedstocks. The incorporation of GHGenuis model version 4.03c as an approved model within the regulation is consistent with the low-carbon fuel content requirements in Quebec, reducing the regulatory burden on Canada's transportation fuels sector in the interim as it drives towards new opportunities to decarbonize the fuels we rely on.

<sup>&</sup>lt;sup>1</sup> Canadian Fuels members: Federated Co-operatives Limited, Imperial Oil Limited, Irving Oil, North Atlantic, North West Redwater Partnership, Parkland Corporation, Petro-Canada Lubricants Inc., Shell Canada Limited, Suncor Energy Products Partnership, Tidewater Midstream and Infrastructure Ltd. and Valero Energy Inc.

Going forward, as the Ontario government considers additional models for new bio-based content we encourage the Ministry of Environment, Conservation and Parks to move towards a more modern focus on low-carbon intensity fuel. With that in mind, we recommend the Ministry also consider explicitly recognizing the low-carbon intensity fuel produced through co-processing bio-based content. To further incentivize the deployment of low-carbon fuels in Ontario, we also encourage the Ministry to allow the use of low-carbon Sustainable Aviation Fuel blended into jet fuel for compliance against diesel requirements, as well as recognizing the use of Methanol as marine fuel in the diesel class. Incorporating Sustainable Aviation Fuel as a recognized bio-based diesel is also consistent with recent actions taken in Alberta where renewable aviation fuels meeting the definition of "qualifying bio-based diesel" are eligible for annual diesel compliance to the Alberta Renewable Fuel Standards.

In looking to the future, we also encourage the government to consider using the federal Fuel LCA model to both avoid the use of an outdated version of GHGenius and the current patchwork of LCA models used for compliance across Canada. This will reduce burden on all stakeholders, while creating new opportunities for the production and deployment of low-carbon fuels in Ontario.

Thank you again for the opportunity to provide input on this consultation. Should you have any questions or require additional information regarding the above, please don't hesitate to contact me.

Sincerely,

Lucas Malinowski

Director, Government and Stakeholder Relations

**Canadian Fuels Association** 

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