



RICanada Statement in Response to the Federal Clean Fuel Standard Update

Ottawa, ON (July 23, 2018)

Renewable Industries Canada (RICanada) supports the Government of Canada's decision to develop regulations for a Federal Clean Fuel Standard (CFS) for liquid transportation fuels, followed by gaseous and solid fuels.

A CFS for liquid transportation fuels prioritizes lowering greenhouse gas (GHG) emissions in Canada's largest emitting sector. With similar policies in other jurisdictions there is precedent in place to create a successful CFS that utilizes accessible, low-carbon fuel pathways, specifically biofuels, to realize meaningful emission reductions.

However, this decision is accompanied by a delay of six-months to a year that creates market uncertainty and could risk the implementation of the CFS. The delay moves the completion date of the regulation from Summer 2019 to well into 2020 – with an implementation date of 2022 for liquid fuels. Shifting these critical dates beyond the federal election in October 2019 could stall investment, delay build-out, and compromise Canada's ability to meet its Paris Climate Accord commitments.

RICanada is also concerned with the extraordinary decision for Environment and Climate Change Canada (ECCC) to develop its own, first-time lifecycle assessment (LCA) model to calculate the carbon intensity of fuels. Having a reliable LCA model is mission-critical to the success of the CFS. ECCC's decision to develop a new model may create additional delays and will result in a patchwork of LCA models across federal and provincial regulations.

RICanada continues to recognize that the federal CFS is a complicated and significant undertaking. We remain committed to lending our business expertise to ECCC to ensure that the policy works, accelerates economic investment, and achieves its environmental goals.