



December 18, 2023

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Subject: Comments on ERO 019-7732, Cleaner Transportation Fuels Regulation - Technical Guideline updates for facilities with non-fuel products

The Ontario Society of Professional Engineers (OSPE) is the advocacy body and voice of the engineering profession in Ontario. Ontario currently has over 85,000 professional engineers, 250,000 engineering graduates, 6,600 engineering post-graduate students and 37,000 engineering undergraduate students. Through OSPE's non-partisan, evidence-based approach to advocacy, we are recognized as a trusted advisor to government and regularly asked to provide input on policy, planning, and budget decisions.

OSPE appreciates the opportunity to provide feedback on the proposed updates to the Technical Guideline for the Cleaner Transportation Fuels Regulation, as introduced by the Ontario Ministry of the Environment, Conservation and Parks.

These updates provide new direction for calculating the Greenhouse Gas (GHG) intensity of bio-based content that is produced in facilities concurrently with other non-fuel products e.g., different grades of ethanol, such as beverage or medical-grade.

Overview of the Original Regulation

Ontario's Cleaner Transportation Fuels Regulation (O. Reg. 663/20) mandates fuel suppliers to blend 10% renewable content, such as ethanol, into gasoline from 2020 to 2024. This requirement progressively increases to 11% in 2025, 13% in 2028, and 15% from 2030 onward. The renewable content must emit 45% fewer greenhouse gas emissions than fossil gasoline before 2030 and 50% fewer emissions from 2030 onward, measured on a lifecycle basis.

For diesel, fuel suppliers are obligated to maintain a 4% blend of renewable content, emitting 70% fewer greenhouse gas emissions than fossil diesel on a lifecycle basis.

The term "renewable content" or "bio-based content" refers to the energy content of the fuel, excluding the energy derived from fossil fuels used in its production. For instance, ethanol, produced through grain fermentation, has its renewable content calculated by subtracting the fossil fuel energy used in growing the grain and ethanol production. The total greenhouse gas emissions include those released during combustion and production.

Summary of Proposed Update:

The proposed update aims to enhance the calculation methodology for the GHG intensity of bio-based content, with a specific focus on facilities that simultaneously produce non-fuel products like medical ethanol or beverage alcohol. Notably, the update underscores the adoption of GHGenius, a spreadsheet endorsed by the Canadian Government, for determining the renewable content of fuel products.

Industry Perspectives and Concerns:

Ontario industries frequently express their frustration with the challenges of adhering to distinct regulations imposed by both the Provincial and Federal Governments.

Referencing key findings from OSPE's [2021 Research Report](#), "Reducing Greenhouse Gas Emissions from Ontario Diesel Highway Trucks," it becomes apparent that the trucking industry harbors reservations about alterations to diesel fuel and engines. The report underscores the industry's skepticism and underscores the need for practical and feasible clean fuel alternatives. Within this context, renewable natural gas stands out as a favorable option, given concerns about the North American agriculture's capacity to meet the demand for renewable fuel in the diesel market.

OSPE Recommendations:

Clarity of the Regulation:

To enhance clarity and facilitate a better understanding of the Regulation, it is recommended that the Ministry consider providing a worked example of a GHG calculation within the updated Technical Guideline. Specifically, the calculation of the renewable content for each biofuel should be carefully examined to ensure comprehensive coverage, as it currently seems to omit greenhouse gas emissions stemming from crucial agricultural activities such as planting, fertilizing, and harvesting energy crops. Addressing this aspect will contribute to a more accurate and holistic assessment of the environmental impact associated with biofuel production, aligning with the broader objectives of reducing greenhouse gas emissions in the transportation sector.

Harmonization with Federal Regulations:

It is crucial for Ontario's Cleaner Transportation Fuels Regulation to align with the Canadian Government's [Clean Fuel Regulations](#) and neighboring jurisdictions. Inconsistencies between provincial and federal regulations present challenges for industries striving for compliance. Harmonizing these regulations would ease the burden on Ontario industries and foster a unified approach to tackling climate change. Currently, disparities exist in the timetable, specified limits, and units of measurement between the Canadian and Ontario Regulations.

In conclusion, OSPE acknowledges the significance of revising the Technical Guideline for the Cleaner Transportation Fuels Regulation. However, we emphasize the need for attention to industry apprehensions, alignment with federal regulations, and a thorough assessment of the proposed modifications. Collaborative efforts between provincial and federal authorities, along with active stakeholder engagement, will be essential to ensuring the success of these regulatory updates.

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December 14, 2023
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Thank you for taking our comments into account. We look forward to ongoing collaboration to advance sustainable practices in Ontario's transportation sector. For any further information, please contact advocacy@ospe.on.ca.

Sincerely,



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Chair and President
Ontario Society of Professional Engineers



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