

The Clean Fuel Regulations: an effective, pragmatic, affordable climate action tool for all Canadians

Advanced Biofuels Canada lauds federal Clean Fuel Regulations requirements that commence on Canada Day

Vancouver, June 30 – Advanced Biofuels Canada (ABFC) acknowledged today the federal government's diligent work to clean up climate emissions from all modes of transport in Canada, with the Canadian Clean Fuel Regulations (CFR) coming into force on July 1st. The CFR is a turning point for significantly expanding low-carbon, clean fuel production and use across Canada.

ABFC lauds the steady work by Environment and Climate Change Canada (ECCC) staff to shepherd in a complex regulation and implement practical and functional means of compliance. “ABFC and its members have been working with ECCC on the development of this regulation for many years. We are pleased to see the final regulation reflect a pragmatic and collaborative approach that will enable industry to meet its environmental obligations in a cost-effective manner,” said Ian Thomson, President of Advanced Biofuels Canada.

“The regulation is already driving new investments and creating resilient jobs that utilize many of the same skillsets at use in the fossil fuel sector, living proof that both provincial and federal regulations will continue to drive the energy transition in Canada,” said Thomson. “ABFC member Braya Renewable Fuels is an example; its soon-to-be-commissioned renewable diesel and sustainable aviation fuel production facility has repurposed an idled Atlantic Canada oil refinery and saved hundreds of jobs. As with other advanced biofuel projects in Canada, this facility can supply both the Canadian and export markets. Its use of other clean technologies, such as green hydrogen and ammonia, will drive additional knock-on investments.

“The CFR aims to replicate the results from comparable regulations in California, Oregon, and British Columbia. The credit markets in these jurisdictions act as a strong incentive for investments by non-traditional players. Adding new low-carbon fuels to the market will create competition and lower fuel costs over time. These regulations provide Canadians with a seamless, affordable way to green their mobility.”

Thomson noted that the clean fuel sectors are poised to make [further investments](#) in domestic production capacity, but that generous financial incentives in the US, and no clarity on comparable measures in Canada, may mute activity. “We are working closely with our federal government to create the right conditions to attract the global capital needed to significantly scale up capacity. We’re encouraged by the widely held view that, while we ramp up electrification, the sheer number of traditional vehicles on the road through 2050 will require large volumes of ultra-low carbon fuels to displace fossil gasoline, diesel, and jet fuel if we are to meet climate targets.”

The CFR was finalized and published on July 6, 2022, and will significantly reduce the Carbon Intensity (CI) associated with liquid fossil fuels utilized in Canada. The primary objective of the regulation is to achieve a 15% decrease in carbon dioxide equivalent emissions below the 2016 levels by the year 2030. The regulation is also intended to provide enhanced energy security and drive innovation to improve Canada’s industrial competitiveness in world markets.

Advanced Biofuels Canada/ Biocarburants avancés Canada is the national voice for producers, distributors, and technology developers of advanced biofuels and renewable synthetic fuels. Our members are global leaders in

the commercial production of these functional, scalable fuels, with over 36 billion litres of installed annual capacity worldwide. Our members include Canada's leading advanced biofuels producers and technology innovators, who are actively developing new clean liquid fuel production and distribution assets and operations in Canada. For information on Advanced Biofuels Canada and our members, visit www.advancedbiofuels.ca.

Ian Thomson, President, Advanced Biofuels Canada

+1 778 233 3889 // ithomson@advancedbiofuels.ca