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# Canada Gazette

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## GOVERNMENT NOTICES

### DEPARTMENT OF THE ENVIRONMENT

#### CANADIAN ENVIRONMENTAL PROTECTION ACT, 1999

Notice is hereby given that, pursuant to the provisions of Part 7, Division 3, of the *Canadian Environmental Protection Act, 1999*, the conditions of Permit No. 4543-2-03395 are amended as follows:

9. *Total Quantity to Be Disposed of*: Not to exceed 35 000 m<sup>3</sup>.

M. D. NASSICHUK  
*Environmental Stewardship  
Pacific and Yukon Region*

[52-1-o]

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Notices and proposed regulations](#)

### DEPARTMENT OF THE ENVIRONMENT

#### CANADIAN ENVIRONMENTAL PROTECTION ACT, 1999

Notice is hereby given that, pursuant to the provisions of Part 7, Division 3, of the *Canadian Environmental Protection Act, 1999*, Permit No. 4543-2-03417 is approved.

1. *Permittee*: Port North Fraser, Richmond, British Columbia.

2. *Type of Permit*: To load waste and other matter for the purpose of disposal at sea and to dispose of waste and other matter at sea.

3. *Term of Permit*: Permit is valid from January 29, 2007, to January 28, 2008.

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4. *Loading Site(s)*: Various approved sites on the Fraser River Estuary, at approximately 49°12.00' N, 123°08.00' W.

5. *Disposal Site(s)*: Point Grey Disposal Site: 49°15.40' N, 123°22.10' W, at a depth of not less than 210 m.

The following position-fixing procedures must be followed to ensure disposal at the designated disposal site:

(i) The vessel must inform the appropriate Marine Communications and Traffic Services (MCTS) Centre upon departure from the loading site that it is heading for a disposal site;

(ii) Upon arrival at a disposal site and prior to disposal, the vessel must again call the appropriate MCTS Centre to confirm its position. Disposal may proceed if the vessel is on the designated site. If the vessel is not within the disposal site boundaries, the MCTS Centre will advise the bearing and distance to the site and when disposal may proceed; and

(iii) The vessel must inform the appropriate MCTS Centre when disposal has been completed prior to leaving the disposal site.

6. *Route to Disposal Site(s)*: Direct.

7. *Method of Loading and Disposal*: Loading by clamshell dredge or suction cutter dredge and pipeline, with disposal by hopper barge or end dumping.

8. *Rate of Disposal*: As required by normal operations.

9. *Total Quantity to Be Disposed of*: Not to exceed 60 000 m<sup>3</sup>.

10. *Material to Be Disposed of*: Dredged material consisting of silt, sand, rock, wood waste and other approved matter typical to the approved loading site, except logs and usable wood.

10.1. The Permittee must ensure that every reasonable effort has been made to prevent the deposition of log bundling strand into material approved for loading and disposal at sea and/or remove log bundling strand from material approved for loading and disposal at sea.

11. *Requirements and Restrictions*:

11.1. The Permittee must notify the permit-issuing office before commencement of the project as to the dates on which the loading and disposal at sea will occur.

11.2. The Permittee must ensure that all contractors involved in the loading or disposal activity for which the permit is issued are made aware of any restrictions or conditions identified in the permit and of the possible consequences of any violation of these conditions. A copy of the permit and of the letter of transmittal must be displayed at the

loading site and must be carried on all towing vessels and loading platforms or equipment involved in disposal at sea activities.

11.3. The fee prescribed by the *Ocean Dumping Permit Fee Regulations (Site Monitoring)* shall be paid by the Permittee in accordance with those Regulations.

11.4. Contact must be made with the Canadian Coast Guard, Regional Marine Information Centre (RMIC), regarding the issuance of a "Notice to Shipping." The RMIC is located at 2380– 555 West Hastings Street, Vancouver, British Columbia V6B 5G3, 604-666-6012 (telephone), 604-666-8453 (fax), [rmic-pacific@pac.dfo-mpo.gc.ca](mailto:rmic-pacific@pac.dfo-mpo.gc.ca) (email).

11.5. Any enforcement officer designated pursuant to subsection 217(1) of the *Canadian Environmental Protection Act, 1999* shall be permitted to mount an electronic tracking device on any vessel that is engaged in the disposal at sea activities authorized by this permit. The Permittee shall take all reasonable measures to ensure that there is no tampering with the tracking device and no interference with its operation. The tracking device shall be removed only by an enforcement officer or by a person with the written consent of an enforcement officer.

11.6. The Permittee must submit to the Regional Director, Environmental Protection Operations Directorate, Pacific and Yukon Region, within 30 days of the expiry of the permit, a list of all work completed pursuant to the permit, including the nature and quantity of matter disposed of from each loading site, and the dates on which the activity occurred.

M. D. NASSICHUK  
*Environmental Stewardship  
Pacific and Yukon Region*

[52-1-o]

## DEPARTMENT OF THE ENVIRONMENT

### CANADIAN ENVIRONMENTAL PROTECTION ACT, 1999

#### *Notice of intent to develop a federal regulation requiring renewable fuels*

#### **Introduction**

The Government intends to develop and implement a federal regulation requiring renewable fuels. The regulation, to be developed under the *Canadian Environmental Protection Act, 1999* (CEPA 1999), as may be amended by *Canada's Clean Air Act* ([see footnote 1](#)), would require fuel producers and importers to have an average annual renewable fuel content of at least 5% of the volume of gasoline that they produce or import, commencing in 2010.

In addition, the Government intends to put in place an additional requirement for an average 2% renewable fuel content in diesel fuel and heating oil, upon successful demonstration of renewable diesel fuel use under the range of Canadian conditions. This

would not be in place for 2010, but is intended to come into effect by no later than 2012. This requirement is approximately equivalent to a renewable fuel content requirement for 5% of on-road diesel fuel.

The Government of Canada is committed to working with provinces and territories and stakeholders such as industry and agricultural sector representatives to implement this requirement. In May 2006, federal, provincial and territorial ministers responsible for renewable fuels met and expressed general support for the increased production and use of renewable fuels in Canada. Various consultations have also been held with stakeholders on how best to implement a renewable fuels strategy.

## **Purpose**

This Notice sets out the Government's plans to implement a federal renewable fuels regulation. It is recognized that Canadians and industry want to know what measures the Government intends to put in place to establish requirements for renewable fuels. Companies would need to make decisions and investments at an early stage in order to meet the 2010 date. In that regard, this Notice sets out key elements of the federal government's intention to regulate.

## **Background**

"Renewable fuels" encapsulate a range of products, from ethanol and biodiesel, to next-generation fuels. The most widely available of these substances, ethanol, is an alcohol produced from grains such as corn or wheat, or sugarcane, via fermentation. Biodiesel is a methyl ester derived from animal fats or vegetable oils such as canola and soy. These renewable fuels can be blended into traditional petroleum-based fuels. Their most common use is in internal combustion engines, burning gasoline or diesel, at low blend levels (e.g. up to 10% for ethanol and 5% for biodiesel).

Use of renewable fuels can offer significant environmental benefits, including reduced greenhouse gas (GHG) emissions, less impact to fragile ecosystems in the event of a spill because of their biodegradability and reduction of some tailpipe emissions, such as carbon monoxide, benzene, 1,3-butadiene and particulate matter. However, ethanol use may result in increased emissions of volatile organic compounds, nitrogen oxides and acetaldehyde.

Next-generation renewable fuels, such as cellulosic ethanol, are expected to provide greater environmental benefits than grain-based ethanol. Cellulosic ethanol is made from agricultural and forestry wastes. Ethanol made from cellulose is projected to emit 90% fewer GHG emissions than gasoline (compared to the 20–30% reductions that stem from use of grain-based ethanol).

## **Context — International**

Global production and use of renewable fuels has long been on the rise for reasons that range from concerns about air quality and climate change associated with petroleum fuels, to rising oil prices and energy security. Renewable fuel requirements have been implemented by various countries, including the United States, ([see footnote 2](#)), ([see footnote 3](#)) Brazil, European Union, ([see footnote 4](#)) Japan, India and China.

The U.S. renewable fuels standard, established through its 2005 *Energy Policy Act*, ([see footnote 5](#)) requires renewable fuels as a percentage of gasoline that a company produces or imports at levels estimated to start at 3.7% in 2007, and increase to 4.9% in 2012. In September 2006, the U.S. Environment Protection Agency (EPA) published a notice of proposed rulemaking to implement the renewable fuels requirements. As required by the *Energy Policy Act*, the proposal includes a credit and trading program that recognizes a broad suite of renewable fuels used for transportation.

### **Context — Canadian**

The Government of Canada has actively promoted use of renewable fuels. Federal incentives are currently provided through excise tax exemptions amounting to \$0.10 per litre for ethanol and \$0.04 per litre for biodiesel.

An estimated 1.2 billion litres of ethanol production capacity exists in Canada today and the federal government is providing market information to retail consumers of ethanol, including public education on fuel ethanol, analysis of fuel ethanol markets and producer economics.

The National Biomass Expansion Program provides for \$140 million in contingent loan guarantees to encourage financing for new plants that produce ethanol from biomass such as plant fibre, corn and other grains. The loan guarantee program would come into effect only if all or part of the excise gasoline tax on ethanol were imposed before December 31, 2010.

There is no tariff on renewable fuels produced in the United States and imported into Canada; however, Canada does have a tariff on ethanol imported from Brazil (\$0.05 per litre).

Fuel regulations are an area of shared federal/provincial jurisdiction. Ontario, ([see footnote 6](#)) Saskatchewan ([see footnote 7](#)) and Manitoba ([see footnote 8](#)) have developed legislation for ethanol content in gasoline, and Quebec ([see footnote 9](#)) has established a renewable fuel target. Projections suggest that the regulations currently in force will result in use of about 900 million litres of ethanol by 2010, or about 2.5% of the Canadian gasoline pool.

Ontario's regulation requires an average of 5% ethanol in gasoline and will take effect in January 2007. Saskatchewan's 7.5% ethanol requirement in gasoline took effect in October 2006. Manitoba ([see footnote 10](#)) has passed legislation requiring 10% ethanol content in 85% of the province's fuel, but has not yet set a date for entry into force. Quebec has set a goal of 5% ethanol in gasoline by 2012 and expects that target to be met by next-generation cellulosic ethanol.

Provinces also provide financial incentives to promote renewable fuels production and/or use:

— British Columbia has road tax exemptions for ethanol and biodiesel of \$0.145 and \$0.150 per litre respectively.

— Alberta announced a BioEnergy Program in October 2006 that replaced its provincial ethanol road tax exemption and allocates \$209 million over four years to renewable fuels and \$30 million for commercialization support.

— Saskatchewan offers a distributor tax credit for ethanol of up to \$0.15 per litre, provided that ethanol is produced and consumed in the province.

— Manitoba offers a provincial tax credit of \$0.25 per litre for fuels containing at least 10% ethanol (provided the fuel is produced and consumed in Manitoba), as well as a \$0.115 per litre tax exemption for biodiesel.

— Ontario announced in June 2006 that it was phasing out its road tax exemption and replacing it with the Ethanol Growth Fund intended to provide ethanol production incentives of \$520 million over 12 years.

— Quebec provides an income tax credit for ethanol producers that both produce and sell in Quebec. Quebec also offers reimbursement of fuel taxes paid on the purchase of biodiesel.

### **Rationale for Action**

Use of renewable fuels can significantly reduce emissions of greenhouse gases. This environmental benefit is projected to increase as next-generation feedstocks and technologies come online.

Achieving a renewable volume equal to 5% of Canada's transportation fuel pool would result in an additional 1.9 billion litres of renewable fuels per year, over and above the effects of provincial regulations already in place. This represents incremental life-cycle GHG emission reductions of 2.7 million tonnes per year (the equivalent emissions of almost 675 000 vehicles).

The U.S. EPA has estimated the following emissions effects for their proposed rule:

— decreases in transportation emissions for CO (1.3% to 3.6%), benzene (1.7% to 6.2%), PM (0.5% of the diesel inventory), and GHGs (0.4% to 0.6%); and

— increases in transportation emissions for VOCs (0.5% to 1% nationwide; 3% to 5% in areas where renewable fuels are to be introduced), NO<sub>x</sub> (0.5% to 1% nationwide; 4% to 6% in areas where renewable fuels are to be introduced), formaldehyde (2%) and acetaldehyde (48%).

A preliminary assessment by Health Canada indicates that there are no expected health impacts associated with ethanol use at blends of up to 10%.

Early entry into the renewable fuels market and the wider bioeconomy may bring short- and long-term benefits to the Canadian economy, as well as allowing farmers to find new markets, offset financial losses, and diversify income sources.

The emerging global bioeconomy is an opportunity to diversify farm incomes by creating

market opportunities for Canadian farmers as both developed and developing countries move away from dependence on traditional petroleum based fossil fuels in favour of more sustainable options. The economic potential of the bioeconomy is significant; by 2050, the global market for renewable fuels and bio-energy alone is expected to grow from \$5 billion to well over \$150 billion per year.

Canada has a natural advantage in this emerging economy, with a wealth of natural resources and a vast land mass to produce agricultural and forestry products. In fact, Canada is already a leader in the use of bio-based products, producing 6% of energy needs from biomass, double the rate produced in either the United States or the European Union. Renewable fuels, such as ethanol and biodiesel, are created from agricultural crops and other natural resources that are abundant in Canada, including wheat, corn, canola and soy.

#### Consultations to date

Extensive consultations have been carried out in the past year on the development of a national renewable fuels strategy. Much of this was done through the federal/provincial/territorial Working Group on Renewable Fuels under the Council of Energy Ministers (CEM), which developed recommendations to the CEM for a national framework on renewable fuels.

A meeting of Canada's Ministers of Environment, Energy and Agriculture took place on May 23, 2006, in Regina. Federal and provincial/territorial Ministers responsible for renewable fuels assembled for a dedicated meeting on the subject. Ministers discussed the opportunities that renewable fuels present for Canadians and agreed to work towards the finalization of a national strategy by the fall of 2006.

Subsequently, federal departments held a multi-stakeholder consultation session on September 14, 2006. Numerous bilateral consultations have also taken place with associations, companies and others on the development of a Canadian renewable fuels standard.

Through these various consultation processes, parties have presented their views on how Canada should move forward to require renewable fuels. This Notice of Intent has been developed in full consideration of those views. The Notice sets out the approach and key design features for a federal regulation requiring renewable fuels.

#### Rationale for a federal regulation

In the absence of a requirement for renewable fuels in Canada, a sizable domestic market for renewable fuels has not yet materialized. Currently, ethanol is blended into a small fraction (less than 1% overall average) of the gasoline sold in Canada, while biodiesel is only blended into diesel fuel in niche or pilot situations.

Federal regulations are anticipated to lead to greenhouse gas emission reductions of 2.7 million tonnes per year on a life cycle basis from the federal regulations alone (the equivalent emissions of almost 675 000 vehicles).

As next-generation technologies penetrate the market, emissions reductions can be

expected to rise significantly—up to 90% of the renewable portion of the fuel. The regulation contributes to the conditions necessary to drive these next-generation technologies to market.

A federal regulation would also help to address inconsistencies created by a patchwork of provincial fuel requirements. Inconsistent provincial requirements may create barriers to inter-provincial trade, e.g. by favouring the use of biofuels produced within a certain province. Diverging provincial requirements could compromise the efficiency of fuel production and distribution and the maintenance of a flexible, integrated and secure market for gasoline and diesel and could increase the risk of fuel price shocks. Furthermore, a federal regulation can help establish a level playing field for the fuels industry in responding to the requirement.

In large part, industry supports a federal regulation that would replace a patchwork of existing and planned provincial requirements which it considers to be inefficient. Industry seeks a framework that would allow fuel distributors to blend higher levels of renewable fuels into gasoline and diesel where feedstocks are most readily available, and use lower levels, or unblended traditional petroleum based fuel where the costs of production are prohibitive, or the climate too cold for reliable use.

#### *Intended path forward*

The Government of Canada intends to develop and implement a federal regulation requiring renewable fuels. The regulation, to be developed under the *Canadian Environmental Protection Act 1999*, (CEPA 1999), as may be amended by *Canada's Clean Air Act*, would set renewable fuel content requirements for producers and importers of traditional petroleum based fuels. The Government of Canada intends to work with provinces and territories in the coming years to encourage them to harmonize their provincial regulations with this federal regulation.

#### Levels and timing

On May 23, 2006, the Government of Canada announced its intention to ensure that an average 5% content in Canadian motor fuels be made up of renewable fuels, such as ethanol and biodiesel, by the year 2010.

Some stakeholders have called for the federal government to require more than 5% renewable fuel content; others have questioned the need for a federal regulation at all.

Two key industrial stakeholders, Canadian Petroleum Products Institute (CPPI), whose members produce and distribute gasoline and diesel fuel, and Canadian Renewable Fuels Association (CRFA), representing producers of renewable fuels, have made a joint recommendation to the Government. In respect of renewable content in gasoline, CPPI and CRFA "support the government requiring 5% average renewable content in gasoline by 2010." That recommendation matches the target the Government has set. It also corresponds closely with requirements being developed in the United States.

The joint position of CPPI and CRFA supports "the government requiring . . . 2% renewable content in distillate (diesel and home heating fuel) by no earlier than 2010 and no later than 2012, conditional upon successful completion of a testing program designed



by the CRFA, CPPI, biodiesel users and the federal government." The CPPI/CRFA proposal would achieve a volume of renewable fuel approximately equivalent to 5% of on-road diesel fuel.

Without a specific requirement for renewable content in diesel or distillate fuel, a renewable fuels requirement would likely be met almost entirely through the use of ethanol in gasoline. Requiring renewable content in Canadian diesel fuel or distillate is a step that goes beyond requirements that have been proposed by the United States, Canada's major trading partner.

Use of renewable diesel fuels in Canada is in its infancy. However, technologies are being commercialized that would enable petroleum refineries to produce renewable fuels directly at refineries from vegetable or other feedstock oils. Concern has been expressed that biodiesel may not be able to compete successfully with such refinery-produced renewable fuels in the longer term. Some parties have therefore advocated that there be a specific requirement for biodiesel to ensure its market penetration.

The Canadian Trucking Alliance (CTA), representing a large majority of potential biodiesel users, does not currently endorse the use of biodiesel. Concerns that have been raised include fuel quality, cold weather operability, resulting fuel specifications when blended with ultra-low sulphur diesel fuel ([see footnote 11](#)) and potential impacts on post-2006 engines. ([see footnote 12](#))

It is noted that, whereas gasoline is used almost entirely on-road, a large share of the diesel fuel pool is not used for transportation. Furthermore, it would be very difficult for a federal regulation to target just on-road volumes of diesel fuel, as a producer or importer of diesel fuel does not know where the product would eventually be used.

In regard to implementation timing, CPPI has submitted that infrastructure changes necessary for distribution and storage of renewable fuels would require an estimated three years from the publication date of a proposed regulation.

The interest of regulated parties in seeing the actual structure and wording of a proposed regulation as early as possible is understood. While it is expected to take about two years to develop the proposed regulations, this Notice sets out key design elements of the regulations.

#### *Intended path forward*

Starting in 2010, the renewable fuels requirement would be 5% of a company's total annual production plus imports of gasoline for use in Canada.

In addition, the Government intends to put in place an additional requirement for an average 2% renewable fuel content in diesel fuel and heating oil, upon successful demonstration of biodiesel use under the range of Canadian conditions. This would not be in place for 2010, but is intended to come into effect by no later than 2012. Only renewable fuel actually used in those distillate products would contribute to meeting this requirement.

#### Application of the regulations

Fuels regulations made under CEPA 1999 may apply to producers, importers or sellers of fuels. It would be impractical to require all persons selling fuel to ensure that their fuel contains the prescribed amount of renewable fuels—service stations are at the very end of the production/distribution chain; retail sellers are numerous and placing the regulatory obligation on them would be a significant administrative burden.

It is noted that the U.S. EPA is developing renewable fuel regulations that apply only to producers and importers of gasoline. ([see footnote 13](#)) As there is an integrated North American fuels market, a congruent Canadian/U.S. approach is desirable.

#### *Intended path forward*

The regulated requirements for renewable fuel content would apply to persons that produce or import gasoline, diesel fuel, or heating oil. (The requirements would not apply in respect of sales of fuels.)

Consideration would be given during the regulatory development process to

- Excluding fuels for some specific uses (e.g. for aviation, scientific research, for use in competition vehicles, for use in defined northern regions) from the pool of fuel that is subject to the renewable fuel content requirement.
- Including an exemption for small volume producers or importers (e.g. less than 400 m<sup>3</sup> in a year), such that they would not be subject to the renewable fuel content requirement.

#### Key design elements of the regulations

In consultations on a national renewable fuels strategy, stakeholders have stressed the importance for a renewable fuels regulation to provide maximum flexibility to obligated parties in how they may achieve the required level of renewable fuel.

A federal renewable fuels regulation would require significant changes to the way in which the fuels are produced, blended and distributed, and would influence investments in the infrastructure needed to deliver fuel to Canadians. Petroleum producers would need to be able to consistently secure supplies of reliable biofuels in order to supply Canadians with usable fuels. A regulatory structure incorporating flexibility in how companies may meet the required level of renewable fuels would be important to protect the secure availability of fuels to Canadians.

It should be recognized, however, that each policy element that adds flexibility to a regulation also makes it more complex, as flexibility requires associated administrative and enforcement provisions.

In September 2006, the U.S. EPA proposed a renewable fuel standard regulation in line with requirements set out in the U.S. 2005 Energy Act. As there is an integrated North American fuels market, it is important to consider the approach taken by the United States in implementing its requirements for renewable fuels.

The EPA proposed rule sets the U.S. renewable fuel requirement as a percentage of gasoline that a company produces and imports. The projected requirement starts at an annual average of 3.71% in 2007, increasing to 4.85% in 2012. The rule includes a credit and trading program. A broad range of renewable fuels can contribute to meeting the requirement. The rule includes biases for different renewable fuels based on energy content, such that a gallon of one renewable fuel could count more towards meeting the renewable fuel content requirement than would a gallon of grain-based ethanol. The biases in EPA's rule are

- corn ethanol: 1.0
- biobutanol: 1.3
- biodiesel (mono alkyl ester): 1.5
- cellulosic ethanol: 2.5

The proposal includes detailed compliance and enforcement provisions necessary for the credit and trading program to function properly and to enable enforcement of the requirements.

A renewable fuels regulation would have varying regional impacts due to factors such as availability of feedstocks for renewable fuel production, population density, and the suitability of renewable fuels for use in various climatic conditions. Impacts can be expected to vary between regional refiners and importers and national companies that operate multiple refineries.

In the Atlantic provinces, there is limited access to large quantities of locally produced grains and seed-producing oils—renewable fuels or the feedstocks to produce them would likely be imported into these provinces.

A regulation could apply the renewable fuel content requirement on a facility basis, i.e. each refinery owned by a company would be required to meet the regulated limit. The federal *Sulphur in Gasoline Regulations* ([see footnote 14](#)) and *Benzene in Gasoline Regulations* ([see footnote 15](#)) are based on this approach.

An alternative, more flexible approach would apply the renewable fuel content requirement on a company-wide basis, i.e. in respect of the total pool of gasoline, diesel and heating fuel produced and imported by a company. This approach has been adopted by Ontario in its *Ethanol in Gasoline Regulations*, and by the United States in its renewable fuels standard. Such an approach provides companies operating more than one refinery with the option of concentrating use of renewable fuels in regions where it is most practical and cost-effective, rather than in all areas where they operate. However, companies that only have one refinery may be at a relative competitive disadvantage under this approach.

Additional flexibility could be added through a credit and trading system such that obligated parties could acquire credits from other parties in lieu of actually having renewable fuel in their gasoline and distillate pools. Including credit and trading would require regulatory design to address various aspects, such as generation, use and submission of credits, credit life, and potential carry-over of credits from one compliance period to the next.

There have been calls from parties for the Government to regulate biodiesel

specifications as part of any renewable fuel requirement. Currently, the Canadian General Standards Board (CGSB) develops fuel quality standards through a consensus process and with public and private sector stakeholders. CGSB fuel quality standards are used by industry as commercial specifications and are not regulated by the federal government. The Government considers that application of such commercial specifications is best left to private industry rather than imposing these specifications through regulation.

#### *Intended path forward*

The Government intends to develop a regulation that provides flexibility to producers and importers of fuels in how they achieve the required level of renewable fuel. The regulation should avoid undue disruption to existing industry practices while providing for continued stability of fuel supply. Also, the instrument should avoid undue burden on industry, particularly on small businesses.

In this regard, the Government will look closely at the rule being developed by the U.S. EPA to require renewable fuels.

The regulation should include the following key elements:

- The requirement for renewable fuel content would be on the basis of annual volumes. Not every litre of gasoline, diesel fuel or heating oil would have to contain renewable fuel.
- The requirement for renewable fuel content would apply on a company-wide basis (i.e. not on the basis of individual refineries or provinces of import).
- A broad suite of liquid renewable fuels would be recognized as counting towards compliance.
- Renewable fuel used in any liquid traditional petroleum based fuel could contribute to meeting the requirement to have renewable fuel content equal to 5% of a company's gasoline pool.
- Only renewable fuel actually used in diesel fuel or heating oil would contribute to meeting the requirement to have renewable fuel content equal to 2% of the distillate pool.
- The regulation would include a credit and trading system such that a company would have an option of obtaining credits from others rather than actually having renewable content in its fuel.
- There would not be any specific requirements that fuel produced in or imported into a region must contain renewable fuel.
- The regulation would not set fuel quality specifications for renewable fuels or the final blended product.

Consideration would be given during the regulatory development process to the following:

- Including "biases" for different renewable fuels such that a litre of one renewable fuel could count more towards meeting the renewable fuel content requirement than would a litre of grain-based ethanol.
- Allowing for some number of credits to be carried over from one year to the next.
- Allowing for a deficit carryover in meeting the renewable fuel content requirement from one year to the next. (This would provide for a company to not meet the renewable fuel content requirement one year, provided that it made up any deficit

the following year.)

While the above elements add flexibility to a regulation, they also greatly increase its complexity and associated administrative and enforcement requirements. Some of these features are expected to require legislative amendments to CEPA 1999, which have been proposed under *Canada's Clean Air Act*.

#### Next steps

Design and development of a regulation will require consultation with provinces, territories, affected sectors and other stakeholders. The regulation is expected to be complex and to take at least two years to develop. Environment Canada intends to initiate consultations on the details of the proposed regulation early in 2007.

The Minister of the Environment intends to propose a draft Renewable Fuels Regulation in Part I of the *Canada Gazette* by fall 2008. This regulation would require fuel producers and importers to have an average annual renewable fuel content equal to 5% of the volume of gasoline that they produce or import, commencing in 2010. The regulatory process would include the 60-day comment period required under CEPA 1999 following pre-publication of the proposed regulation.

It is intended that the regulation also puts in place an additional requirement for 2% renewable fuel content in diesel fuel and heating oil by no later than 2012, upon successful demonstration of biodiesel use under the range of Canadian conditions. This could be done through amendments to the regulation. Alternatively, it could be done through regulatory provisions that would only be brought into force once biodiesel use has been successfully demonstrated.

As part of the federal strategy, the Government of Canada will work with provinces and territories in the coming years to encourage them to harmonize their provincial regulations with this federal regulation.

#### Public comment period

Any person may file, within 60 days of publication of this Notice, with the Minister of the Environment, comments with respect to this proposal. All comments must be addressed to the Minister, cite the *Canada Gazette*, Part I, and the date of publication of this Notice and be sent to the Director, Oil, Gas and Energy Branch, Clean Air Directorate, Environmental Stewardship Branch, Environment Canada, Place Vincent Massey, 351 Saint-Joseph Boulevard, Gatineau, Quebec K1A 0H3.

#### Contact information

For questions about this Notice or for more information about the regulatory approach, contact the Environmental Stewardship Branch, Environment Canada, Place Vincent Massey, 351 Saint-Joseph Boulevard, Gatineau, Quebec K1A 0H3, 819-994-9564 (telephone), [cleanair-airpur@ec.gc.ca](mailto:cleanair-airpur@ec.gc.ca) (email).

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## NOTICE OF VACANCIES

### NATIONAL PAROLE BOARD

*Full-time and part-time members — Ontario/Nunavut Region*

The National Parole Board (NPB) is an independent administrative tribunal. The NPB makes decisions on conditional release for offenders sentenced to federal penitentiaries and for offenders sentenced to provincial institutions in provinces and territories where there are no provincial or territorial boards of parole. The NPB also renders decisions on the granting of pardons for ex-offenders who have successfully re-entered society as law-abiding citizens after completion of sentence.

Location: Ontario/Nunavut Region — Kingston, Ontario

The preferred candidates will be committed to excellence in the correctional system, and will possess the following education, experience, knowledge, abilities and personal suitability.

#### Education

- Secondary school diploma is essential; university or post-graduate studies and/or degree would be an asset.

#### Experience

- in a decision-making environment would also be an asset.

#### Knowledge

- of the criminal justice system;
- of the applicable legislation pertaining to the NPB—the *Corrections and Conditional Release Act* (CCRA) and the *Criminal Records Act* (CRA) and their interpretation and application related to conditional release; and
- of the societal issues impacting on the criminal justice environment, including gender, Aboriginal and visible minority issues.

#### Abilities/Skills

- excellent analytical skills;
- ability to interpret Court decisions;
- ability to quickly synthesize complex relevant case information;
- clear, concise and comprehensive written and spoken communications skills;
- effective interviewing and decision-making skills;
- efficiency in managing time and setting priorities; and
- ability to perform in an environment of high case volume and tight time constraints and to perform in a stressful environment.

## Personal suitability

- sound judgment;
- adaptability and flexibility;
- effective and independent work habits as well as an ability to work as a team member;
- discretion in managing highly sensitive information; and
- sensitivity to multiculturalism, gender and Aboriginal issues.

Preference will be given to applicants residing in the Ontario/ Nunavut Region. Proficiency in both official languages is desirable. Candidates of Aboriginal/Inuit origin and visible minorities are encouraged to apply.

The chosen candidates will be required to travel outside the immediate area and be away from home overnight on occasion, as well as to conduct hearings in federal penitentiaries.

The successful full-time candidates must be prepared to relocate to the area of employment or to a location within reasonable commuting distance.

The selected candidates will be subject to the *Conflict of Interest and Post-Employment Code for Public Office Holders*. Before or upon assuming their official duties and responsibilities, public office holders appointed on a full-time basis must sign a document certifying that, as a condition of holding office, they will observe the Code. They must also submit to the Office of the Ethics Commissioner, within 60 days of appointment, a Confidential Report in which they disclose all of their assets, liabilities and outside activities. To obtain copies of the Code and of the Confidential Report, please visit the Web site of the Office of the Ethics Commissioner at [www.parl.gc.ca/oec/en](http://www.parl.gc.ca/oec/en).

This notice has been placed in the *Canada Gazette* to assist in identifying qualified candidates for these positions. It is not, however, intended to be the sole means of recruitment. Applications forwarded through the Internet will not be considered for reasons of confidentiality.

Please ensure that your curriculum vitae and/or your letter of application address(es) the above criteria and send it by January 15, 2007, to Sandra Lynn Roberge, Acting Executive Assistant to the Chairperson, National Parole Board, Leima Building, 7th floor, 410 Laurier Avenue W, Ottawa, Ontario K1A 0R1, 613-954-7457 (telephone), 613-941-9426 (fax).

More information on these positions and on the selection criteria of the Board can be found on the Board's Web site at [www.npb-cnrc.gc.ca](http://www.npb-cnrc.gc.ca).

Bilingual notices of vacancies will be produced in an alternative format (audio cassette, diskette, braille, large print, etc.) upon request. For further information, please contact Canadian Government Publishing, Public Works and Government Services Canada, Ottawa, Canada K1A 0S5, 613-941-5995 or 1-800-635-7943.

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[Footnote 1](#)

CEPA 1999 provides authority to regulate fuels. *Canada's Clean Air Act*, which was tabled in Parliament on October 19, 2006, includes provisions to add to the fuels authorities so that a practicable and more flexible regulation on renewable fuel content can be developed.

[Footnote 2](#)

Regulation of Fuels and Fuel Additives: Renewable Fuel Standard Requirements for 2006 Federal Register: December 30, 2005 (Volume 70, Number 250); Rules and Regulations; Page 77325-77336.

[Footnote 3](#)

Federal Register: September 22, 2006 (Volume 71, Number 184); Proposed Rules; Page 55551-55600.

[Footnote 4](#)

Directive 2003/30/EC of the European Parliament and of the Council of 8 May 2003 on the promotion of the use of biofuels or other renewable fuels for transport.

[Footnote 5](#)

U.S. *Federal Register*, Page 119, STAT. 594, Public Law 109-58, August 8, 2005, 109th Congress.

[Footnote 6](#)

Ontario Regulation 535/05; *Ethanol in Gasoline Regulation*.

[Footnote 7](#)

Chapter E-11.1 Reg 1; *The Ethanol Fuel (General) Regulations*; as amended by Saskatchewan Regulations 115/2002, 11/2004, 41/2004 and 113/2005.

[Footnote 8](#)

C.C.S.M. c. B40; *The Biofuels Act*, assented to December 4, 2003.

[Footnote 9](#)

2006 – 2012 Action Plan; *Québec and Climate Change, A Challenge for the Future*; June 2006.



[Footnote 10](#)

C.C.S.M. c. B40; *The Biofuels Act*; assented to December 4, 2003.

[Footnote 11](#)

As of October 15, 2006, diesel fuel sold for on-road use is subject to a maximum sulphur limit of 15 mg/kg.

[Footnote 12](#)

Stringent new engine emission standards will be phased in between 2007 and 2010. The new standards will result in the introduction of advanced emission control technologies on diesel engines.

[Footnote 13](#)

The United States has not proposed requiring renewable fuel content for diesel or distillate fuels.

[Footnote 14](#)

SOR/99-236 published in the *Canada Gazette*, Part II, Vol. 133, No. 13, as amended by SOR/2000-104, and SOR/2003-319.

[Footnote 15](#)

SOR/97-493 published in the *Canada Gazette*, Part II, Vol. 131, No. 24, as amended by SOR/99-204, SOR/2000-102 and SOR/2003-318.

**NOTICE:**

The format of the electronic version of this issue of the *Canada Gazette* was modified in order to be compatible with hypertext language (HTML). Its content is very similar except for the footnotes, the symbols and the tables.

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