



**Ontario Federation of Agriculture**

**Ontario AgriCentre**

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December 16, 2013

Lisa Blackwell, Policy Advisor  
Ministry of the Environment  
Integrated Environmental Policy Division  
Air Policy Instruments and Programs Design Branch  
77 Wellesley Street West, Floor 10  
Ferguson Block  
Toronto ON  
M7A2T5

Dear Ms. Blackwell:

**Re: EBR 012-0363 – Greener Diesel**

The Ontario Federation of Agriculture (the OFA) is Canada's largest voluntary general farm organization, representing more than 37,000 farm family businesses across Ontario. These farm businesses form the backbone of a robust food system and rural communities with the potential to drive the Ontario economy forward.

The Ontario Federation of Agriculture welcomes this opportunity to provide its perspective on a provincial mandate for greener diesel fuels.

Agriculture plays a significant role in delivering on the Ontario government's commitment to reduce greenhouse gas emissions and improve air quality. As outlined in the EBR posting: "Greener diesel is a safe, non-toxic, clean-burning, biodegradable and renewable fuel. It can be produced from a number of underutilized products, such as recycled cooking oils and animal fat, as well as from canola or soybeans."

The OFA is confident that Ontario agriculture is well positioned to contribute to meeting the mandated greener diesel as outlined in the EBR posting.

Fuel is a major farm input and a cost concern to farm businesses. We do not anticipate the greener diesel mandate will have a significant impact on fuel costs, in part due to the open trade of fuels and feed stocks with other provinces and the USA. However as outlined in the Ontario 2013 Budget, as of April 1, 2014 biodiesel will no longer be exempt from the 14.3 cent per litre fuel tax under the Fuel Tax Act. This tax increase will impact all consumers.

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The OFA encourages the Ontario Government to review the Fuel Tax Act and consider harmonizing the 14.3 cent per litre tax with the provincial portion of the Harmonized Sales Tax (HST) thus making the fuel tax a value-added tax so that farmers (and other businesses) would be able to recover it on their HST returns.

Sincerely,

A handwritten signature in black ink, reading 'Mark Wales', is positioned below the word 'Sincerely,'.

Mark Wales  
President

cc: Mr. Henry Van Ankum, Chair, Grain Farmers of Ontario  
Ontario Federation of Agriculture Board of Directors