

Ontario AgriCentre 100 Stone Road West, Suite 206, Guelph, Ontario N1G 5L3 Tel: (519) 821-8883 • Fax: (519) 821-8810 • www.ofa.on.ca

March 6, 2017

Rebecca Tan, Policy Advisor Ministry of the Environment and Climate Change Climate Change and Environmental Policy Division Air Policy Instruments and Programs Design Branch 77 Wellesley Street West Floor 10, Ferguson Block Toronto, Ontario M7A 2T5

Dear Ms. Tan;

Re: EBR Registry Number 012-7923 Discussion Paper: Developing a Modern Renewable Fuel Standard for Gasoline in Ontario

The Ontario Federation of Agriculture (OFA) is the largest voluntary, general farm organization in Canada, representing over 36,000 farm families across Ontario. As a dynamic farmer-led organization based in Guelph, Ontario, OFA works to represent and champion the interests of Ontario farmers through government relations, farm policy recommendations, lobby efforts, community representation, media relations and more. OFA is the leading advocate and voice for Ontario farmers.

Last year, Ontario wrote the regulation to expand the definition of cellulosic ethanol to include the bio-based component of post-diverted Municipal Solid Waste. Renewable fuels play a critical role in transforming transportation towards lower carbon emissions.

Establishing the Renewable Fuel Standard (RFS) for gasoline, in addition to existing Ethanol in Gasoline requirements, sends a clear demand signal for non-fossil gasoline replacements. These actions support investment in biofuels technology necessary to manufacture and commercialize a diverse range of feedstocks to produce clean fuel. The RFS for gasoline also complements other goals, such as supporting value added processing in the province, increasing waste diversion, and over the longer-term, lowering the costs of climate action.

We submit the following comments for consideration;

• We caution you to consider how Agriculture will be impacted by the RFS for gasoline. Any increase in demand for corn-based ethanol will potentially have a positive impact for grain growers, with the potential to negatively impact livestock producers.



- As a general observation related to electricity prices, a potential demand for off-peak electricity to generate hydrogen gas and to charge Electric Vehicles may help address existing issues of exporting power at an economic loss, and dumping baseload generation while paying contracted generation prices. Any increase in electricity consumption which still pays Global Adjustment benefits the IESO market.
- With any proposed standard related to Ontario's Climate Change Action Plan, Ontario should consider the disconnect between levels of government investment in urban versus rural infrastructure. Ontario should consider the economic development potential of rural Ontario, and encourage the commercialization and deployment of renewable fuel components for gasoline in strategic rural hubs near feedstock supplies throughout Ontario.
- A RFS for gasoline has the potential to build low carbon fueling infrastructure. A RFS for gasoline should consider full lifecycle analysis of fuel GHG intensity, potentially valuing carbon equivalent emissions created in fuel production and delivery. This in turn encourages the use of the lowest carbon fuels, setting demand from transportation fuel industries to acquire green fuels such as renewable natural gas and green bio-fuels.

OFA supports the RFS for gasoline recognizing the potential benefits to rural economic development, while cautioning the potential increased feed input costs for livestock producers and the potentially unclear future of RNG towards lowering the carbon emissions of traditional natural gas. OFA also acknowledges the hard work of the Air Policy Instrument and Programs Policy Branch in their continued work to sustainably lower carbon emissions of transportation fuels.

Regards

Neil Currie General Manager