

March 26, 2019

Ms. Allison Deng  
Climate Change Programs Branch  
77 Wellesley Street West, 10th floor  
Toronto, ON M7A 2T5

Via Email [allison.deng@ontario.ca](mailto:allison.deng@ontario.ca)

**Re: ERO 013-4598 Increase Renewable Content in Fuels Proposed Regulatory Amendments to the Environmental Protection Act, R.S.O. 1990**

Dear Ms. Deng:

The Ontario Federation of Agriculture (OFA) is Canada's largest voluntary general farm organization, representing more than 38,000 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 OFA is pleased to provide comments on ERO 013-4598 Proposed Regulatory Amendments to Increase Renewable Fuels Content under the EPA, 1990.

Moving to a 15% renewable fuel blend in gasoline presents an opportunity to reduce greenhouse gases (GHGs) at reasonably low cost. The OFA is supportive of proposed changes recognizing that increasing renewable content in regular grade gasoline from 10% to 15% would result in significant tonnes of GHG emission reductions. We also support the proposal that a bio-based fuel content target of 45% fewer lifecycle GHG emissions than conventional gasoline will help drive technologies to reduce emissions.

An increase in ethanol blended content is significant. This can impact the number of acres dedicated to high-energy and value crops such as corn and sugar beets. OFA supports the use of additional energy crops for ethanol production and we support enabling research into making lignocellulosic ethanol production a viable option.

OFA supports collaboration between Ontario ministries when developing policy. MOECP should work with OMAFRA to understand potential land use changes resulting from conversions of pastures to higher input intense crops. Adding corn stover and other biomass to produce bio-ethanol will reduce full lifecycle emissions, particularly on marginal lands for perennial grass energy crops using no- or low-till farming practices and lower amounts of inputs.

Federally and provincially, we are well positioned to benefit from an increase in mid-level ethanol blends. Clean fuel standards will lead to a significant increase in ethanol production.

The federal fuel charge in Ontario by 2022, to reflect \$50 per tonne of carbon, will be 11.05¢ per litre for gasoline and 13.41¢ per litre for diesel fuel. OFA recognizes that the Ministry's estimate of 1.2¢ per litre in reduced federal fuel carbon taxes, once the 15% ethanol blend is implemented, will do little to offset costs to achieve the blending increase, including infrastructure upgrades required for higher ethanol blends.

In addition to the federal fuel carbon charge, it is unclear how much customers at the pump could end up paying for more ethanol in their fuel. Clean Energy Canada estimates that gasoline prices would be 5¢ per litre higher in 2030 with a clean fuel standard in place, assuming a 15 per cent ethanol blend. The carbon tax on transportation and heating fuels in addition to added costs to achieve clean fuel standards is a concern for our membership.

In 2010 in the U.S., the Environmental Protection Agency approved an E15 ethanol blend for 2001 and newer vehicle models. Auto manufacturers declared their warranties wouldn't cover damage caused by fuelling cars with E15, as ethanol can be corrosive at higher concentrations. Today, emission systems of more than 90% of the current passenger vehicle fleet is compatible with gasoline that has 15% ethanol, moving to 99% in 2025 as older vehicles are replaced with newer models.

For passenger vehicle motors, blend levels have stayed at overly cautious lower levels and there are few issues with using ethanol blends up to 20 per cent. For small engines, older vehicles and off-road vehicles to remain safe from ethanol blended fuel damages, OFA supports having available some grades of fuel without higher ethanol blends.

OFA encourages industry efforts in developing educational materials to inform Ontarians about higher ethanol fuel blends, options and potential impacts of blended fuels on small engines and farm vehicles (more likely to be older models and poorly equipped to handle higher blends). There are no vehicle or equipment issues associated with advanced biofuel technologies, like renewable gasoline and green diesel fuel, which are chemically like fossil gasoline and diesel.

OFA recommends Ontario continue to support plans to develop more green fuels.

Sincerely,



Keith Currie  
President