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Re: Comments on Proposed Amendments to the Cleaner Transportation Fuels Regulation (ERO 019-9138 and 025-0669)

The Canadian Biogas Association (CBA) appreciates the opportunity to provide feedback on the proposed amendments to the *Cleaner Transportation Fuels Regulation* (Ontario Regulation 663/20), as outlined in Environmental Registry of Ontario postings 019-9138 and 025-0669.

We support Ontario's efforts to reduce greenhouse gas emissions from the transportation sector and encourage measures that increase the use of Canadian low-carbon, renewable fuels. In particular, we highlight the role that renewable natural gas (RNG) can play in reducing emissions both in fuel production and vehicle operation. Our submission outlines recommendations to align regulatory frameworks, enhance flexibility, and support domestic clean fuel production.

The CBA is the collective voice of Canada's biogas and RNG industry. Founded in 2008, our membership includes over 185 organizations—farmers, municipalities, utilities, technology developers, consultants, financiers, and other key stakeholders—all committed to advancing biogas and RNG as clean energy solutions across Canada.

We thank you for considering our recommendations and look forward to continued collaboration in building a low-carbon transportation future for Ontario.

Sincerely,



Jennifer Green
Executive Director / Directrice générale
Canadian Biogas Association / Association canadienne du biogaz

Comments on Cleaner Transportation Fuels

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The Canadian Biogas Association welcomes the opportunity to provide feedback on the proposed amendments to Ontario Regulation 663/20: *Cleaner Transportation Fuels (CTF) Regulation* as outlined in Environmental Registry of Ontario (ERO) postings 019-9138 and 025-0669. While the regulation currently focuses on gasoline and diesel fuels, we believe there is a valuable and complementary role for lower carbon fuels such as renewable natural gas (RNG) within the CTF framework. Our comments focus on opportunities to strengthen regulatory consistency and enhance compliance flexibility, supporting the growth and adoption of renewable and low-carbon transportation fuels in Ontario.

Key Recommendations

Align RNG Treatment in the CTF Technical Guidelines with the Emissions Performance Standards (EPS)

Currently, Section 3.11.2 of Version 4 of the CTF Technical Guidelines only recognizes “direct connected RNG” when calculating the GHG intensity of bio-based content. This restricts the ability to utilize RNG sourced via truck or common carrier pipeline, effectively limiting access to this low-carbon fuel to a narrow subset of consumers.

We recommend that the Ministry revise the Technical Guidelines to allow RNG delivered through a broader range of pathways—including pipeline injection and truck transport—to be eligible for GHG intensity reductions under the CTF framework. This would better align the CTF with Ontario’s Emissions Performance Standards (O. Reg. 390/18), which already recognizes pipeline delivered RNG used at industrial facilities. Ensuring consistency between these two frameworks would expand opportunities to decarbonize biofuel production and improve regulatory clarity.

Establish Voluntary Compliance Units for Alternative Fuels and Domestic Content Support

The Canadian Biogas Association supports the proposed introduction of domestic biodiesel content requirements as a transitional measure to bolster Canadian biodiesel producers facing competitive pressure from U.S. subsidies. However, we also recognize that fuel suppliers may require additional tools to meet these new obligations cost-effectively.

We propose the creation of a voluntary compliance unit mechanism under the CTF regulation. This system would allow the use of RNG in vehicle fleets to generate compliance units that fuel suppliers could apply toward meeting renewable content requirements in gasoline and diesel. Units would be calculated on an energy-equivalent basis and reported in litre-equivalent terms according to the applicable fuel type.

To streamline administration, we suggest that fleet operators voluntarily report annual RNG usage and corresponding compliance unit calculations to the Ministry. Fuel suppliers could then apply to use these units toward their regulatory requirements, following a model similar to the Emissions Performance Unit (EPU) system under the EPS.

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Such a mechanism would support greater uptake of RNG in Ontario's transportation sector while aligning with federal efforts under the Clean Fuel Regulations. It would also position Ontario alongside leading jurisdictions like California, where voluntary programs under the LCFS have driven widespread RNG adoption—achieving an 80% RNG penetration rate in natural gas vehicles.

Conclusion

The Canadian Biogas Association believes these recommended amendments would enhance regulatory flexibility, increase alignment with related provincial and federal frameworks, and support Ontario's clean energy and emissions reduction goals. Allowing greater use of RNG and hydrogen, both in biofuel production and as vehicle fuels, will encourage continued investment in low-carbon technologies and help retain the environmental and economic benefits of renewable fuel production within the province.

We appreciate the Ministry's efforts in updating the CTF regulation and encourage the adoption of these recommendations to strengthen Ontario's clean transportation strategy.