

August 1, 2025

Stephanie McGill
Climate Change Programs and Partnerships Branch
40 St Clair Ave West
14th Floor
Toronto, ON
M4V 1M2
Canada

Re: ERO number 019-9138: Cleaner Transportation Fuels: Proposed Modified Pathway for Alternative Electricity Generation Values and Alternative Energy and Process-Related Fuels/Inputs Feedback and Comments

The Ontario MECP is seeking feedback on the following items related to the *Cleaner Transportation Fuels* regulation:

1. Updates to the Cleaner Transportation Fuels: Technical Guideline (proposed draft version 4) to provide clarity for:
 - Canadian bio-based content producers that have six or fewer consecutive months of operating data for bio-based content
 - bio-based content producers on the selection of regional defaults in GHGenius 4.03
2. A proposed modified pathway for bio-based content, specifically, the ability to use alternative electricity generation values and alternative energy and process related fuels / inputs.
3. Updates to the Cleaner Transportation Fuels: Technical Guideline (proposed draft version 4) pertaining to the proposed new pathway.

About Brightspot

Brightspot Climate Inc., an independent Canadian GHG verifier and climate change consultancy, with offices in Toronto, Vancouver and Calgary, is providing feedback to these proposed amendments. Brightspot brings unique quantification and verification experience through our work as an accredited verification body by the Standards Council of Canada. We drive impact across many sectors including oil and gas, manufacturing, industrial, renewable energy, agriculture, waste, and commercial. With years of experience shaping and interpreting climate policy across Canada, our team provides actionable guidance on policy, corporate carbon strategy, and carbon market advisory.

Brightspot conducts life cycle assessments in accordance with ISO 14040, 14044, and 14067 standards. We calculate carbon footprints and handprints for a variety of products and processes,



as well as the carbon intensity of low-carbon fuels such as renewable natural gas (RNG), compressed natural gas (CNG), ethanol, and hydrogen. We also assess the carbon intensity for low-carbon fuel standards and clean fuel regulations. As such, we believe we are well positioned to provide valuable feedback on the proposed amendments, as detailed below.

Updates to the Cleaner Transportation Fuels: Technical Guideline (proposed draft version 4) to provide clarity for:

- **Canadian bio-based content producers that have six or fewer consecutive months of operating data for bio-based content**

The Technical Guideline, section 3.1, states that “*GHG intensity of bio-based content from a bio-based content producer that has only six or fewer consecutive months of operating data for that bio-based content shall be calculated using the appropriate default values required to be used by Environment and Climate Change Canada under the federal Clean Fuels Regulations, if they wish to create compliance volumes under the regulation.*”

Brightspot proposes clarifying whether fuel suppliers must update their submissions after 12 months of operating data becomes available, if this data is only available after the compliance period has ended. For example, for 2024, the reporting period is January 1, 2024 – December 31, 2024, and the compliance report deadline is March 31, 2025. If 12 months of data becomes available only after March 31, 2025, clarification on whether a compliance report would need to be revised using actual 12-month data, would be helpful, similar to a bio-based content producer that has only between six to twelve consecutive months of operating data.

Updates to the Cleaner Transportation Fuels: Technical Guideline (proposed draft version 4) to provide clarity for:

- **bio-based content producers on the selection of regional defaults in GHGenius 4.03**

The Technical Guideline, section 3.1, states that “Bio-based content producers that are located outside of Canada or the United States can use the regional default value for the Central United States for feedstock or fuel production, provided all other necessary changes to the input sheet are completed as described below in section 3.2.”

Brightspot believes this approach may either be too conservative or too liberal/aggressive depending on where the fuel supplier is located. To mitigate this risk, Brightspot proposes applying a conservative value referenced from other life cycle inventory databases. Brightspot recognizes that majority of suppliers are likely based in Canada or the U.S., which lowers the risk of inaccurate regional defaults posing a material error.

A proposed modified pathway for bio-based content, specifically, the ability to use alternative electricity generation values and alternative energy and process related fuels /



inputs and updates to the Cleaner Transportation Fuels: Technical Guideline (proposed draft version pertaining to the proposed new pathway.

a. alternative electricity generation values

The Technical Guideline, section 3.1.2, states that “A bio-based content producer may use alternative electricity generation values instead of the regional default values contained in GHGenius, provided that the alternative data originates from a federal regulator such as the Canada Energy Regulator or the US Environmental Protection Agency”.

Brightspot proposes clarifying whether this is an exhaustive list of agencies. For example, the US EPA’s latest published eGrid emission factors are from year 2023, however in the Fuel LCA model by Environment & Climate Change Canada (ECCC), the US Emission factors are from year 2021. To prevent ambiguity and promote standardization across compliance forms, Brightspot recommends that the Technical Guideline explicitly define data quality requirements, ensuring use of the most recent and representative data available.

Brightspot also recognizes that several published emission factors may omit upstream emissions. To support a life cycle approach, it is essential that selected emission factors include upstream emissions. GHGenius accounts for upstream emissions for specific fuel generation technology. Fuels sourced from a federal regulator may omit upstream extraction and processing factors, crucial to a life cycle analysis.

A proposed modified pathway for bio-based content, specifically, the ability to use alternative electricity generation values and alternative energy and process related fuels / inputs and updates to the Cleaner Transportation Fuels: Technical Guideline (proposed draft version pertaining to the proposed new pathway.

b. alternative energy and process related fuels / inputs.

The Technical Guideline states that “Bio-based content produced using alternative fuels as an energy input or feedstock not currently in the GHGenius model may use an existing fuel pathway in GHGenius as a proxy, provided that...Regulation”

Brightspot believes this explanation is sufficient for the purposes of the guideline, however examples of models for blended gasoline and diesel would further improve clarity.

Additionally, Brightspot has general comments outside of the scope of the feedback process as outlined below:

- Clarify whether the bio-based content producer, and not just the fuel supplier, must be in Ontario. Currently, the Guideline and Regulation states no such requirement, but clarification is recommended.
- Section 3.2.1, the GWP references 2007 values, the latest from IPCC and best practice is from year 2021.
- GHGenius Version 4.03c is not available for download from the GHGenius website. The latest version of GHGenius is 5.02c; a version release that contains new datasets, new pathways, new features, and many bug fixes. GHGenius 5.02c is adopted across



various jurisdictions that participate in low carbon fuel programs (e.g., British Columbia Low Carbon Fuel Standard (BC LCFS) and is representative of current data and emission factors. Additionally, GHGenius 5.02c can be downloaded directly from the GHGenius website.

- Section numbering is off in the Technical Guideline; 3.1 is followed by 3.1.2.
- Brightspot believes that independent verifications and/or validations will improve the quality of the compliance reports submitted to the ON MECP. Brightspot recommends that these reports be third-party verified or validated.