



NOTE: Information below is for compliance promotional purposes only and is not a substitute for the Renewable Fuels Regulations nor does it offer any legal interpretation of these regulations. For requirements under the Regulations, refer to the actual regulations. In the event of discrepancies between this document and the Renewable Fuels Regulations, the Regulations prevail.

Federal Renewable Fuels Regulations: High-Renewable-Content and Neat Renewable Fuels



HIGH-RENEWABLE-CONTENT FUEL

What is a high-renewable-content fuel?

Under the Regulations "high-renewable-content fuel" is defined as a liquid petroleum fuel whose renewable fuel content is:

- greater than 10% and less than or equal to 85% of the volume of the fuel, if the fuel is gasoline;
- greater than 5% and less than or equal to 80% of the volume of the fuel, if the fuel is diesel fuel; and
- greater than 25% and less than or equal to 80% of the volume of the fuel, in any other case.

It does not include a liquid petroleum fuel whose renewable fuel content is chemically indistinguishable from the liquid petroleum fuel. High-renewable-content fuel blend levels are greater than currently accepted in the marketplace and for which vehicle manufacturers warranty engines.

I am a trading system participant and wish to create compliance units for high-renewable-content fuels. How do I do this and what are my requirements?

Compliance units may be created when blending renewable fuel with petroleum fuel or importing petroleum fuel with renewable content. The related factsheet, entitled Federal Renewable Fuels Regulations: Overview, addresses general requirements for a primary supplier or an elective participant under the Regulations. In the case of high-renewable-content fuel, in addition to the general registration and reporting requirements for trading system participants, there are also further recordkeeping requirements under section 32 of the Regulations.

What are these additional recordkeeping requirements related to high-renewable-content fuels? These requirements include evidence establishing that the final consumer of the fuel was informed of the nature of the fuel, either through documents provided directly to the consumer or by appropriate labels on the fuel dispensing pump.

These records must establish either:

Option 1 -

that you later blended the fuel at a blending facility to result in liquid petroleum fuel that was not high-renewable-content fuel.



Option 2 -

 that you produced or imported the fuel and then used it in Canada as fuel in a combustion device.

or Option 3 -

- that the fuel was sold in Canada for use as fuel in a combustion device and was identified as being high-renewable-content fuel in a cautionary statement that identifies the renewable fuel type, its minimum renewable fuel content and that states that it may not be suitable for some engines and that the owner's manual ought to be consulted; and
- that the statement was
 - on the fuel dispensing device in a location and manner to be easily read by a person while dispensing the fuel, or
 - o in a document provided, prior to the sale or transfer of the fuel, to the person who will use it as fuel in a combustion device.

In addition, you must have records establishing the address of each facility to which the high-renewable-content fuel was delivered to be dispensed into a fuel tank of a combustion device, the date of that delivery, and the type of combustion device in which the fuel was used.

NEAT RENEWABLE FUEL

What is a neat renewable fuel?

Under the regulations "neat renewable fuel" is defined as:

- biodiesel; or
- a renewable fuel that is produced at a facility that uses only renewable fuel feedstocks, is suitable for use in a combustion device, and is chemically indistinguishable from a liquid petroleum fuel that is suitable for use in a combustion device.

What is a neat renewable fuel consumer?

A neat renewable fuel consumer, in relation to a batch of neat renewable fuel is, in order of precedent:

- (1) the owner of a retail or card-lock facility,
- (2) the owner of a fleet into which the fuel is to be dispensed, and finally
- (3) the person who combusts the fuel.

This structure ensures that compliance units are created by persons who are most likely to be otherwise participants in the trading system.

I am a trading system participant and wish to create compliance units related to neat renewable fuels. How do I do this and what are my requirements?

Compliance units may be created when a neat renewable fuel is (1) used by the producer or importer of the neat renewable fuel as a fuel in a combustion device, or (2) sold to a consumer for use as a neat fuel in a combustion device. In the case of neat renewable fuel, in addition to the general requirements for trading system participants, there are also further recordkeeping requirements under section 32 of the Regulations.

What are the additional recordkeeping requirements related to neat renewable fuels?

The additional recordkeeping requirements with respect to neat renewable fuels are similar to those required for high-renewable-content fuels (see above), except that the cautionary statement in Option 2 is not required to state the minimum renewable fuel content.

Where can I find more information?

For more general information on the Regulations, the trading system, important dates and reporting deadlines, see related factsheet entitled *Federal Renewable Fuels Regulations: Overview*.

HOW TO STAY INFORMED?

Environment Canada has the following information, available at:

www.ec.gc.ca/energie-energy/default.asp?lang=En&n=0AA71ED2-1

- Renewable Fuels Regulations (full text of Regulations)
- Federal Renewable Fuels Regulations: Overview
- Federal Renewable Fuels Regulations: Primary Suppliers
- Federal Renewable Fuels Regulations: Sellers of Fuel for Export
- Federal Renewable Fuels Regulations: Blending Operations
- Federal Renewable Fuels Regulations: Renewable Fuel Producers and Importers
- Federal Renewable Fuels Regulations: Small-Volume Suppliers
- Federal Renewable Fuels Regulations: Biodiesel Suppliers
- Federal Renewable Fuels Regulations: Excluded-Volumes-Only Suppliers
- Questions and Answers on the Federal Renewable Fuels Regulations

Further questions and inquiries can be directed to Environment Canada's Inquiry Centre:

Tel.: 1-800-668-6767 **Fax:** 819-994-1412

or

Email: <u>fuels-carburants@ec.gc.ca</u> (Environment Canada's Fuels Program)

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DID YOU KNOW?

There are a number of other federal fuel regulations that must be complied with, if applicable, namely:

- Fuels Information Regulations, No. 1 (sulphur and additives reporting)
- Gasoline Regulations (lead and phosphorus)
- Benzene in Gasoline Regulations
- Sulphur in Gasoline Regulations
- Sulphur in Diesel Fuel Regulations
- Contaminated Fuel Regulations
- Gasoline and Gasoline Blend Dispensing Flow Rate Regulations
- Regulations Prescribing Circumstances for Granting Waivers Pursuant to Section 147 of the Act

For more information, refer to:

www.ec.gc.ca/energie-energy/default.asp?lang=En&n=EE068DA8-1

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Issued also in French under title:

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