

ISSUE IN FOCUS



Celebrating 100 Years

SASKATCHEWAN
CHAMBER of COMMERCE

Clean Fuel Standard (CFS)

Background:

The Saskatchewan Chamber of Commerce submitted comments on the Clean Fuel Standard (CFS) Discussion Paper released in February 2017.

Issue:

The Chamber believes that environmental stewardship and economic competitiveness can go hand in hand. The Chamber supports the overarching goal of the CFS in using an outcome-oriented, flexible, and performance-based approach in achieving 30 mega tonnes of annual reductions in emissions by 2030. With that said, the Chamber does not endorse the inclusion of industrial and building fuels in the proposed regulations based on the concerns of our affected members. A CFS program that requires refineries to reduce their carbon intensity (CI), as opposed to being limited to solely transportation fuels is unprecedented globally and creates significant challenges to the downstream petroleum sector in this province.

Recommendations:

1. That the CFS be flexible and allow for sufficient time for those infrastructure modifications to be put into place in response to new fuel blending requirements.
2. That risks associated with stranding or displacing critical fueling assets be minimized.
3. That the Federal Government acknowledge the unique sectoral makeup of the Saskatchewan economy as a commodity-based, export-focused economy in which industrial sectors such as downstream petroleum is both energy-intensive and trade-exposed. In addition, many EITE industries in Saskatchewan are already struggling because of the cumulative impacts of new federal environmental regulations.

4. The Chamber recommends harmonizing and integrating the existing federal and provincial renewable fuels standards into a single national standard.
5. That any future CFS program not impose obligations on affected parties that are beyond their ability to control. A future CFS program should be developed with a focus on assessing and minimizing GHG abatement costs on a per tonne basis.
6. That any mandated reductions in CI be phased in gradually to allow for market forces to respond and for the appropriate technologies to develop.

History:

Letter to Federal Minister of Environment 2017