JUNE 26, 2024

#### Energy and Emissions Regulations Information Session

Emily Thorn Corthay, MASc., P.Eng, CDI.D, CEM, CMVP CEO, Thorn Associates Robert Storey, P.Eng, CMC, CIRM, CEM, CMVP Senior Consultant, Thorn Associates



## Introductions and housekeeping

- CIET introduction
- Housekeeping items (acknowledgements, recording, chat, questions etc.)
- IESO programs for businesses
- Presenter introductions
- Agenda





#### Save on Energy programs for Businesses

Save on Energy's business programs provide incentives to help Ontario businesses of all sizes implement retrofits and other energy-efficiency projects to lower their energy costs, including:

- <u>Retrofit Program</u>
- Instant Discounts Program
- Energy Performance Program
- <u>Strategic Energy Management Program</u>
- Existing Building Commissioning Program
- <u>Training and Support</u>





# Save on Energy Program Support

Retrofit Program retrofit@ieso.ca

Energy Performance Program info@energyperformanceprogram.ca

Instant Discounts Program info@instantdiscounts.ca

Existing Building Commissioning Program EBCx@ieso.ca

Strategic Energy Management Program SEM@ieso.ca

Training Opportunities trainingandsupport@ieso.ca



#### Introduction

#### Emily Thorn Corthay, MASc., P.Eng, CEM, CMVP, Founder and CEO of Thorn Associates



20-year career in industrial decarbonization and energy management, she has assisted her clients in achieving over \$100 million in implemented energy savings and reduction in over 500,000 tonnes of  $CO_2e$ , acting as project manager, technical reviewer, and energy/sustainability engineer for over 80 energy & decarbonization projects in 15+ countries.

#### Robert Storey, P.Eng., CEM Energy Engineer, Associate at Thorn Associates



30 years of project and operations experience, specializing in energy since 2001, ISO 50001, codes and standards, over 300 Save on Energy projects with Toronto Hydro, client projects under the former Industrial Accelerator and Northern Industrial Electricity Rate programs.



# Information session objectives and agenda

Develop familiarity with mandatory and voluntary energy and greenhouse gas (GHG) reporting relevant to Ontario, with a focus on:

- Ontario acts and regulations (O Reg 390/18, 241/19, 39/23, 506/18)
- Federal regulations (Greenhouse Gas Reporting Program, Clean Fuel Standards)
- Financial reporting voluntary but will become mandatory for publicly traded companies (e.g. Canadian Sustainability Disclosure Standards)



# Ontario Acts and Regulations (environment)

- <u>Ministry of the Environment, Conservation and Parks</u> (MECP) oversees many of the regulations and programs governing energy and GHG reporting requirements under the <u>Environmental Protection Act</u>
  - "The purpose of this Act is to provide for the protection and conservation of the natural environment"
  - References 50 Ontario regulations (O Reg) addressing wide range of pollution and environmental matters, including <u>O Reg 390/18</u> and <u>O Reg 241/19</u>



## O Reg 390/18

- Title: <u>Greenhouse Gas Emissions: Quantification, Reporting and Verification</u>
- **Purpose**: Requires large industrial GHG emitters and others to report annual greenhouse gas emissions to the MECP if they:
  - Import greater than zero megawatt hours of electricity per year
  - Emit 10,000 tonnes or more of carbon dioxide equivalent (CO2e) per year
  - Are registered, or required to register, under the *Emissions Performance* <u>Standards</u> (EPS) regulation
- Effective date: this regulation first came into force on August 1, 2018



# O Reg 390/18

#### **Requirements**:

- Emitters must submit a <u>GHG emissions</u> report for each facility for every calendar year by the following June 1 (2023 report due June 1, 2024)
- Submit the report using the <u>Environment</u> and <u>Climate Change Canada (ECCC)</u> <u>Single Window Information Manager</u> (SWIM) reporting system, which accepts both federal and provincial GHG reports





### O Reg 390/18 – example data entry to SWIM

Total GHG Emissions for the	Facility			
	Emissions (t)	Emissions (t CO2e)		
Carbon Dioxide (CO2)	42469.02	42469.02	Carbon dioxide (CO2) from biomass combustion:	
			Carbon dioxide (CO2) from biomass combustion.	
Methane (CH4)	0.80076	22.42128		
			Facility Total reported to Ontario Ministry of Environment, Conservation and Parks:	42691.719535
Nitrous Oxide (N2O)	0.755767	200.278255		
			De Minimis Emissions	93.625825
Hydrofluorocarbons (HFCs)				
			Reporting Amount	42692
Perfluorocarbons (PFCs)				
			Verification Amount	42692
Sulphur hexafluoride (SF6)				
Nitrogen Trifluoride (NF3)				
Facility Total reported to Environment and	Climate Change Canada:	42691.719535		



# O Reg 390/18

Materiality:

- Emitters shall use the standard methods specified in the <u>guideline</u> to quantify amounts of each specified GHG activity and determine if reporting is required
- Not required to report GHG emissions of fuels that do not exceed 0.5 percent of the total facility GHG emissions from all fuels combusted (in alignment with ECCC program "de minimus" amounts)
- For parameters subject to external verification, a discrepancy of five percent or more is deemed to be a material discrepancy



### O Reg 390/18

**Boundaries**: Report only Scope 1 (direct) emissions from seven GHGs

	Common name of GHG	Chemical formula	Global Warming Potential
1	Carbon dioxide	CO <sub>2</sub>	1
2	Methane	CH <sub>4</sub>	28
3	Nitrous oxide	N <sub>2</sub> O	265
4	Sulfur hexafluoride	SF <sub>6</sub>	23,500
5	Nitrogen trifluoride	NF <sub>3</sub>	16,100
6	Hydrofluorcarbons (HFC-XX)	C <sub>x</sub> H <sub>x</sub> F <sub>x</sub>	4 - 12,400
7	Perfluorcarbons (PFC-XX)	C <sub>x</sub> F <sub>x</sub>	6,630 - 11,100





#### O Reg 390/18 - recent amendments

- Amendments:
- <u>O Reg 171/24</u> amended <u>O Reg 390/18</u>
  - Made: March 21, 2024, Filed: April 16, 2024 to:
    - Clarify program requirements
    - Improve program implementation and administration
    - Address fundamental changes in some Ontario industries





#### O Reg 390/18 - recent amendments

#### Key <u>amendments</u> from O Reg 171/24 include:

- 1. Adding industrial activities
- 2. Reporting amount does not include biomass-produced CO<sub>2</sub>
- 3. Changing the Total Annual Emissions Limit (TAEL) determination
- 4. Assigning and revoking Baseline Emissions Intensities
- 5. Recognizing significant transformation in the steel sector

- 6. Clarifying applicability of some methods
- 7. Expanding eligibility for renewable natural gas
- 8. Addressing temporary shutdowns
- 9. Clarifying GHG emissions to be reported
- 10. Other clarifying, technical or administrative changes





- Title: <u>Greenhouse Gas Emissions Performance Standards (EPS)</u>
- **Purpose**: Create a carbon pricing system that doesn't inhibit industrial growth by only taxing the emissions over a specified limit that is unique to the facility
  - Mandatory if facility emitted over 50,000 tCO2e in one or more years since 2014 and if primary activity is 1 to 38 as listed in Schedule 2 of O Reg 241/19
  - Voluntary (opt-in) if 10,000 to 50,000 tCO2e in one or more years from 2014 onwards or if any activity listed in Schedule 2
  - Registered facilities are exempt from federal fuel charge to avoid double taxation of emissions



- Effective Date: The EPS program came into full effect on January 1, 2022
- **Requirements**: The EPS uses the quantification methods of O Reg 390/18 to determine facility emissions (i.e. has same materiality and boundaries):
  - If a facility emits more emissions than the TAEL, they have a compliance obligation:

Compliance Obligation = TAEL – Facility Emissions

• If the facility emits less emissions than the TAEL, they receive emission performance units:

Emission Performance Units = Facility Emissions - TAEL



- Compliance obligations can be paid off by purchasing excess emission units from the Ontario government, using banked emission performance units from previous years or by purchasing or trading emission performance units from other entities in the EPS program
- The calculation of the TAEL changes depending on the industry but often follows the generic formula:

TAEL<sub>Facility i</sub> = Emission Intensity<sub>Facility i</sub> \* Production<sub>Facility i</sub> \* Stringency Factor

 Facilities must calculate their own TAEL with guidance from the MECP publication "<u>GHG</u> <u>Emissions Performance Standards and Methodology for the Determination of the Total</u> <u>Annual Emissions Limit</u> "(Most recent version March 2024)

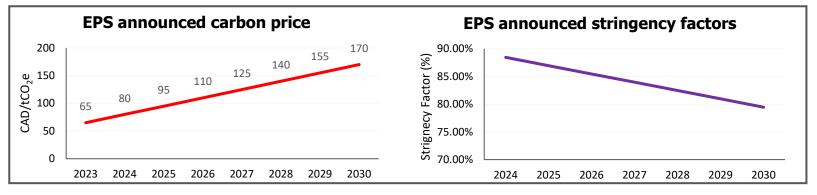


The TAEL is calculated using numerous methods:

- 3.1.1 Method A: Sector Performance Standard
- 3.1.2 Method B: Electricity Generation Sector Performance Standard
- 3.1.3 Method C: Cogeneration Thermal Energy Sector Performance Standard
- 3.1.4 Method D: Facility Specific Performance Standard (facilities not subject to Method E)
- 3.1.5 Method E: Facility Specific Performance Standard
- 3.1.6 Method F: Historical Facility Emissions Limit Standard
- 3.1.7 Method G: Steel Sector Facility Specific Performance Standard



- Facilities registered under the EPS regulation must have their report verified by an independent, third-party accredited verification body
- To promote entities to decrease emissions over time, the EPS has aligned with the federal backstop carbon price increases until 2030 as well as developing their own tightening stringency factors over time





# O Reg 241/19 – timing for filings

Obligation	Description	Due Date
Monthly fuel usage and fuel tax report	Must file monthly with Canada Revenue Agency (CRA)	Each month
Annual GHG report	Each facility must submit an annual GHG report for the previous calendar year	June 1
Annual third-party verification	Verification statement and verification report of the GHG report	September 1
Annual compliance payment	Compliance obligations are due on December 15. Credits can be purchased from other facilities or directly from the Ontario government	December 15





#### O Reg 241/19 - recent amendments

- Amendments: <u>O Reg 170/24</u> makes amendments to <u>O Reg 241/19</u>
  - Made: March 21, 2024, Filed: April 16, 2024 to:
    - Clarify program requirements
    - Improve program implementation and administration
    - Address fundamental changes in some Ontario industries





# Ontario Acts and Regulations (electricity)

#### Ministry of Energy and Electrification - *Electricity Act, 1998*

#### **Purpose includes:**

- Ensure the adequacy, safety, sustainability and reliability of electricity supply through responsible planning and management of electricity resources, supply and demand
- Encourage electricity conservation and the efficient use of electricity
- Promote the use of cleaner energy sources and technologies
- Provide non-discriminatory access to transmission and distribution systems
- Protect the interests of consumers (prices, adequacy, reliability, quality)



# O Reg 39/23

#### Title: <u>Clean Energy Credits</u>

**Purpose**: The <u>IESO Clean Energy Credit (CEC) registry</u> uses electronic certificates to demonstrate that clean energy from Ontario based generation has been acquired to meet a voluntary target

- Each credit represents 1 MWh generated in Ontario and intended to be exclusively purchased and claimed (or retired) by a load customer within Ontario
- Electricity must be generated from transmission and distribution-connected biofuel, biogas, biomass, hydro, nuclear, solar or wind source

Effective Date: December 27, 2023



# O Reg 39/23

- **Requirements**: Eligible generators and loads participating in the sale and purchase of CECs are to register with <u>Midwest Renewable Energy Tracking</u> <u>System</u> (M-RETS) allowing for the creation, transfer and retirement of CECs
  - Organizations enrolled into the M-RETS Ontario Program can enlist the services of a broker or independently sell and purchase CECs
  - IESO CECs originate from the environmental attributes associated with clean electricity generation produced under contract with the IESO, and are available for purchase in accordance with Ontario's CEC regulations via thirdparty broker, <u>Karbone Inc</u>



# O Reg 506/18

- Title: <u>Reporting of Energy Consumption and Water Use</u>
- **Purpose**: Energy and Water Benchmarking and Reporting (EWRB)
  - Owners of buildings with gross floor area > 4,645 m<sup>2</sup> (50,000 ft<sup>2</sup>) required to report
    2023 energy and water consumption data to the Province by July 1, 2024
- Requirements: Owners report data to Ministry of Energy and Electrification using Energy Star Portfolio Manager. <u>(free online tool - U.S. Environmental Protection Agency /</u> <u>Natural Resources Canada</u>)
  - Some municipalities (e.g., <u>City of Toronto</u>) have parallel reporting requirements



# Federal Regulations and reporting (environmental)

- Clean Fuel Regulations
- Greenhouse Gas Reporting Program (GHGRP)





# **Clean Fuel Regulations**

- Title: <u>Clean Fuel Regulations</u>
- **Purpose**: Requires liquid fossil fuel primary suppliers (i.e., producers and importers) to gradually reduce the lifecycle carbon intensity (CI) of the gasoline and diesel that they produce and sell for use in Canada (extraction, refining, distribution, and use of fuels).
  - CI measured as grams of CO2e per megajoule or gCO2e/MJ
  - Target is 15 percent reduction of CI by 2030 compared to 2016 levels
- Effective Date: July 1, 2023



#### **Clean Fuel Regulations**

#### Fuel Carbon-Intensity Limits in gCO<sub>2</sub>e/MJ

Liquid Fossil Fuel	2023	2024	2025	2026	2027	2028	2029	2030 and after
Gasoline	91.5	90.0	88.5	87.0	85.5	84.0	82.5	81.0
Diesel	89.5	88.0	86.5	85.0	83.5	82.0	80.5	79.0



# Clean Fuel Regulations

**Requirements**: Producers and importers of gasoline and diesel must create or buy credits to comply with the reduction requirements. Parties with extra credits can bank or sell them.

- Compliance credits can be created in three ways:
  - 1. Undertaking projects that reduce the lifecycle carbon intensity of liquid fossil fuels (e.g., carbon capture and storage) within fuel producer facility boundary
  - 2. Supplying low carbon intensity fuels (e.g., ethanol, biodiesel)
  - 3. End-use fuel switching in transportation. Industrial companies (not just liquid fossil fuel producers) can register to create compliance credits through vehicle electrification and EV charging, for example, which can be sold through the clearance mechanism at a maximum price of \$300 per credit, adjusted for inflation





# Greenhouse Gas Reporting Program

- Title: <u>Greenhouse Gas Reporting Program (GHGRP)</u>
- **Purpose**: Mandatory reporting program to ECCC for facilities that emit 10 kilotonnes or more of GHGs in CO2e units, per year

Facilities engaged in the following activities are required to provide additional data:

- Aluminum production
- Ammonia production
- Base metal production
- Cement production
- Electricity or heat-steam generation
- Ethanol production
- Hydrogen production (refineries or stand-alone)

- Iron and steel production
- Lime production
- Mining
- Nitric acid production
- Petroleum refining
- Pulp and paper production
- CO2 capture, transport, injection and storage





#### GHGRP

- Effective Date: 2004
- **Requirements**: Facilities that meet the requirements published in the <u>Canada Gazette</u> are required to report their GHG emissions annually.
  - Includes carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFC), perfluorocarbons (PFC) and sulphur hexafluoride (SF<sub>6</sub>)
  - The information is collected under section 46 of the <u>Canadian Environmental Protection Act</u> under ECCC







- The <u>SWIM</u> system is used to submit all information (same system as Ontario)
- The deadline for submitting the calendar 2023 GHG report was June 3, 2024
- On average, approximately 1,800 facilities currently report their greenhouse gas emissions to ECCC
- **Boundaries**: GHG emissions from electricity generated in the facility whether used on site or sold are considered Scope 1 (direct) and must be reported
  - Emissions from electricity that is supplied to the facility are considered Scope 2 (indirect) and do not need to be reported





Greenhouse Gas	Emission Source Categories									
	Stationary	Industrial	Industrial	Fugitive	ve		On-site	Waste	Wastewater	
	Fuel Combustion Emissions	Process Emissions	Product Use Emissions	Venting Emissions	Flaring Emissions	Leakage Emissions	Transportation Emissions	Emissions (on-site)	Emissions (on-site)	
Carbon dioxide (excluding biomass combustion, reported separately)	Report	Report	N/A	Report	Report	Report	Report	Report	Report	
Methane	Report	Report	N/A	Report	Report	Report	Report	Report	Report	
Nitrous oxide	Report	Report	N/A	Report	Report	Report	Report	Report	Report	
Sulphur hexafluoride	N/A	Report	Report	N/A	N/A	N/A	N/A	N/A	N/A	
Hydrofluorocarbons	N/A	Report by gas	Report by gas	N/A	N/A	N/A	N/A	N/A	N/A	
Perfluorocarbons	N/A	Report by gas	Report by gas	N/A	N/A	N/A	N/A	N/A	N/A	
Total (CO <sup>2</sup> equivalent)	Report	Report	Report	Report	Report	Report	Report	Report	Report	





#### GHGRP

- **Amendments**: ECCC no longer (since 2022) allows upload of Ontario facility GHG reports in lieu of completing the federal GHG reporting requirements
  - Within the ECCC GHG application in SWIM, a single report can fulfill both federal and Ontario requirements for sections with option ECCC & ON
  - If ECCC & ON option not available or not selected, report must be submitted to ECCC separately from any report that is submitted to Ontario, and the report type to select is ECCC Only
  - A submission to Ontario only would never constitute a submission to the federal GHGRP



# Federal Fuel Charges for Ontario facilities

- Federal Fuel Charge is governed by the *Greenhouse Gas Pollution Pricing Act*
- Generally collected by distributors as part of delivery, but may apply to end users when:
  - Using fuels in "non covered activity" (e.g. production of plastics by mixing ethane that is not burned or flared)
  - Using combustible petroleum-based waste as fuel in an approved manner (e.g. tires and asphalt shingles)
- Refunded to eligible participants in the Ontario EPS program



#### Federal Fuel Charges for Ontario facilities

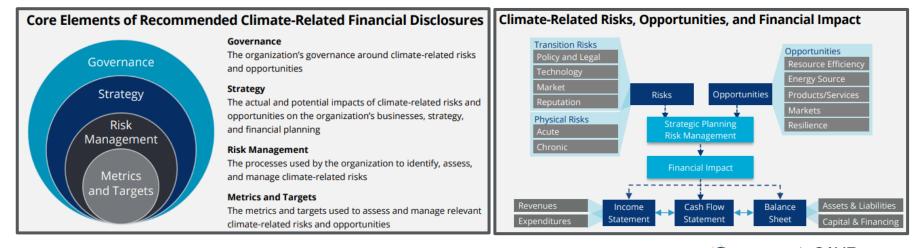
2019 – 2030 Federal Carbon Charge Rates for Marketable Natural Gas as of April 1						
Year	\$/tCO <sub>2</sub> e*	cents/m <sup>3</sup>				
2019	\$20	3.91				
2020	\$30	5.87				
2021	\$40	7.83				
2022	\$50	9.79				
2023	\$65	12.39				
2024	\$80	15.25				
2025	\$95	18.11				
2026	\$110	20.97				
2027	\$125	23.83				
2028	\$140	26.69				
2029	\$155	29.54				
2030	\$170	32.40				





# Voluntary reporting – TCFD, IFRS compliance

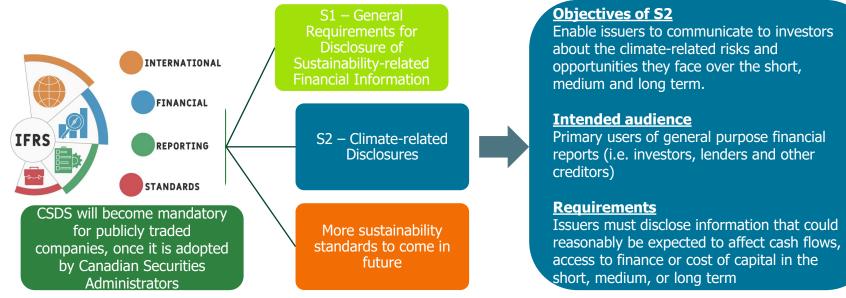
- <u>Taskforce on Climate Related Financial Disclosures (</u>TCFD) was created by the Financial Stability Board (FSB) in 2015 to recommend climate-related financial disclosures
- The <u>International Financial Reporting Standards (IFRS)</u> climate-related disclosure (S2) builds upon the foundation of the TCFD (TCFD now disbanded)





# Voluntary reporting – TCFD, IFRS compliance

• Draft Canadian Sustainability Disclosure Standards (CSDS) based on IFRS require sustainability-related financial information, not sustainability data







# Voluntary reporting – TCFD, IFRS compliance

- CSDS climate requirements beyond TCFD:
  - Units are monetary (i.e. \$, not tCO<sub>2</sub>e)
  - Only single materiality (impact of climate on company, not company on climate)
  - It is likely that assurance will be required
  - Higher level of detail e.g. methodologies, assumptions, and inputs

#### **Mandatory Disclosure**

- Scope 1, 2 and 3 GHG emissions
- Any transition plan that the entity has
- Any GHG targets required to meet by law and if GHG targets have been validated by a third party
- The extent to which achieving the target relies on use of carbon credits
- The amount and percentage of assets or business activities vulnerable to physical and transition risks and aligned with opportunities. Consider the value chain too.
- Capital deployment towards the low carbon economy
- Internal Carbon Price (if organization has one, and what price)
- Executive remuneration linked to climate-related considerations





### Stay connected with tools and resources

- Virtual one-on-one coaching: <u>post-webinar support intake form</u> for tailored support for organizations to manage energy resources effectively.
- Monthly bulletin: <u>sign up</u> to receive monthly training updates on all Save on Energy training and support new tools and resources.
- <u>Live training calendar</u>: visit this page to easily register for upcoming events and workshops.
- <u>Training and support webpage</u>: visit this page to access all training and support materials.



### Thank you!

SaveOnEnergy.ca/Training-and-Support

trainingandsupport@ieso.ca

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# Appendices

- Acronyms
- Legislation not covered in information session
- O Reg 241/19 TAEL details
- GHGRP details
  - transportation reporting
  - cogeneration
  - data
  - integrated facility
- Clean Fuel Regulations CI details, credit details



## Acronyms

- Greenhouse Gas (GHG)
- Independent Electricity System Operator (IESO)
- Ontario Regulation (O Reg)
- Ministry of the Environment, Conservation and Parks (MECP)
- Emissions Performance Standards (EPS)
- Carbon Dioxide Equivalent (CO2e)
- Environment and Climate Change Canada (ECCC)
- Single Window Information Manager (SWIM)



# Acronyms cont'd

- Direct emissions released from on-site processes (Scope 1)
- Indirect emissions released off-site during generation of purchased electricity, steam, heat, or cooling (Scope 2)
- Total Annual Emissions Limit (TAEL)
- Canada Revenue Agency (CRA)
- Clean Energy Credit (CEC)
- Midwest Renewable Energy Tracking System (M-RETS)
- Energy and Water Benchmarking and Reporting (EWRB)



# Acronyms cont'd

- Lifecycle Carbon Intensity (CI)
- Greenhouse Gas Reporting Program (GHGRP)
- Taskforce on Climate Related Financial Disclosures (TCFD)
- International Financial Reporting Standards (IFRS)
- Canadian Sustainability Disclosure Standards (CSDS)



## Legislation not covered in information session

- *Heavy-duty Vehicle and Engine Greenhouse Gas Emission Regulations* (not electrical) under the *Canadian Environmental Protection Act, 1999*
- *Renewable Fuels Regulations* (not electrical) under the *Canadian Environmental Protection Act, 1999*
- Canadian Net-Zero Emissions Accountability Act (not relevant to this audience)
- *Impact Assessment Act* (Supreme Court ruled it was unconstitutional in Oct 2023)



## O Reg 241/19 – TAEL details

GHG Emissions Performance Standards Methodology March 2024 Version

Total Annual Emissions Limit (TAEL) - The owner or operator shall determine the TAEL for a covered facility in respect of a compliance period using Formula 3-1.

TAEL= Sum of Annual Activity Emissions Limit for each method – cumulative outstanding amount



## GHGRP transportation reporting

Must report emissions from on-site transportation activities that occur in the facility, under the "On-site Transportation" source category of emissions. This category includes the releases from fuel combustion in machinery that is used for transport or movement of the substances, materials, equipment or products that are used in the production process at the facility. It also includes releases from vehicles that are not licensed for use on public roads.

It is not required to report use of a company vehicles for management or inspection purposes on the grounds of the facility. Also not required to report emissions related to transportation to or from the facility (e.g., the delivery of material).



## **GHGRP** cogeneration

If there is a cogeneration unit located on site at your facility, GHG emissions must be reported under the category of Stationary Fuel Combustion. The total GHG emissions that are generated by the cogeneration unit must be reported, even if some of the resultant energy is exported off site.

If the operator of the cogeneration unit is independent from the operator of the overall facility, a separate report must be submitted by the operator of the cogeneration unit (assuming the reporting threshold is reached).





Federal GHGRP and Ontario data collection share many similarities but are collected and used for different purposes, hence are not "shared"

- National GHG data is submitted to United Nations climate change bodies, which specify methods and data requirements over and above what is required by the reporting obligations of provinces and territories
- ECCC does not currently have access to facility level data reported to provincial governments (only published aggregated totals). The federal SWIM system provides data collection services for provinces, but cannot be used by the federal jurisdiction



#### GHGRP data

- Based on small number of examples, GHGRP and MECP calculation methods for 2022 year are not materially different and result in same CO2e quantities.
- Emissions data are available by GHG type (in tonnes and tonnes of CO2 eq.) for each reporting facility (2004-present)
- <u>https://open.canada.ca/data/en/dataset/a8ba14b7-7f23-462a-bdbb-83b0ef629823</u>



## **GHGRP** integrated facility

- An integrated facility includes all buildings, equipment, structures, on-site transportation machinery, and stationary items that are:
  - Located on a single site, on multiple sites or between multiple sites
  - Owned or operated by the same person(s); and
  - Function as a single integrated site

### Clean Fuel Regulations – CI details

- Baseline CI of 95 gCO2e/MJ for gasoline and 93 gCO2e/MJ for diesel
- Primary suppliers had to reduce the CI of the gasoline and diesel that they produced in Canada and/or import by 3.5 gCO2e/MJ in 2023
- First annual (2023 calendar year) CI limits were 91.5 gCO2e/MJ for gasoline and 89.5 gCO2e/MJ for diesel
- Reduction requirements will increase by 1.5 gCO2e/MJ per year 2024-2030



#### Clean Fuel Regulations – credit details

- Starting on January 1, 2024, a primary supplier may choose to contribute to a registered Emission Reduction Funding Program under the Clean Fuel Regulations in order to satisfy up to 10% of its annual carbon intensity reduction requirement
- The credit price under this mechanism is set in the Regulations at \$350 in 2022 (consumer price index [CPI] adjusted) per compliance credit
- The credits created by these investments cannot be traded and will expire if not used for the compliance period to which the contribution relates
- Primary suppliers may create credits by contributing to a registered funding program between January 1 and July 31, and between October 15 and November 30 following the end of a compliance period, if required

