Draft Regulation

Petroleum Products Act
(chapter P-30.01)

Minimum volume of renewable fuel in gasoline and diesel fuel
— Making

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), that the Regulation respecting the minimum volume of renewable fuel in gasoline and diesel fuel, appearing below, may be made by the Government on the expiry of 45 days following this publication.

The draft Regulation sets standards for the integration of renewable fuels into gasoline and diesel fuel. Those standards will apply as of 1 July 2021 and will increase; as of 1 July 2025, the integration of a minimum volume of ethanol of 15% into gasoline and a minimum volume of biobased diesel fuel of 4% into diesel fuel will be required.

Study of the matter has shown no particular impact on small and medium-sized businesses, since the petroleum products distribution sector is made up of large businesses. On 1 July 2025, enterprises subject to the Regulation will invest a total of $110 million in infrastructure in order to comply with the standards for the integration of renewable fuels into gasoline and diesel fuel.

Further information may be obtained by contacting Xavier Brosseau, Direction des approvisionnements et des biocombustibles, Ministère de l’Énergie et des Ressources naturelles, 5700, 4e Avenue Ouest, bureau A-422, Québec (Québec) G1H 6R1; telephone: 418 627-6385, extension 8351; fax: 418 644-1445; email: xavier.brosseau@mern.gouv.qc.ca.

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to Luce Asselin, Associate Deputy Minister for Energy, Ministère de l’Énergie et des Ressources naturelles, 5700, 4e Avenue Ouest, bureau A-407, Québec (Québec) G1H 6R1.

Jonatan Julien, Minister of Energy and Natural Resources
Benoit Charette, Minister of the Environment and the Fight Against Climate Change

Regulation respecting the minimum volume of renewable fuel in gasoline and diesel fuel

Petroleum Products Act
(chapter P-30.01, s. 5 and s. 96, 1st par., subpar. 4)

CHAPTER I
PRELIMINARY

1. This Regulation sets standards for the integration of renewable fuels into gasoline and diesel fuel.

2. In this Regulation,

“biobased diesel fuel” means biodiesel for blending in middle distillate fuels within the meaning of section 11 of the Petroleum Products Regulation (chapter P-30.01, r. 2), or any other liquid fuel from renewable sources suitable for use in high speed compression-ignition diesel engines operating at speeds generally higher than 1,200 r/min; (carburant diesel biosourcé)

“cellulosic ethanol” means cellulosic ethanol produced from ligno-cellulosic or hemi-cellulosic matter from renewable or recurring sources, or from biogenic carbon derived from municipal, industrial, commercial, institutional or agricultural solid residual matter, excluding organic matter sorted at the source, compost, digester sludge and forest biomass from the harvesting of timber exclusively intended to the production of biofuels except the harvesting of timber resulting from a disturbance that may be intended to the production of biofuels; (éthanol cellulosique)

“diesel fuel” means diesel fuel, automotive diesel fuel containing low levels of biodiesel (B1-B5) or diesel fuel containing biodiesel (B6-B20) within the meaning of sections 6, 8 and 10 of the Petroleum Products Regulation; (carburant diesel)

“ethanol” means denatured fuel ethanol within the meaning of section 5 of the Petroleum Products Regulation; (éthanol)

“gasoline” means automotive gasoline or oxygenated automotive gasoline containing ethanol within the meaning of sections 2 and 3 of the Petroleum Products Regulation; (essence)

“renewable fuel” means ethanol or biobased diesel fuel. (carburant renouvelable)
CHAPTER II
STANDARDS FOR THE INTEGRATION OF RENEWABLE FUELS INTO GASOLINE AND DIESEL FUEL

3. Every person who manufactures, brings or causes to be brought into Québec gasoline must, as of 1 July 2021, ensure that the gasoline the person commercializes or uses in Québec integrates, on average, in accordance with the formulas provided for in section 5 and on an annual basis, a minimum volume of ethanol of 10% or 9% if the volume of ethanol contains a minimum of 10% of cellulosic ethanol.

The minimum volume of ethanol provided for in the first paragraph is, as of 1 July 2025, 15% or 13.5% if the volume of ethanol contains a minimum of 10% of cellulosic ethanol.

4. Every person who manufactures, brings or causes to be brought into Québec diesel fuel must, as of 1 July 2021, ensure that the diesel fuel the person commercializes or uses in Québec integrates, on average, in accordance with the formulas provided for in section 6 and on an annual basis, a minimum volume of biobased diesel fuel of 2%.

The minimum volume of biobased diesel fuel provided for in the first paragraph is, as of 1 July 2025, 4%.

5. The volume of ethanol provided for in section 3 is calculated using the formula \((A + B) / C \times 100\).

The percentage of the volume of cellulosic ethanol contained in that volume of ethanol is calculated using the formula \(B / (A + B) \times 100\).

In the formulas provided for in the first and second paragraphs, \(A\) is the volume of non-cellulosic renewable fuel contained in the volume of gasoline commercialized or used in Québec during the year by the person concerned, \(B\) is the volume of cellulosic ethanol contained in the volume of gasoline commercialized or used in Québec during the year by the person concerned, and \(C\) is the volume of gasoline commercialized or used in Québec during the year by the person concerned.

The volumes described in the third paragraph are in litres.

6. The volume of biobased diesel fuel provided for in section 4 is calculated using the formula \(A / B \times 100\).

In the formula provided for in the first paragraph, \(A\) is the volume of renewable fuel contained in the volume of diesel fuel commercialized or used in Québec during the year by the person concerned and \(B\) is the volume of diesel fuel commercialized or used in Québec during the year by the person concerned.

The volumes described in the second paragraph are in litres.

7. Sections 3 and 4 do not apply to a person who brings or causes to be brought into Québec gasoline or diesel fuel contained in one or more receptacles with a total capacity of less than 200 litres or in a fuel tank installed as standard equipment to supply the engine of a vehicle.

CHAPTER III
COMPLIANCE

8. Any person referred to in section 3 or 4 must, for 7 years following the year of calculation of the formulas provided for in sections 5 and 6, keep all registers, records, books of account and other documents needed to ascertain that the person’s activities comply with this Regulation, including, in particular, all data used to make the calculation under the formulas.

CHAPTER IV
PENAL PROVISION

9. Every person who contravenes section 3, 4 or 8 commits an offence and is liable to a fine provided for in paragraph 2 of section 106 of the Petroleum Products Act (chapter P-30.01).

CHAPTER V
FINAL

10. This Regulation comes into force on 1 July 2021.