

RENEWABLE FUELS REGULATIONS

Please note that this document is for the purpose of consultation only. The requirements and wording of the final regulations are subject to change.

INTERPRETATION

1. (1) The definitions in this subsection apply in these Regulations.

“Act” means the *Canadian Environmental Protection Act, 1999*. (*Loi*)

“auditor”, in respect of a trading system participant or any person who produces or imports renewable fuel, means a person who

- (a) is independent of the trading system participant or the person who produces or imports renewable fuel, as the case may be; and
- (b) is certified, for the purposes of carrying out International Organization for Standardization quality assurance (ISO 9000 series) assessments, by
 - (i) the Standards Council of Canada,
 - (ii) the International Registrar of Certified Auditors,
 - (iii) the Registrar Accreditation Board, or
 - (iv) any other nationally or internationally recognized accreditation organization. (*vérificateur*)

“authorized official” means

- (a) in the case of a corporation, an officer of the corporation who is authorized to act on its behalf;
- (b) in respect of any other person, that person or a person authorized to act on behalf of that person; and
- (c) in respect of any other entity, a person authorized to act on its behalf. (*agent autorisé*)

“batch” means an identifiable quantity of liquid fuel, with a single set of physical and chemical characteristics. (*lot*)

“bio-crude” means a liquid feedstock derived from a renewable fuel feedstock that is used as feedstock in a refinery in the production of gasoline, distillate or other liquid petroleum fuels. (*biobrut*)

“blending facility” means a facility in Canada where liquid petroleum fuel is blended with renewable fuel. (*installation de mélange*)

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“competition vehicle” means a vehicle or boat that is used exclusively for competition and does not include a vehicle that is used on a highway or a vehicle or boat that is used for recreational purposes. (*véhicule de compétition*)

“compliance unit” means a tradeable unit created pursuant to section 14. (*unité de conformité*)

“compliance unit account book” means one or more records that track the gasoline compliance period-to-date balance or the distillate compliance period-to-date balance of compliance units owned by a trading system participant, as described in section 18, as the case may be. (*registre des unités de conformité*)

“denaturant” means a mixture of hydrocarbons that

- (a) has an end boiling point less than 225°C;
- (b) is added to a renewable fuel to make it unsuitable for use as a beverage but not unsuitable for use in automotive or diesel engines; and
- (c) does not in volume exceed 5% of the total volume of the renewable fuel when combined with the mixture of hydrocarbons. (*dénaturant*)

“diesel fuel” means a liquid fuel, other than a renewable fuel, that

- (a) can evaporate at atmospheric pressure, that boils within the range of 130°C to 400°C and that is suitable for use in diesel engines; or
- (b) is sold or represented as fuel suitable for use in a diesel engine. (*carburant diesel*)

“distillate compliance period” means a calendar year, except during 2010 and 2011 when it means the period from September 1, 2010 to December 31, 2011. (*période de conformité visant le distillat*) [To be amended at a later date to reflect the timing of the final requirements for the distillate pool]

“distillate compliance unit” means a type of compliance unit that is created pursuant to section 14 and that may be used in respect of either:

- (a) the requirement pursuant to subsection 3(2) regarding the distillate pool; or
- (b) the requirement pursuant to subsection 3(1) regarding the gasoline pool. (*unité de conformité visant le distillat*)

“distillate pool” means the volume of diesel fuel and heating distillate oil produced and imported by a primary supplier during a distillate compliance period, calculated in accordance with section 4. (*stock de distillat*)

“finished gasoline” means gasoline that

- (a) has an antiknock index of at least 86, as determined by the applicable test method listed in the National Standard of Canada standard *CAN/CGSB-3.5-04, Unleaded Automotive Gasoline*; or
- (b) is sold or represented as either gasoline or a fuel suitable for use in a spark ignition engine. (*essence finie*)

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“gasoline” means a liquid fuel, other than a renewable fuel, that is

- (a) suitable for use in a spark ignition engine and that has the following characteristics, as determined by the applicable test method listed in the National Standard of Canada standard *CAN/CGSB-3.5-04, Unleaded Automotive Gasoline*,
 - (i) a vapour pressure of at least 38 kPa,
 - (ii) an antiknock index of at least 80,
 - (iii) a distillation temperature, at which 10% of the fuel has evaporated, of not less than 35°C and not greater than 70°C, and
 - (iv) a distillation temperature, at which 50% of the fuel has evaporated, of not less than 65°C and not greater than 120°C; or
- (b) sold or represented as gasoline, as a fuel suitable for use in a spark ignition engine, or as only requiring the addition of a renewable fuel or oxygenate to make it suitable for use in a spark ignition engine. (*essence*)

“gasoline compliance period” means a calendar year, except during 2010 and 2011, when it means the period from September 1, 2010 to December 31, 2011. (*période de conformité visant l’essence*)

“gasoline compliance unit” means a type of compliance unit that is created pursuant to section 14 that may be used in respect of the requirement pursuant to subsection 3(1) regarding the gasoline pool, but not in respect of the requirement pursuant to subsection 3(2) regarding the distillate pool. (*unité de conformité visant l’essence*)

“gasoline pool” means the volume of gasoline produced and imported by a primary supplier during a gasoline compliance period, calculated in accordance with section 4. (*stock d’essence*)

“heating distillate oil” means a liquid fuel, other than a renewable fuel, that is

- (a) suitable for use in domestic-type oil burners for the generation of heat; and
- (b) sold or represented as fuel suitable for domestic-type oil burners. (*mazout de chauffage*)

“oxygenate” means an oxygen-containing, ashless, organic compound that, when added to a liquid petroleum fuel, increases the oxygen content in the petroleum fuel. (*produit oxygéné*)

“primary supplier” means

- (a) in respect of gasoline, diesel fuel or heating distillate oil, that is produced at a petroleum refinery or other production facility, a person who owns, leases, operates, controls, supervises or manages the refinery or other production facility; and
- (b) in respect of gasoline, diesel fuel or heating distillate oil that is imported, the importer. (*fournisseur principal*)

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“production facility” means a facility in Canada in which production of gasoline, diesel fuel or heating distillate oil occurs, and does not include a blending facility unless the blending facility is part of or adjacent to a petroleum refinery. (*installation de production*)

“renewable fuel” means a liquid fuel that is produced solely from one or more renewable fuel feedstock types, and includes

- (a) any denaturant in the fuel; and
- (b) any additive which accounts for less than 1% of the volume of the fuel. (*carburant renouvelable*)

“renewable fuel feedstock type” means

- (i) wheat grain,
- (ii) soy grain,
- (iii) grains other than those in paragraphs (i) and (ii),
- (iv) cellulosic material that is derived from lingo-cellulosic or hemicellulosic matter that is available on a renewable or recurring basis,
- (v) starch,
- (vi) oilseeds,
- (vii) sugarcane, sugar beets or sugar components,
- (viii) potatoes,
- (ix) tobacco,
- (x) vegetable oils
- (xi) algae,
- (xii) vegetable or other plant materials other than those in paragraphs (i) to (xi), and including biomass,
- (xiii) animal or fish material, including fats, greases and oils, or
- (xiv) animal or municipal solid waste materials. (*type de matière première de carburant renouvelable*)

“scientific research” does not include research into the preferences of consumers for differing properties of fuels or marketing research. (*recherche scientifique*)

“trading period” means the period from the start of a gasoline compliance period or distillate compliance period, as the case may be, to February 15 of the year after the period ends. (*période d'échange*)

“trading system participant” means

- (a) a primary supplier; and
- (b) in respect of any other person, a person who elects to participate in the trading system for compliance units pursuant to section 13. (*participant au mécanisme d'échange*)

“unfinished gasoline” means gasoline that is not finished gasoline. (*essence non finie*)

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“Zone TNL” means that part of Canada comprised of Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut. (*Zone TNL*)

(2) Any standard or method that is incorporated by reference in these Regulations is incorporated as amended from time to time.

PART 1

REQUIREMENTS PERTAINING TO
GASOLINE, DIESEL FUEL AND HEATING DISTILLATE OIL

Application

2. (1) Subject to subsection (2), in respect to the applicable fuel and in respect to the gasoline compliance period or the distillate compliance period, as the case may be, sections 3, 4, 5, 7, 8, 17, 18, 22 and 23 do not apply to a person who produces or imports gasoline, diesel fuel, heating distillate oil or renewable fuel where the total volume of the fuel produced plus imported is

(a) if the compliance period is the same as a calendar year, less than 400 m³ during the year; and

(b) if the compliance period is not the same as a calendar year, less than 400 m³ during any years that comprise part of the compliance period.

(2) Subsection (1) does not apply to any person who creates or exchanges a compliance unit during the compliance period.

(3) These Regulations do not apply to any fuel that is imported in a fuel tank that supplies the engine of a conveyance that is used for transportation by water, land or air.

Prescribed Quantities

3. (1) Effective September 1, 2010, for the purposes of section 139 of the Act, the quantity of renewable fuel in a primary supplier’s gasoline pool shall not be less than 5% of the gasoline pool.

(2) Reserved.

[A PLACE-HOLDER IS UNDER DEVELOPMENT]

The final requirement for renewable fuel in a primary supplier’s distillate pool will be put into place by an amendment. The provisions could be of the following form:

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Effective “DATE”, for the purposes of section 139 of the Act, the quantity of renewable fuel in a primary supplier’s distillate pool shall not be less than 2% of the distillate pool.

[where “DATE” will be determined at a later time]

Calculation of Pools

4. (1) Effective September 1, 2010, and subject to subsections (3) to (10), a primary supplier shall calculate its gasoline pool specified in subsection 3(1) as the volume of all gasoline, in litres, identified pursuant to section 9, as pool gasoline during the gasoline compliance period.
- (2) Effective September 1, 2010, and subject to subsections (3) to (10), a primary supplier shall calculate its distillate pool specified in subsection 3(2) as the volume of all diesel fuel and heating distillate fuel, in litres, identified pursuant to section 9, as pool distillate during the distillate compliance period.
- (3) In calculating its gasoline or distillate pool a primary supplier may exclude the volume of gasoline, diesel fuel or heating distillate oil, as the case may be, that was exported by the primary supplier or an affiliate during the gasoline compliance period or the distillate compliance period, as the case may be.
- (4) Provided subsections (8) or (9) or paragraph (10)(b) do not apply, in calculating its gasoline pool, a primary supplier may either:
- (a) exclude the volume of renewable fuel that was contained in each batch of gasoline that it identified pursuant to section 9 as pool gasoline, as recorded pursuant to section 10; or
 - (b) in the case of producing fuel from bio-crude, subtract from the pool a volume equal to 70 percent of the volume of bio-crude that it used as feedstock during the gasoline compliance period, as recorded pursuant to section 19.
- (5) Provided subsections (8) or (9) or paragraph (10)(b) do not apply, in calculating its distillate pool, a primary supplier may either:
- (a) exclude the volume of renewable fuel that was contained in each batch of diesel fuel or heating distillate oil that it identified pursuant to section 9 as pool distillate, as recorded pursuant to section 10; or
 - (b) in the case of producing fuel from bio-crude, subtract from the pool a volume equal to 30 percent of the volume of bio-crude that it used as feedstock during the distillate compliance period, as recorded pursuant to section 19.
- (6) Where a primary supplier imports a batch of fuel identified under section 9 as pool gasoline or pool distillate, and delivers it to a production facility that it owns, the primary supplier may count the volume of fuel only once and exclude under paragraph (4)(a) the

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volume of renewable fuel only once in calculating its gasoline pool or distillate pool, as the case may be.

(7) Where a primary supplier dispatches from a production facility that it owns a batch of fuel identified under section 9 as pool gasoline or pool distillate and delivers it to another production facility that it owns, the primary supplier may include the volume of fuel only once and exclude under paragraph (5)(a) the volume of renewable fuel only once in calculating its gasoline pool or distillate pool, as the case may be.

(8) Subject to subsection (10), where a primary supplier imports a batch of fuel identified under section 9 as pool gasoline or pool distillate and delivers it to a production facility owned by someone else, the primary supplier may exclude the volume of fuel in calculating its gasoline pool or distillate pool, as the case may be.

(9) Subject to subsection (10), where a primary supplier dispatches from a production facility that it owns a batch of fuel identified under section 9 as pool gasoline or pool distillate and delivers it to a production facility owned by someone else, the primary supplier may exclude the volume of fuel in calculating its gasoline pool or distillate pool, as the case may be.

(10) Where the primary supplier delivering the batch referred to in subsection (8) or (9) owns it at the time of delivery to the production facility, the batch is processed at that facility under an agreement, and the resulting volume is owned by the primary supplier at the time it is dispatched:

(a) the primary supplier shall include the volume of fuel of the batch that it originally imported or dispatched in calculating its gasoline pool or distillate pool, as the case may be; and

(b) the owner of the production facility referred to in subsection (8) or (9) may exclude the processed volume of fuel referred to in this subsection that is dispatched from its facility in calculating its gasoline pool or distillate pool, as the case may be.

Quantity of Renewable Fuel

5. (1) Subject to Part 2, the quantity of renewable fuel in the primary supplier's gasoline pool referred to in subsection 3(1), shall be calculated using the formula:

$$RF_{GAS} = (CRE_{GAS} + REC_{GAS} - TRF_{GAS} - CAN_{GAS} + DTG_{DG}) \times (1 \text{ litre}/1 \text{ compliance unit})$$

where

RF_{GAS} is the quantity of renewable fuel in the primary supplier's gasoline pool, in litres;

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CRE_{GAS} is the sum of all gasoline compliance units created by the primary supplier during the gasoline compliance period pursuant to subsections 14(1), (2), (5) and (9);

REC_{GAS} is the sum of all gasoline compliance units created during the gasoline compliance period that were received by the primary supplier from other trading system participants, pursuant to section 16, during the trading period;

TRF_{GAS} is the sum of all gasoline compliance units created during the gasoline compliance period that were transferred by the primary supplier to other primary suppliers, pursuant to section 16, during the trading period;

CAN_{GAS} is the sum of all gasoline compliance units cancelled by the primary supplier during the gasoline compliance period pursuant to subsection 17(2); and

DTG_{DG} is the sum of all distillate compliance units created during the gasoline compliance period, if any, owned by the primary supplier at the end of the trading period, that the primary supplier identifies in the report required under section 8 for use in meeting the requirements for its gasoline pool referred to in subsection 3(1).

(2) Subject to Part 2, the quantity of renewable fuel in the primary supplier's distillate pool referred to in subsection 3(2), shall be calculated using the formula:

$$RF_{DIS} = (CRE_{DIS} + REC_{DIS} - TRF_{DIS} - CAN_{DIS} - DTG_{DD}) \times (1 \text{ litre}/1 \text{ compliance unit})$$

where

RF_{DIS} is the quantity of renewable fuel in the primary supplier's distillate pool, in litres;

CRE_{DIS} is the sum of all distillate compliance units created by the primary supplier during the distillate compliance period pursuant to subsections 14(3), (4), (5) and (11);

REC_{DIS} is the sum of all distillate compliance units created during the distillate compliance period that were received by the primary supplier from other trading system participants, pursuant to section 16, during the trading period;

TRF_{DIS} is the sum of all distillate compliance units created during the distillate compliance period that were transferred by the primary supplier to other primary suppliers, pursuant to section 16, during the trading period;

CAN_{DIS} is the sum of all distillate compliance units cancelled by the primary supplier during the distillate compliance period pursuant to subsection 17(2); and

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DTG_{DD} is the sum of all distillate compliance units created during the distillate compliance period, if any, that the primary supplier used to meet the requirements for its gasoline pool referred to in subsection 3(1).

Method for Measuring Volumes of Fuels

6. (1) Subject to subsection (2), all volumes of fuels referred to in these Regulations shall be measured by meters that quantify the volume of a liquid fuel and have been calibrated to industry standards at least once every 3 months by a person independent of the primary supplier, the renewable fuel producer or the blender, as the case may be.

(2) In the case of an importer, the importer must have written evidence documenting that the volumes have been measured in accordance with industry standards.

(3) All volumes measured for the purpose of these Regulations shall be rounded to the nearest whole litre, or if the volume is equidistant from two whole litres, to the highest of them.

Registration as a Primary Supplier

7. (1) A primary supplier shall submit a report to the Minister by the latter of August 15, 2010 and 1 day before commencing to produce or import gasoline, diesel fuel or heating distillate oil.

(2) The report submitted under subsection (1) shall contain

(a) the name and civic address of the primary supplier;

(b) the name, civic address and telephone number of the authorized official;

(c) the name and telephone number of a contact person, if different from the authorized official;

(d) for each production facility at which the primary supplier produces gasoline, diesel fuel or heating distillate oil,

(i) the civic address and name, if any, of the facility, and

(ii) the volumes, if known, of finished gasoline, unfinished gasoline, diesel fuel and heating distillate oil produced by the primary supplier in the year preceding the year of this report for each of those facilities;

(e) for each facility at which blending of renewable fuel with a liquid petroleum fuel occurs and the primary supplier owns the resulting blended fuel,

(i) the civic address and name, if any, of the facility, and

(ii) for each type of liquid petroleum fuel with which renewable fuel is blended by the primary supplier at the facility,

(A) the volume, if known, of the liquid petroleum fuel with which renewable fuel was blended in the year preceding the year of this report,

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- (B) the volume if known, of the renewable fuel blended in the year preceding the year of this report, and
- (C) the type of renewable fuel, and, if known, the renewable fuel feedstock type used to produce the renewable fuel;
- (f) for each facility at which bio-crude is used by the primary supplier as feedstock to produce liquid fuel,
 - (i) the civic address and name, if any, of the facility, and
 - (ii) for each type of bio-crude used by the primary supplier as a feedstock at the facility,
 - (A) the renewable fuel feedstock type used to produce the bio-crude, and
 - (B) the volume, if known, of bio-crude used as a feedstock at the facility in the year preceding the year of this report;
- (g) for each province into which the primary supplier may import gasoline, diesel fuel or heating distillate oil,
 - (i) the province of importation,
 - (ii) the volumes, if known, of finished gasoline, unfinished gasoline, diesel fuel and heating distillate oil imported by the primary supplier in the year preceding the year of this report,
 - (iii) the volume, if known, of renewable fuel in the fuel imported by the primary supplier during the year preceding the year of this report, and
 - (iv) the type of renewable fuel and, if known, the renewable fuel feedstock type used to produce the renewable fuel by the primary supplier;
- (h) for each province into which the primary supplier may import liquid petroleum fuel, other than gasoline, diesel fuel or heating distillate oil, containing a renewable fuel and for each type of such petroleum fuel imported,
 - (i) the province of importation,
 - (ii) the volume, if known, of the fuel imported by the primary supplier during the year preceding the year of this report,
 - (iii) the volume, if known, of renewable fuel in the fuel imported by the primary supplier during the year preceding the year of this report, and
 - (iv) the type of renewable fuel and, if known, the renewable fuel feedstock type used to produce the renewable fuel by the primary supplier;
- (i) except for an importer, the location within each facility of the meters that will be used by the primary supplier to measure the volumes as required under these Regulations; and
- (j) the civic addresses at which records required under these Regulations will be kept.

(3) If the information provided in the report required under subsection (1) changes, the primary supplier shall submit to the Minister an update to the report no later than 5 days after the change.

(4) The volumes referred to in paragraphs (2)(d), (e), (g) and (h) shall not include the volume of fuel for use in aircraft, competition vehicles, scientific research or Zone TNL or volume of fuel for export or in transit through Canada.

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Compliance Period Report by Primary Suppliers

- 8.** (1) For each gasoline compliance period or distillate compliance period a primary supplier produces or imports gasoline, diesel fuel or heating distillate oil, the primary supplier shall submit to the Minister a report on or before February 15 of the following year.
- (2) A report submitted under subsection (1) shall contain
- (a) the name and civic address of the primary supplier;
 - (b) the quantity, in litres, of the gasoline pool and the parameters described in section 5 as RF_{GAS} , CRE_{GAS} , REC_{GAS} , TRF_{GAS} , CAN_{GAS} and DTG_{DG} ;
 - (c) the quantity, in litres, of the distillate pool and the parameters described in section 5 as RF_{DIS} , CRE_{DIS} , REC_{DIS} , TRF_{DIS} , CAN_{DIS} and DTG_{DD} ;
 - (d) for each production facility and each province of importation referred to in the report required under section 7, the volume, in litres, of fuel produced at the facility during the compliance period or imported into the province during the compliance period, for:
 - (i) finished gasoline
 - (ii) unfinished gasoline,
 - (iii) diesel fuel, and
 - (iv) heating distillate oil; and
 - (e) the additional information required in sections 20, 22 and 23, where applicable.
- (3) The volume referred to in paragraph (2)(d) shall not include the volume of fuel identified under section 9 for use in aircraft, competition vehicles, scientific research or Zone TNL or volume of fuel identified under section 9 for export or in transit through Canada.
- (4) Subsection (1) does not apply to a primary supplier that does not produce or import gasoline during a gasoline compliance period or distillate compliance period, unless the primary supplier has submitted a notice of election under subsection 3(3) and produces or imports diesel fuel or distillate heating oil during the compliance period, or creates or exchanges any compliance units during that compliance period.

Record of Type of Fuel

- 9.** (1) Subject to subsection (3), a primary supplier may, before dispatching a batch of gasoline, diesel fuel or heating distillate oil from a production facility that it owns, or importing a batch of gasoline, diesel fuel or heating distillate oil, identify and record the batch of fuel, as appropriate to the type of fuel, as
- (a) pool gasoline or pool distillate;
 - (b) gasoline, diesel fuel or heating distillate oil for use in aircraft;

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- (c) gasoline, diesel fuel or heating distillate oil for use in competition vehicles;
- (d) gasoline, diesel fuel or heating distillate oil for use in scientific research;
- (e) except for diesel fuel or heating distillate oil for use in Newfoundland and Labrador, gasoline, diesel fuel or heating distillate oil for use in Zone TNL;
- (f) gasoline, diesel fuel or heating distillate oil for export; or
- (g) gasoline, diesel fuel or heating distillate oil in transit through Canada.

(2) Any batch of gasoline, diesel fuel or heating distillate oil dispatched by a primary supplier from a production facility that it owns, or imported by a primary supplier, that has not been identified and recorded under subsection (1) is considered, for the purposes of these Regulations, to be have been identified as pool gasoline or pool distillate, as the case may be.

(3) Every primary supplier shall maintain a record that establishes that each batch that it identified under any of paragraphs (1)(b) to (g) was sold or delivered for the use appropriate to the identified type.

General Records by Primary Suppliers

10. A primary supplier shall make a record for each batch identified under section 9 as pool gasoline or pool distillate that includes

- (a) the volume of the batch, in litres;
- (b) the volume of renewable fuel in the batch, in litres;
- (c) the date or dates on which the primary supplier dispatched or imported the batch;
- (d) whether the batch was finished gasoline, unfinished gasoline, diesel fuel or heating distillate oil; and
- (e) the production facility at which the batch was produced or the province into which the batch was imported.

Retention of Records

11. Every person required to make a record under these Regulations shall maintain the record in Canada for a period of 5 years after the date on which the record is made.

Submission of Samples, Records and Reports

12. (1) At the Minister's request, any person who produces, imports or sells gasoline, diesel fuel, heating distillate oil, renewable fuel or bio-crude, or liquid petroleum fuel to which renewable fuel has been blended, or offers it for sale, shall submit to the Minister

- (a) a sample of the fuel or bio-crude;
- (b) a copy of any record required to be kept by the person under these Regulations; and

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- (c) the name and civic address of any person from whom the fuel or bio-crude was acquired and the date of acquisition.
- (2) Each report and notice submitted under these Regulations shall
- (a) include the person's registration number, if the Minister has provided the person with any, and in respect of information requirements pertaining to a specific facility or province of importation, the registration number for the facility or province of import, if the Minister has provided the person with any;
 - (b) be signed or electronically signed by the authorized official, except for the report by an auditor required under section 23; and
 - (c) be submitted electronically to the Minister in the format provided by the Minister, but the report or notice shall be submitted in writing if
 - (i) no such format has been provided, or
 - (ii) it is, owing to circumstances beyond the person's control, impractical to submit the report electronically in the format provided.
- (3) The written reports and notices referred to in paragraph (2)(c) shall be submitted to the Minister in a format provided by the Minister, unless no such format has been provided.
- (4) Any primary supplier that during a gasoline compliance period or a distillate compliance period only produces or imports fuel for use in aircraft, competition vehicles, scientific research or Zone TNL need not submit the reports required for that compliance period under sections 7 or 8.

PART 2

REQUIREMENTS PERTAINING TO
A SYSTEM OF TRADEABLE COMPLIANCE UNITS

Election to Participate in a Trading System for Compliance Units

- 13.** (1) A person, other than a primary supplier, who
- (i) blends renewable fuel with liquid petroleum fuel,
 - (ii) produces a liquid petroleum fuel, other than gasoline, diesel fuel and heating distillate oil, by using bio-crude as a feedstock, or
 - (iii) imports a liquid petroleum fuel, other than gasoline, diesel fuel and heating distillate oil, that contains a renewable fuel,
- may elect to participate in the trading system upon the condition that they notify the Minister at least 1 day before they first create a compliance unit.
- (2) The notification under subsection (1) shall be sent by courier or registered mail and contain
- (a) the name and civic address of the person;

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(b) the name, civic address and telephone number of the authorized official of that person;

(c) the name and telephone number of a contact person, if different from the authorized official;

(d) for each facility at which blending of renewable fuel with a liquid petroleum fuel occurs and the primary supplier owns the resulting blended fuel,

(i) the civic address and name, if any, of the facility, and

(ii) for each type of petroleum fuel with which a renewable fuel is blended by the person at the facility,

(A) the volume if known, of the petroleum fuel with which renewable fuel was blended in the year preceding the year of this report,

(B) the volume if known, of the renewable fuel blended in the year preceding the year of this report, and

(C) the type of renewable fuel, and, if known, the renewable fuel feedstock type used to produce the renewable fuel;

(e) for each facility at which bio-crude is used by the person as feedstock to produce liquid fuel,

(i) the civic address and name, if any, of the facility, and

(ii) for each type of bio-crude used by the person as a feedstock at the facility,

(A) the renewable fuel feedstock type used to produce the bio-crude, and

(B) the volume, if known, of bio-crude used as a feedstock at the facility in the year preceding the year of this report;

(f) for each province into which the person may import liquid petroleum fuel containing a renewable fuel and for each type of such liquid petroleum fuel imported,

(i) the province of importation,

(ii) the volume, if known, of the fuel imported by the person during the year preceding the year of this report,

(iii) the volume, if known, of renewable fuel in the fuel imported by the person during the year preceding the year of this report, and

(iv) the type of renewable fuel and, if known, the renewable fuel feedstock type used to produce the renewable fuel by the person;

(g) the location with a facility of the meters that will be used by the person to measure the volumes required under these Regulations; and

(h) the civic addresses at which records required under these Regulations will be kept.

(3) If the information provided in the report required under subsection (1) changes, the person shall submit to the Minister an update to the report no later than 5 days after the change.

(4) A person who has elected under subsection (1) to participate in the trading system may withdraw from participating in the trading system on the conditions that the person:

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- (a) submits to the Minister by courier or registered mail a notice specifying the date of the withdrawal;
- (b) submits the reports required under sections 20 and 23, but for the period from the beginning of the current compliance period to the date specified in paragraph (a), instead of the full compliance period;
- (c) continues, as per section 11, to maintain records made prior to the date specified in paragraph (a); and
- (d) cancels all compliance units that the person owns on the date specified in paragraph (a) that are not required to meet the requirements of section 3.

Creation of Compliance Units

14. (1) A trading system participant who solely or jointly owns a batch of fuel that results from the blending in Canada of renewable fuel with a liquid petroleum fuel other than diesel fuel or heating distillate oil may create a single gasoline compliance unit for each litre of renewable fuel that was so blended, as recorded under paragraph 19(1)(b).

(2) A trading system participant who solely or jointly imports a batch of gasoline or liquid petroleum fuel, other than diesel fuel or heating distillate oil, that has a quantity of renewable fuel in the batch may create a single gasoline compliance unit for each litre of renewable fuel in the batch, as recorded under paragraph 19(3)(b).

(3) A trading system participant who solely or jointly owns a batch of fuel that results from the blending in Canada of renewable fuel with diesel fuel or heating distillate oil may create a single distillate compliance unit for each litre of renewable fuel that was so blended, as recorded under paragraph 19(1)(b).

(4) A trading system participant who solely or jointly imports a batch of diesel fuel or heating distillate oil that has a quantity of renewable fuel in the batch may create a single distillate compliance unit for each litre of renewable fuel in the batch, as recorded under paragraph 19(3)(b).

(5) A trading system participant who solely or jointly uses bio-crude as a feedstock to produce a liquid fuel in Canada may create 3 distillate and 7 gasoline compliance units for each 10 litres of bio-crude used as feedstock, as recorded under paragraph 19(2)(b).

(6) A compliance unit shall only be created under subsections (1) to (5) on or after September 1, 2010, and at the time when

- (a) the batch is imported;
- (b) blending occurs; or
- (c) the record under subsection 19(2) is made regarding the use of bio-crude as feedstock.

(7) Compliance units are not created under subsections (1) to (4) for

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- (a) any batch of gasoline where the volume of renewable fuel that was added to the batch exceeds 86% of the resultant volume of the batch; or
- (b) any batch of liquid petroleum fuel other than gasoline where the volume of renewable fuel that was added to the batch exceeds 80% of the resultant volume of the batch.
- (8) If more than one person either owns or imports the batch of fuel referred to in subsections (1) to (4) or uses the bio-crude referred to in subsection (5) as feedstock, compliance units may only be created
- (a) where all the persons owning the batch or using the bio-crude have a written agreement that
- (i) only one of them will create compliance units in respect of the batch that is imported, the blending with renewable fuel, or the use of bio-crude, as the case may be, and
- (ii) identifies which of the persons may create the compliance units; and
- (b) by the trading system participant identified in the agreement as the person who may create the compliance units.
- (9) Subject to subsection (10), at the end of each trading period in respect of a gasoline compliance period, a trading system participant may create one gasoline compliance unit for each gasoline compliance unit that was created during that compliance period that
- (a) a primary supplier owns, and which was not required by the primary supplier to meet the requirements for its gasoline pool referred to in subsection 3(1) for that compliance period; or
- (b) a trading system participant, other than a primary supplier, owns.
- (10) The maximum number of gasoline compliance units that may be created under section (9) is,
- (a) for a primary supplier, 20% of the quantity of renewable fuel in the primary supplier's gasoline pool required pursuant to subsection 3(1) for the gasoline compliance period referred to in subsection (9); and
- (b) for a trading system participant other than a primary supplier, the number of gasoline compliance units that it owns at the end of the trading period less the number of gasoline compliance units that it created under subsection (9) during the compliance period.
- (11) Subject to subsection (12), at the end of each trading period in respect of a distillate compliance period, a trading system participant may create one distillate compliance unit for each distillate compliance unit that was created during that compliance period that
- (a) the primary supplier owns, and that is in excess of the sum of:
- (i) the number of distillate compliance units that the primary supplier has recorded in the report required under section 8 to use for meeting the requirements for its gasoline pool referred to in subsection 3(1) for the gasoline compliance period, plus

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- (ii) the number of distillate compliance units required by the primary supplier to meet the requirements for its distillate pool referred to in subsection 3(2) for the distillate compliance period; or
- (b) the trading system participant, other than a primary supplier, owns.

(12) The maximum number of distillate compliance units that may be created under subsection (11) is,

- (a) for a primary supplier, 20% of the quantity of renewable fuel in the primary supplier's distillate pool required pursuant to subsection 3(2) for the distillate compliance period referred to in subsection (11); and
- (b) for a trading system participant other than a primary supplier, the number of distillate compliance units that it owns at the end of the trading period less the number of distillate compliance units that it created under subsection (11) during the compliance period.

Ownership of Compliance Units

15. (1) The compliance unit created under section 14 is owned by the trading system participant who creates it pursuant to section 14.

(2) A compliance unit may only have a single owner at any time.

(3) Only trading system participants may own compliance units.

Exchange of Compliance Units

16. (1) Subject to subsections (2) and (3), a gasoline or distillate compliance unit may be exchanged between trading system participants, provided both parties make a record of the exchange that includes the following information:

- (a) for each transfer of compliance units to another trading system participant,
 - (i) the name of the trading system participant to whom the compliance units were transferred, and the registration number provided to that trading system participant, if one was provided by the Minister,
 - (ii) the date of the transfer,
 - (iii) the quantity of gasoline compliance units transferred,
 - (iv) the quantity of distillate compliance units transferred,
 - (v) the gasoline compliance period or distillate compliance period in which the compliance units were created; and
- (b) for each receipt of compliance units from another trading system participant,
 - (i) the name of the trading system participant from whom the compliance units were received, and the registration number provided to that trading system participant, if one was provided by the Minister,
 - (ii) the date of receipt,
 - (iii) the quantity of gasoline compliance units received, and

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- (iv) the quantity of distillate compliance units received;
- (v) the gasoline compliance period or distillate compliance period in which the compliance units were created.

(2) A trading system participant may not transfer compliance units created during a gasoline compliance period or distillate compliance period after the end of the trading period for that compliance period.

(3) A trading system participant may only transfer compliance units to a primary supplier.

Use and Cancellation of Compliance Units

17. (1) A compliance unit can only be used for determining compliance in respect of the gasoline compliance period or distillate compliance period in which it was created.

(2) A trading system participant shall cancel:

- (a) one gasoline compliance unit or one distillate use compliance unit for each litre of renewable fuel in a batch of fuel other than diesel fuel or heating distillate oil that they or an affiliate exported, unless the affiliate is a trading system participant and has already cancelled the compliance unit; and
- (b) one distillate compliance unit for each litre of renewable fuel in a batch of diesel fuel or heating distillate oil that they or an affiliate exported, unless the affiliate is a trading system participant and has already cancelled the compliance unit.

(3) A trading system participant who creates compliance units at the end of a trading period in respect of a compliance period under subsection 14(9) or (11) shall, when the compliance credits are created, cancel one compliance unit that was created during that compliance period for each new compliance unit that is created.

Compliance Unit Account Book

18. (1) At the beginning of each gasoline compliance period or distillate compliance period, a trading system participant shall make a compliance unit account book for that period, that will record the balance of compliance units they own that were created during the period, separately for gasoline and distillate compliance units.

(2) In the compliance unit account book, the trading system participant shall record the increases, decreases, dates of such changes, and compliance period-to-date balance of compliance units owned by the trading system participant which were created during that compliance period,

- (a) by facility, for each facility where the trading system participant created compliance units pursuant to subsection 14(1), (3) or (5) in respect of fuel that

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was blended with a renewable fuel at the facility or that was produced from bio-crude at the facility;

(b) by province, for each province into which it imported fuel with a quantity of renewable fuel in the imported fuel, where the trading system participant created compliance units pursuant to subsection 14(2) or (4);

(c) by province, for each province from which it exported fuel with a quantity of renewable fuel in the exported fuel, where the trading system participant cancelled compliance units pursuant to subsection 17(2);

(d) by trading system participant, for each trading system participant from whom compliance units were received, pursuant to section 16;

(e) by trading system participant, for each trading system participant to whom compliance units were transferred, pursuant to section 17;

(f) for compliance units created or cancelled pursuant to subsections 13(4), 14(9) and (11), and 17(3); and

(g) of the trading system participant's total compliance units.

(3) The trading system participant shall set the balance in its compliance unit account book for its gasoline compliance period and distillate compliance period, as the case may be, to zero at the beginning of the compliance period for both gasoline and distillate compliance units.

(4) At least once per month and at the end of the trading period, the trading system participant shall update the compliance unit account book to reflect the gasoline and distillate compliance units created or cancelled by the trading system participant since the last update.

(5) Upon each exchange of compliance units, the trading system participant shall update the compliance unit account book to reflect the transfer of compliance units to other trading system participants or the receipt of compliance units from other trading system participants.

(6) The trading system participant may never at any time transfer an amount of compliance units that would result in a negative balance for either type of compliance unit.

Additional Records for Trading System Participants

19. (1) A trading system participant who creates compliance units pursuant to subsection 14(1) or (3) in respect of a batch of blended fuel shall make a record for each such batch that includes

(a) the civic address and name, where applicable, of the facility where the blending occurred;

(b) the type and volume of the renewable fuel that was blended;

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- (c) the volume of the liquid petroleum fuel that was blended and whether it was finished gasoline, unfinished gasoline, diesel fuel, heating distillate oil, or another liquid petroleum fuel, in which case that fuel type;
 - (d) the date that the batch was blended;
 - (e) the name and registration number, if any, of the person from whom they acquired the renewable fuel, and the person who originally produced the renewable fuel, if known; and
 - (f) the renewable fuel feedstock type used to produce the renewable fuel, if known.
- (2) A trading system participant who creates compliance units pursuant to subsection 14(5) in respect of the production of fuel from bio-crude feedstock shall make a record at least weekly that includes
- (a) the civic address and name, where applicable, of the facility where the fuel production occurred;
 - (b) the type and volume of the bio-crude used as feedstock at the facility;
 - (c) the date of the record;
 - (d) the name and registration number, if any, of the person from whom they acquired the bio-crude, and the person who originally produced the bio-crude, if known; and
 - (e) the renewable fuel feedstock type used to produce the bio-crude, if known.
- (3) A trading system participant who creates compliance units pursuant to subsection 14(2) or (4) in respect of a batch of fuel that is imported shall make a record for each such batch that includes
- (a) the province of import and port of entry;
 - (b) the type and volume of the renewable fuel in the batch, with supporting documentation evidencing that volume;
 - (c) the type of renewable fuel feedstock used to produce the renewable fuel, if known
 - (d) the volume of the batch and whether it was finished gasoline, unfinished gasoline, diesel fuel, heating distillate oil, or another liquid petroleum fuel, in which case that fuel type;
 - (e) the date that the batch was imported;
 - (f) the name and registration number, if any, of the person from whom they acquired the batch of fuel, and the person originally produced the batch of fuel, if known; and
 - (g) the renewable fuel feedstock type used to produce the renewable fuel contained in the batch of fuel, if known.
- (4) A trading system participant who creates compliance units pursuant to subsection 14(9) or (11) shall make a record for the compliance units that includes
- (a) the quantity of gasoline compliance units created;
 - (b) the quantity of distillate compliance units created;
 - (c) the date of the creation.

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(5) A trading system participant who exports fuel or produces, imports or sells fuel for export, including renewable fuel, shall make a record for each batch of fuel exported or produced, imported or sold for export which had a quantity of renewable fuel in the exported of

- (a) the fuel type as finished gasoline, unfinished gasoline, diesel fuel, heating distillate oil, renewable fuel, or another type of liquid petroleum fuels;
- (b) the volume of the renewable fuel or the volume of the renewable fuel in the fuel exported, as the case may be; and
- (c) the quantity of gasoline or distillate compliance units cancelled, as the case may be.

(6) In addition to the records required elsewhere in these regulations, every trading system participant shall keep records evidencing the information recorded in its compliance unit account book and in the records made under subsections (1) to (5), including, without being limited to,

- (a) data and calculations of volumes reported;
- (b) dated metered-values, bills of lading, invoices, sales receipts, records of payment and records of transactions for gasoline, distillate, renewable fuel, bio-crude and blendstock used, blended, sold, imported, acquired, transferred to or from another fuel supplier or facility; and
- (c) dated contracts, records of transfer, invoices, records of payment for transfers between the primary supplier and other parties of gasoline, distillate, renewable fuels, and compliance units.

Compliance Period Report for Trading System Participants

20. (1) For each gasoline compliance period and distillate compliance period in which a trading system participant created or in respect of which they exchanged a compliance unit created during that compliance period, the trading system participant shall submit to the Minister a report on or before February 15 of the following year.

(2) A report submitted under subsection (1) shall contain

- (a) the name and civic address of the trading system participant;
- (b) the name and civic address of the person who calibrated the meters referred to in either paragraph 7(2)(i) or 13(2)(g), and the dates during the compliance period of the calibration at each facility;
- (c) for each facility in Canada at which the trading system participant created a compliance unit by blending renewable fuel into a liquid petroleum fuel or using bio-crude as a feedstock,
 - (i) the separate quantities of gasoline and distillate compliance units created pursuant to subsections 14(1), (3) or (5),
 - (ii) the total volume of renewable fuel blended or bio-crude used as feedstock, by type of renewable fuel or bio-crude, and
 - (iii) the total volume, by type of the resulting blended fuel;

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- (d) for each province of importation that the trading system participant created a compliance unit by importing a liquid petroleum fuel containing renewable fuel,
- (i) the separate quantities of gasoline and distillate compliance units created pursuant to subsections 14(2) or (4),
 - (ii) the total volume of renewable fuel in the fuel imported, by each type of renewable fuel in fuel imported, and
 - (iii) the total volume, by type of liquid petroleum fuel imported;
- (e) for each province from which the trading system participant or an affiliate exported a liquid petroleum fuel containing renewable fuel,
- (i) the separate quantities of gasoline and distillate compliance units cancelled pursuant to subsection 17(2),
 - (ii) the quantity of renewable fuel in diesel fuel and heating distillate oil that was exported, by each type of renewable fuel in the fuel exported,
 - (iii) the quantity of renewable fuel in liquid petroleum fuel other than diesel fuel and heating distillate oil that was exported, by each type of renewable fuel in the fuel exported, and
 - (iv) the total volume, by type of liquid petroleum fuel exported;
- (f) for each trading system participant from whom the trading system participant received compliance units that were created in the compliance period, the name of the trading system participant, their registration number, if any, and separately, the quantity of gasoline and distillate compliance units received during the trading period for the compliance period;
- (g) for each trading system participant to whom the trading system participant transferred compliance units that were created in the compliance period, the name of the trading system participant, their registration number, if any, and separately, the quantity of gasoline and distillate compliance units transferred during the trading period for the compliance period;
- (h) separately, the quantity of gasoline and distillate compliance units created or cancelled under subsections 13(4), 14(9) and (11), and 17(3);
- (i) separately, the quantity of gasoline and distillate compliance units owned by the trading system participant at the end of the trading period for the compliance period;
- (j) separately for each type of renewable fuel and for bio-crude,
- (i) the names of persons, if any, from whom the trading system participant acquired in Canada renewable fuel or bio-crude during the compliance period, and the volume, in litres, acquired in Canada from each person during the compliance period,
 - (ii) the names of persons, if any, to whom the trading system participant transferred in Canada ownership of renewable fuel or bio-crude during the compliance period, and the volume, in litres, transferred in Canada to each person during the compliance period, and
 - (iii) the volume, in litres, of renewable fuel or bio-crude in Canada owned by the trading system participant
 - (A) at the end of the last day of the compliance period, and
 - (B) for the first compliance period only, at the beginning of the first day of the compliance period, and

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- (iv) the volume, in litres, of renewable fuel or bio-crude exported by the trading system participant; and
- (k) a copy of the compliance unit account book for the compliance period.

Records and Reporting on Sales of Fuel for Export

- 21.** (1) Any person, other than a trading system participant, who sells fuel for export, including renewable fuel, shall make a record for each batch of fuel sold that they exported which had a quantity of renewable fuel in the exported fuel of
- (a) specifying whether the fuel was finished gasoline, unfinished gasoline, diesel fuel, heating distillate oil, renewable fuel, or another type of liquid petroleum fuels; and
 - (b) the volume of the renewable fuel or the volume of the renewable fuel in the fuel sold for exported, as the case may be.
- (2) For each gasoline compliance period or distillate compliance period in which a record is made under subsection (1), the person required to make a record under subsection (1) shall submit a report to the Minister on or before February 15 of the following year.
- (3) A report submitted under subsection (2) shall contain, for each province from which the fuel was sold for export during the compliance year, and by each type of renewable fuel in the fuel,
- (a) the volume of liquid petroleum fuel that was sold for export;
 - (b) the volume of renewable fuel in liquid petroleum fuel that was sold for export during the compliance period, by type of renewable fuel; and
 - (c) the volume of renewable fuel not in liquid petroleum fuel that was sold for export during the compliance period, by type of renewable fuel.

Records and Reporting on Renewable Fuel

- 22.** (1) A person that produces in Canada or imports into Canada renewable fuel shall provide a report to the Minister by the latter of August 15, 2010 and 1 day before the person first produced or imported a renewable fuel.
- (2) A report submitted under subsection (1) shall contain
- (a) the name and civic address of the person;
 - (b) the name, civic address and telephone number of the authorized official;
 - (c) the name and telephone number of a contact person, if different from the authorized official;
 - (d) for each facility in Canada at which the person produced renewable fuel,
 - (i) the civic address and name, if any, of each facility at which the person produces renewable fuel,
 - (ii) the type of renewable fuel produced and the renewable fuel feedstock type used to produce it,

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- (iii) the volume, if known, of renewable fuel produced in the year preceding the year of this report, and
 - (iv) the location within the facility of the meters that will be used to measure the volumes required under this section; and
 - (e) for each province into which the person imported renewable fuel,
 - (i) the type of renewable fuel imported and the renewable fuel feedstock type used to produce the renewable fuel, in known, and
 - (ii) the volume, if known, of renewable fuel imported in the year preceding the year of this report.
- (3) If the information provided in the report required under subsection (1) changes, the person shall submit an update to the report no later than 5 days after the change.
- (4) A person that produces or imports renewable fuel shall make a record for each batch of renewable fuel imported or dispatched from the facility in Canada at which it is produced, and the record shall contain
- (a) the type of renewable fuel;
 - (b) the renewable fuel feedstock type, if known;
 - (c) the civic address of the facility at which it was produced or province it was imported into;
 - (d) the volume of the batch of renewable fuel;
 - (e) the date of import or dispatch of the batch of renewable fuel;
 - (f) whether the volume of renewable fuel will be exported, if known; and
 - (g) if known, whether the volume of renewable fuel will be blended at a facility in Canada, the civic address of such facility, and person who would own the resulting blended volume.
- (5) A person that produces or imports renewable fuel shall make a record for each batch of renewable fuel that it sells of:
- (a) the type of renewable fuel;
 - (b) the renewable fuel feedstock type, if known;
 - (c) the civic address of the facility in Canada at which it was produced or province it was imported into;
 - (d) the volume of the batch of renewable fuel;
 - (e) the date of sale of the batch of renewable fuel;
 - (f) the person to whom the batch was sold;
 - (g) whether the volume of renewable fuel will be exported, if known; and
 - (h) if known, whether the volume of renewable fuel will be blended at a facility in Canada, the civic address of such facility, and person who would own the resulting blended volume.
- (6) For each gasoline compliance period or distillate compliance period in which a person produced or imported renewable fuel, the person shall submit a report to the Minister on or before February 15 of the following year.
- (7) A report submitted under subsection (6) shall contain

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- (a) the name and civic address of the renewable fuel producer or importer;
- (b) for each facility in Canada at which the person produced renewable fuel during the compliance period:
 - (i) the type of renewable fuel and the renewable fuel feedstock type used to produce the renewable fuel,
 - (ii) the total volume, in litres, of renewable fuel produced, separately for each renewable fuel feedstock type, and
 - (iii) the total volume of renewable fuel, in litres, produced at the facility that the person
 - (A) sold during the compliance period,
 - (B) sold for export during the compliance period, if known, and
 - (C) sold for blending at a facility in Canada during the compliance period, if known;
- (c) for each province into which the person imported into Canada renewable fuel during the compliance period:
 - (i) the type of renewable fuel imported and, if known, the renewable fuel feedstock type used to produce the renewable fuel,
 - (ii) the total volume, in litres, of renewable fuel imported, separately for each type of renewable fuel, and
 - (iii) the total volume of renewable fuel, in litres, imported that the person
 - (A) sold during the compliance period,
 - (B) sold for export during the compliance period, if known, and
 - (C) sold for blending at a facility in Canada during the compliance period, if known; and
- (d) the names of persons to whom the person sold during the compliance period renewable fuel referred to in paragraphs (b) and (c), and the volume, in litres, sold to each person during the compliance period, by province of custody transfer.

Auditor's Report

- 23.** (1) A trading system participant and any person who produces or imports renewable fuel shall
- (a) have the records and reports required under these Regulations audited by an auditor; and
 - (b) not later than May 31 of the year following the gasoline compliance period or distillate compliance period in respect of which the audit was carried out, submit to the Minister a report, signed by the auditor, that contains
 - (i) the name and civic address of the trading system participant or a person who produces or imports renewable fuel,
 - (ii) the name, civic address and qualifications of the auditor,
 - (iii) the procedures followed by the auditor to assess the validity of the information required by these Regulations,
 - (iv) a statement that the auditor has obtained and reviewed all documentation on exchanges of compliance unit in the possession of the trading system participant,

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(v) a statement that the auditor has reviewed the trading system participant's compliance unit account book, and assessed whether the entries in the book are evidenced by the other records required under these Regulations,

(vi) for each type of gasoline, diesel fuel or heating distillate oil identified under section 9 as pool gasoline or pool distillate, the total volume dispatched or imported by the primary supplier,

(vii) the quantity, in litres, of the gasoline pool and the parameters described in section 5 as RF_{GAS} , CRE_{GAS} , REC_{GAS} , TRF_{GAS} , CAN_{GAS} and DTG_{DG} , as independently calculated by the auditor, if the report concerns a gasoline compliance period,

(viii) the quantity, in litres, of the distillate pool and the parameters described in section 5 as RF_{DIS} , CRE_{DIS} , REC_{DIS} , TRF_{DIS} , CAN_{DIS} and DTG_{DD} , as independently calculated by the auditor, if the report concerns a distillate compliance period,

(ix) an assessment by the auditor of the extent to which the trading system participant or a person who produces or imports renewable fuel has complied with these Regulations throughout the gasoline compliance period or distillate compliance period, and

(x) a description of the nature and date of any inaccuracies in the records and any other deviations by the trading system participant or a person who produces or imports renewable fuel from the requirements of these Regulations.

(2) Subsection (1) does not apply to a primary supplier that during a gasoline compliance period or distillate compliance period only produces or imports fuel for use in aircraft, competition vehicles, scientific research or Zone TNL, unless the primary supplier creates or exchanges any compliance units during that compliance period.

(3) Subsection (1) does not apply to a primary supplier that does not produce or import gasoline during a gasoline compliance period or distillate compliance period, unless the primary supplier has submitted a notice of election under subsection 3(3) and produces or imports diesel fuel or distillate heating oil during the compliance period, or creates or exchanges any compliance units during that compliance period.

COMING INTO FORCE

24. (1) These Regulations, other than subsection 3(2), come into force on registration of these Regulations.

(2) Subsection 3(2) comes into force on [DATE TO BE DETERMINED].