

INDUSTRY **NEWS UPDATES** | MEMBER **BENEFITS** | UPCOMING **EVENTS** | AND **MORE**

November 2021

# connection

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JENNIFER STEWART

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## MISSION

CIPMA's mission is to ensure the sustainability and growth of a healthy and viable independent fuel marketing and distribution sector at both the wholesale and retail levels in Canada. Our specific goals include:

Ensuring that independent fuel marketers thrive and have the opportunity to earn a fair and reasonable return that is proportionate to their business risk and capital investment, and ensuring that Canadian consumers and independent fuel marketers have access to a competitively priced and readily available supply of fuel products in all regions of the country.

# MESSAGE FROM THE PRESIDENT



JENNIFER STEWART | **PRESIDENT & CEO**

## Dear CIPMA Members,

It has been a big month for Canadian environmental policy makers, who spent the first two weeks of November in meetings at the UN Climate Change Summit in Glasgow and then watched last week as Prime Minister Trudeau met the leaders of the U.S. and Mexico for the first 'Three Amigos' summit since 2016.

At COP26, there were many discussions surrounding carbon pricing, eliminating fossil fuel subsidies, and other strategies to keep global warming below 1.5 degrees Celsius. Meanwhile, in Washington, the prime minister's main mission was to convince President Biden to adjust his country's potential EV tax incentive so that it would not kneecap Canada's auto industry.

Through it all, we at CIPMA have been monitoring developments that might affect our members and preparing advocacy efforts in response. This includes recent engagements in the Federal - British Columbia emergency fuel supply response working groups, working in close collaboration with the Canadian Fuels Association; we will continue to monitor and report back on ongoing impacts to retailers.

Last week's Speech from the Throne was a historic moment, with our first Indigenous Governor General voicing the Government's legislative narrative. Clean jobs and climate change were a central theme among other key platform commitments.

Now that Parliament is back in session, we remain committed to keeping you informed about developments there, as well as advocating to further our members' interests. I'm sure there will be much to discuss in the coming months as the 44th Parliament works toward meeting the government's climate commitments, which include the roll-out of the Clean Fuel Regulation now scheduled for publication in spring 2022, and ushering in a net-zero future.

As always, we are here to support you. Don't hesitate to reach out to us should you have any questions or concerns.

All the best,

A handwritten signature in black ink, appearing to read 'Jennifer Stewart'.

**Jennifer Stewart**

*President and CEO*

**Canadian Independent Petroleum Marketers Association**

# STAYING CONNECTED

CIPMA CONNECTION  
2021 EVENTS, PODCASTS, WEBINARS

## PODCAST: SEASON TWO, EPISODE 1 ROADCHATS LAUNCHING ON FRIDAY, DECEMBER 3RD

Join Michelle Coates Mather and special guest Andrea Kent, Vice President, Industry and Government Relations, Greenfield Global, as they explore the role renewables must play on the path to net zero.

## SAVE THE DATE 2022 CANADIAN FUEL MARKETING CONFERENCE

Montreal, Quebec  
April 11 – 13, 2022  
Registration and Agenda details to come!  
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Contact Dana Telfer at [dtelfer@cipma.org](mailto:dtelfer@cipma.org)



# GOVERNMENT POLICY AND INDUSTRY HIGHLIGHTS

This latest feature of the newsletter will be published monthly. The update serves as a recap and reference point for our members regarding the latest policy impacts on the energy market as well as industry trends. We will continue to monitor and communicate any policy changes directly to members as they happen.

## INDUSTRY HIGHLIGHTS

**More regulatory 'carrots' and fewer 'sticks' good for industry, hears CAOEC event**

Explorers and Producers Association of Canada (EPAC) president Tristan Goodman **told attendees** at a recent event held by the Canadian Association of Energy Contractors (CAOEC) that the Canadian energy sector requires policy certainty, as well as more regulatory "carrots," such as a carbon capture utilization and storage (CCUS) tax credit, for the industry to thrive to the benefit of both the oil and gas companies and the federal government.

## Western Canada to boost oil, gas drilling to pre-pandemic levels, says CAOEC

As prices rebound and pipeline projects advance, western Canadian oil and gas producers will drill 27 per cent more wells in 2022 than the previous year, returning to pre-pandemic levels, the Canadian Association of Energy Contractors (CAOEC) **said on November 23.**

## Study demonstrates ethanol blend compatibility of vehicles

A **new study** conducted by the U.S. Department of Energy's National Renewable Energy Laboratory (NREL) examines the impact of ethanol-blended fuels at various levels on 'in operation' vehicles built to differing emissions and manufacturing standards around the world. Focusing on vehicles in Canada, China, India, Indonesia, Japan, South Korea, and Mexico, the study found that all vehicles are highly likely to be compatible with E10. "We did not identify any specific engine or vehicle designs, or engineering practices, that could cause issues when operating on ethanol," said NREL's Senior Research Fellow Robert McCormick. Read the study **here.**

## Making aircraft fuel from sunlight and air

**Scientists at the Institute of Advanced Sustainability Studies** have built a plant that can produce carbon-neutral liquid fuels from sunlight and air. The next goal will be to take this technology to industrial scale and achieve competitiveness. Researchers now describe how this novel solar reactor functions and outline a policy framework that would provide incentives to expand the production of 'solar kerosene.'

# CANADIAN POLICY HIGHLIGHTS

## Biofuels in Canada 2021: Tracking biofuel consumption, feedstocks and avoided greenhouse gas emissions

Navius Research has released their 2021 edition of the "Biofuels in Canada" report,

which uses public data to catalogue the volume of transportation biofuels consumed in each Canadian province while estimating the impact of biofuel consumption on greenhouse gas emissions and transportation energy costs. Read highlights from the report **here.**

## Canada is fighting for a place at the table as the world turns to electric vehicles

While Prime Minister Justin Trudeau travelled to Washington in an effort to encourage the U.S. to build a North American-wide supply chain rather than the "Buy American" policy framework they are currently pursuing, Industry Minister Francois-Philippe Champagne **travelled to Europe** to woo European companies to join forces to build supply chains for a greener auto sector.

## Whole-of-government approach needed to meet emissions reduction targets

Climate impacts across Canada this year, along with a pivot in global financial markets towards net-zero targets, highlight the need for a whole-of-government approach, **says the Canadian Institute for Climate Choices.** This approach involves working across departments and agencies to implement a coordinated response, rather than having climate policy remain the purview of Environment and Climate Change Canada (ECCC).

## Nearly two-thirds of Canadians support oil and gas emissions cap, even if it puts jobs at risk: poll

Sixty-three per cent of respondents to a **Nanos Research poll** said they agree or somewhat agree that Canada should immediately limit emissions from the oil and gas sector and curtail them over time. Thirty-four per cent said they either disagree or somewhat disagree, and 3 per cent said they are unsure. The poll also shows the country is "fundamentally divided" between the Prairie provinces and the rest of Canada, Nanos Research founder Nik Nanos said.



## WHAT'S NEW? FEDERALLY

### Canada considers tougher GHG rules for shipping in proposal at international meeting

A committee of the International Maritime Organization, a specialised agency of the United Nations responsible for regulating shipping, is **debating a resolution** this week that would set a net-zero target for all international shipping by 2050. The current target is to halve emissions by that date. Transport Canada officials briefed stakeholders on the positions its representatives will take at the meeting, indicating that it will support the resolution. The central debate about the resolution has focused on the massive investment in research and innovation that will be required to ready oceangoing fleets for this transition on a global scale.

### Government of Canada releases policy statement on future thermal coal mining projects and project expansions

The **statement outlines** key findings from the strategic environmental assessment on thermal coal mining conducted by the Government of Canada. It provides greater certainty to investors, the mining sector and Canadians by clarifying the Government of Canada's position on new thermal coal mining and expansion projects in Canada. The statement outlines the actions taken by Canada over the past decade to reduce emissions by limiting the combustion of coal, which is the single largest source of global temperature increase globally, according to the International Energy Agency (IEA).

### How Canada could retaliate if tariff-like U.S. electric car policy goes ahead

The U.S. government's **"Build Back Better"** framework was passed by Congress this month, with broad support from both sides of the border with regards to addressing climate change. Included in the plan is the "Buy America" incentive to offer tax credits for electric vehicles and batteries made by unionized labour in the United States,

**putting Canada in a difficult position**, according to both Canadian environmentalists and trade experts.

Even if Canada introduces a similar tax advantage for Canadian-made EVs, the U.S. policy will mean electric vehicles made in Canada are more expensive. This could squeeze Canada out of the business of making EVs, which would have a negative impact on Canadian jobs. Canadian researchers suggest that one way to counter this policy would be to focus on the production of key minerals needed to make EV batteries here in Canada and offer a reliable alternative to Chinese sources to the U.S. as demand intensifies. For an in-depth discussion of the key issues discussed at the "Three Amigos" summit, read more **here**.



## WHAT'S NEW? REGIONALLY

### Central Canada

- "Reducing Truck Emissions in Montreal: Guiding Principles and a Policy Toolbox for low-carbon urban freight" – A **recent study** by the Pembina Institute, Jalon, and Équiterre examined the contribution of urban freight on greenhouse gas emissions in the Montreal region and identified best-practice solutions and tools to reduce urban freight emissions and create more liveable and healthy communities. The movement of goods in Montreal and the province of Quebec is a growing source of urban congestion, road safety concerns, and carbon emissions – fueled by increased e-commerce and doorstep deliveries. The study identifies four key major strategic solutions that are practical steps to achieving transformational change by mid-century.
- Ontario's Conservative government **unveiled a new, EV-focused automotive strategy** this week, and the provincial Liberal party countered with a promise to restore the EV buyer incentive program that the Ontario government cancelled in 2018. Compared to provinces with EV purchase incentives, most notably British Columbia and Quebec, sales of EVs in Ontario are lagging. Ontario's sales also trail the national average. EV policy is set to become a critical issue in the upcoming election.

## Western Canada

- The BC government **issued two new orders** using the extraordinary powers of the Emergency Program Act in response to the fuel shortages caused by widespread flooding in the province. The first brings into effect a temporary order to ensure fuel remains available for essential vehicles in affected areas of the province and applies to all fuel suppliers in hard-hit regions. Non-essential travellers will be limited to 30 litres per trip to the gas station. Under the order, retail gas stations and wholesale distributors will be prohibited from profit-margin price gouging and people will be prohibited from buying gas for the purpose of reselling it. The second order issued by the province prohibits non-essential travel along severely affected highways. The order emergency orders were extended on November 28 until December 14, 2021.
- Prices for natural gas **have spiked** since the devastating floods and mudslides in British Columbia forced Enbridge Inc. to restrict flows through a key pipeline. Trans Mountain Corp. said its pipeline remains offline as crews assess whether it sustained any damage, with work on the pipeline's \$12.6-billion expansion halted in the flooded region between Hope and Merritt. Increases in the wholesale gas price won't be reflected in consumer bills at least until next spring, when the BC Utilities Commission reviews the company's rates.
- **Climate scientists say** that the devastating floods and landslides in British Columbia are worsened by clearcut logging practices that affect slope stability and the rate at which water is absorbed into the ground. The loss of forest ecosystems due to wildfires and the mountain pine beetle also contributed to the severity of the flooding, **highlighting the importance** of forest management in the interconnected set of issues caused by climate change.
- In the wake of massive climate disruption and flooding across British Columbia, fuel supply shortages highlight the need to transition the province to a green, multi-sourced energy future on a much larger scale, and sooner rather than later. Now is the time to design a system robust enough to survive future climate disruptions, **scientists say.**

- Alberta released its **Hydrogen Roadmap**, presenting the government's policy framework for encouraging a domestic market for clean hydrogen and capitalizing on an anticipated multi-billion-dollar global hydrogen economy. Read immediate policy actions outlined in the report **here.**
- Due to market shifts, rising costs and policy changes, Phase I of the LNG Canada export terminal could be the last liquefied natural gas project built in British Columbia under current market dynamics, raising questions about LNG projects that are due to come on line, according to **a report** by the Institute for Energy Economics and Financial Analysis.

## Northern Canada

- The North Klondike solar power plant has been **fully commissioned** and is now producing renewable energy for up to 180 Yukon homes per year. The power plant is the largest and first megawatt-scale, grid-tied Independent Power Production (IPP) project in northern Canada. The Yukon government's IPP policy allows entrepreneurs, communities, and First Nation governments to build renewable energy projects and sell the electricity generated to the grid.

## The Prairie Provinces

- A small Manitoba city passed the Greenhouse Gas Accountability Bylaw, **providing clear mandates** when it comes to GHG emissions in the city of Selkirk. The new bylaw will mandate the tracking and reporting of the city's corporate and community GHG emissions using internationally recognized standards and set new GHG reduction targets that are consistent with global efforts to keep the climate increase to 1.5 degrees or less.



TO OUR CUSTOMERS & INDUSTRY PARTNERS

# Happy Holidays

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BY SHAWCOR

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# ADVOCACY CORNER

## TRUDEAU GOVERNMENT'S ASPIRATIONAL THRONE SPEECH AIMS TO SET THE TONE FOR THE 44TH PARLIAMENTARY AGENDA

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The Advocacy Corner will be featured in the newsletter on a bi-monthly basis. We will continue to monitor and track all policy-related issues that matter to you, our members, as Canada's 44th Parliament gets underway.



**Written by Michelle Coates Mather,  
Vice President, CIPMA**

This week, Mary Simon, Canada's Governor General, delivered the **Speech from the Throne, Building a resilient economy: a cleaner & healthier future for our kids**, which shed light on the Trudeau Government's priority policy agenda and formally opened the 44th session of Parliament.

The Speech focused on several priorities, including ongoing pandemic management and economic response, affordability, climate change, community safety, diversity and inclusion and Indigenous reconciliation.

With this Speech, the Liberal government has drawn its line in the sand, setting ambitious milestones by which they will be judged come the next election.

Although the Speech does not offer detailed policy specifics, it's consistent with the Liberals' campaign narrative with a focus on:

- Transitioning towards targeted pandemic support for industries that continue to struggle;
- New investments towards housing and child care to combat inflation;
- Implementing a 10-year National Action Plan on gender-based violence;
- Capping and cutting oil and gas sector emissions while accelerating the path to a 100 per cent net-zero electricity future; and
- Applying a whole-of-government approach to Indigenous truth and reconciliation.

The climate change narrative featured prominently, with stark warnings of a world "in danger" from climate change and a call to all Members of Parliament to turn "talk into action."

Such strong language on climate change is no surprise; it reflects growing sentiment from voters (over 71%) about the need for a **clean energy transition**.

### **What's on the immediate legislative agenda?**

Last week House Leader Mark Holland unveiled the government's legislative agenda, which sees the prioritization of a few key election commitments before the House rises on December 17 for winter break. The legislative short list includes:

- A renewed bill to make it a crime to force anyone to undergo so-called "conversion therapy" to alter their sexual orientation or gender identity.
- A bill to criminalize the harassment or intimidation of health-care workers.
- A bill to implement promised, more targeted aid programs for those hardest hit by the pandemic while winding down the previous emergency benefits.
- A bill to provide 10 days of paid sick leave for federally regulated workers.

The priorities demonstrate a masterclass in political strategy. The Trudeau government knows the tides of public opinion have changed drastically since votes were cast – not on their view of him, but on their view and

urgent feelings about the state of our economy. Seventy-eight per cent of Canadians are increasingly concerned about inflation and affordability according to a new survey from **Ipsos**. Four in ten Canadians are concerned they won't have enough money to put food on the table. These are real-life problems happening in the here and now that could present significant challenges to Trudeau's aspirational climate policy priorities, which largely centre around a shift to clean jobs to bolster the economy.

The legislative agenda signals the Liberal government's intent to create media noise around policies which have shown to create wedge tensions among their political opponents. The more the Conservative party is in the news cycle for internal division, the more time the Liberals have to get ahead of an increasingly dreary economic story.



# NEWS UPDATES

The following section is a summary of the top media headlines and coverage of key policy and issues impacting the transportation fuel marketing space. Please note that all orange text in the following section is hyperlinked. If viewing electronically, you can click to read full articles directly from the publication source.

## GLOBAL

### [ENERGY SUMMIT IN UAE STRESSES FOSSIL FUEL DEMAND AFTER COP26](#)

Energy ministers from across the developing world gathered in the emirate of Abu Dhabi on November 15 and stressed the need for continued investment in fossil fuel production – a message just days after these same nations joined around 200 countries in accepting a compromise deal aimed at limiting rising global temperatures and curbing greenhouse emissions.

### [PRICE OF EUROPEAN GAS SURGES AS RUSSIA PIPELINE SUFFERS SETBACKS](#)

European gas prices surged again on November 17 after a delay in the approval process for a major new pipeline from Russia, which German government sources said might not now be commissioned until March next year.

### [BENCHMARK EU CARBON PRICE BREACHES 70 EUR/TONNE FOR FIRST TIME](#)

The European benchmark price for carbon allowances on November 22 climbed above 70 euros per tonne for the first time since the European Union's carbon market launched in 2005. The December 21 EUA contract touched a high of 70.43 euros per tonne.

### [2021 EV SALES PROJECTED TO HIT A WHOPPING 5.6 MILLION](#)

According to a recent report published by Bloomberg New Energy Finance, EV sales in 2021 stand to hit an impressive 5.6 million. For reference, automakers across the globe have a combined target of 40 million EVs sold per year by 2030. EV sales in 2020 amounted to just 3.1 million, while 2019 saw just over 2 million EVs sold.

## **EV SHARE OF CHINA PASSENGER CAR MARKET MORE THAN TRIPLED TO NEARLY 19% IN OCTOBER**

China is the global leader in sales and production of electric vehicles. New data suggest that isn't about to change anytime soon. Nearly 19 of every 100 passenger cars sold in the country in October were EVs. This compares with only 5.8 per cent in 2020.

## **NEW LEGISLATION IN U.K. TO SEE CHARGE POINTS FOR ELECTRIC VEHICLES IN NEW BUILDINGS**

Charging points for electric vehicles will be required to be installed in new buildings in Britain from next year according to a November 21 statement from Prime Minister Boris Johnson's office. The regulations will lead to up to 145,000 extra charge points being installed in England each year in the run-up to 2030, when the sale of new petrol and diesel cars will end in Britain.

## **LARGE PARTS OF THE WORLD ARE NOT READY FOR ZERO-EMISSION VEHICLES, TOYOTA SAYS**

Large parts of the world are not ready for zero-emission vehicles, which is why Toyota Motor Corp. did not sign a pledge to phase out fossil-fuel cars by 2040, the world's largest auto maker said on November 11. Six major carmakers signed the Glasgow Declaration on Zero-Emission Cars and Vans.

## **INDIA'S OIL FIRMS PLEDGE TO INSTALL 22,000 EV CHARGING STATIONS BY 2026**

EV charging station supply in India will surge as the IndianOil Corporation (IOC) and two other public sector oil firms pledge to install 22,000 charging stations over the next five years. Taking the lead, IOC said it would equip 10,000 fuel outlets with EV chargers over the next three years.

## **FLIXMOBILITY TO BUILD EUROPE'S FIRST LONG-DISTANCE HYDROGEN BUS**

FlixBus has announced that, with its partners Freudenberg Fuel Cell e-Power Systems and ZF Friedrichshafen AG, it has begun the HyFleet research project, which will focus on the development of a high-performance fuel cell system for long-distance buses, in order to bring sustainable and CO2-free mobility to life.

## **'WE'LL SPEND \$70BN ON RENEWABLES AND MAKE WORLD'S CHEAPEST GREEN HYDROGEN': INDIAN BILLIONAIRE ADANI**

Indian billionaire Gautam Adani said his Adani Group conglomerate will spend \$70bn to amass a 45GW renewable energy portfolio by 2030 and produce the world's cheapest green hydrogen.

## **AS AUTOS GO ELECTRIC, TOYOTA CHASES HYDROGEN DREAM**

Although a number of car makers are putting resources into building hydrogen fuel cell vehicles (FCV), none have shown the appetite Toyota has for hydrogen engine technology. At the end of August, there were 154 hydrogen stations in Japan. For the Japanese, hydrogen's allure is that it would cause less disruption than a full switch to EVs.

## **THREE GLOBAL ALLIANCES APPLY FOR GREEN HYDROGEN PROJECTS IN EGYPT**

Three global alliances have submitted applications for projects for the production of green hydrogen in Egypt's Sokhna and East-Port Said regions. This is an opportunity for Egypt to become a leader in the region for the production, use and export of green fuels. The North African country has huge potential to produce renewable energy at competitive prices, and its proximity to Europe and ability to ship globally through the Suez Canal give it a competitive advantage.

## **BP GOES ON HYDROGEN HIRING SPREE IN BID FOR 10% MARKET SHARE**

BP Plc has kicked off a hiring campaign to fill jobs in its fledgling hydrogen business. The U.K. oil and gas major is initially looking to fill some 100 hydrogen jobs to work on projects from Spain to Australia. It's among a raft of global energy companies stepping up investment in the clean-burning gas on a bet that the market will boom as industries and consumers switch to lower-carbon fuels.

## **SHELL DITCHES THE DUTCH, SEEKS MOVE TO LONDON IN OVERHAUL**

Royal Dutch Shell said on November 17 it would scrap its dual share structure and move its head office to Britain from the Netherlands, pushed away by Dutch taxes and facing climate pressure in court as the energy giant shifts from oil and gas. The company aims to drop "Royal Dutch" from its name - part of its identity since 1907 - to become Shell Plc.

## UNITED STATES

### HOUSE PASSES BIDEN'S BUILD BACK BETTER BILL WITH \$12,500 EV TAX CREDIT

After months of negotiations and stalled voting, the US House of Representatives passed President Joe Biden's \$1.9-trillion Build Back Better bill with a final tally of 220-213 on November 19. The legislation includes a massive overhaul to the federal electric vehicle tax credit system, with the potential for a \$12,500 refundable credit for buyers. The long-stalled bill now heads to the Senate, where it faces fresh hurdles.

### NEW YORK GASOLINE SUPPLY CRUNCH SPURS HUNT FOR PIPELINE SPACE

The value for space on the Colonial Pipeline's main gasoline line rose to 4 cents per gallon on November 15, the highest in nearly two years, according to data from S&P Global Platts. In the somewhat obscure line space market, regular shippers on the pipeline, which moves fuel from the Gulf Coast to the East Coast, have the option to sublet their allotted capacity for a premium when demand heats up.

### U.S. TO RELEASE 50 MILLION BARRELS OF OIL FROM RESERVE IN MOVE TO BRING DOWN PRICES

The U.S. government will release 50 million barrels of oil from its strategic petroleum reserve on to the market in an attempt to bring down the price of crude and gasoline. The U.S. strategic petroleum reserve currently holds more than 600 million barrels of crude in stockpile to ensure supply during unexpected natural disasters or other national security events.

### GREEN DIESEL MAKER TAKES ON LAST-MILE HURDLE WITH FUEL DELIVERY

Renewable Energy Group Inc., a top green diesel maker, is taking a minority stake in California-based Booster, a startup that delivers fuel straight to vehicles via big purple trucks. REG is seeking to bypass the "last mile" hurdle of reaching customers that otherwise might not have easy access to its climate-friendly fuels, either because of the need for costly on-site infrastructure or a lack of nearby gas stations that offer the product. The biofuels industry has long pushed for policies to address such obstacles.

### ELECTRIC VEHICLE MAKER RIVIAN RIDES TESLA HYPE TRAIN TO \$100B VALUATION DESPITE ALMOST NO SALES

Rivian Automotive, an electric vehicle company that has so far delivered only about 150 electric pickup trucks mostly to its own employees, surpassed General Motors November 11 to become the second most valuable U.S. car company behind Tesla. The California company went public in an initial public offering that priced shares at \$78 each. By the end of its first day as a public company, those shares were worth more than \$100, enough to value the company at \$88 billion.

### EV START-UP LUCID'S MARKET VALUE BLOWS PAST FORD AT MORE THAN \$89 BILLION AS SHARES SKYROCKET

Lucid Group's market value blew past Ford Motor on November 16 to \$89.9 billion following a 24% runup in the EV start-up's stock price after executives told investors that reservations for its first vehicles had jumped and that its production plans for 2022 were still on track.

### FORD PLANS TO INCREASE EV PRODUCTION TO 600,000 VEHICLES BY 2023

Ford Motor plans to increase its production capacity of electric vehicles to 600,000 units globally by 2023, which CEO Jim Farley expects would make the company the second-largest U.S.-based producer of EVs, behind Tesla. Farley said the increase would double the number of EVs the company had initially expected to produce over the next 24 months.

### LIQUID HYDROGEN SEEN AS 'HOLY GRAIL' FOR HYDROGEN UPTAKE IN MOBILITY SECTOR: LINDE COO

Industrial gas and chemicals company Linde sees liquid hydrogen as the "holy grail" for unlocking hydrogen use in the mobility sector, COO Sanjiv Lamba said November 16. A world leader in hydrogen liquefaction technology, Linde operates a \$2 billion hydrogen business with aims to quadruple its hydrogen divisions within the next 15 years, and liquid hydrogen will be a big part of that direction.

## **COME BY CHANCE REFINERY SOLD, WILL BECOME BIOFUEL OPERATION BY MID-2022**

Come By Chance refinery in N.L. has been sold to a U.S.-based private equity firm. Cresta Fund Management has bought a controlling stake in the idled refinery and plans to convert the plant to make aviation fuel and diesel from used cooking oil, corn oil and animal fat. The firm has also renamed the plant, which will operate as Braya Renewable Fuels. In July, North Atlantic Refining Limited Partnership and Cresta reached an agreement-in-principle for the sale.

## **TRUDEAU WINS NO CONCESSIONS ON BUY AMERICA FROM BIDEN**

At a trilateral meeting of North American partners last week, U.S. President Biden was non-committal about whether his administration would acquiesce to Canadian Prime Minister Trudeau's request that America allow tax incentives for U.S.-made electric vehicles apply to Canadian-made vehicles too. The credits are a component of Biden's U.S.\$1.75-trillion Build Back Better program.

## **CANADIAN GAS PRICES MAY STAY UP AS US TAPS OIL RESERVES: EXPERT**

U.S. President Joe Biden on November 23 authorized the release of oil reserves with the hopes of curbing high energy costs, but one Canadian expert says it won't be enough to turn around rising gas prices and may in fact be followed by a small increase.

## **JUDGE RULES ENBRIDGE LINE 5 OIL PIPELINE CASE WITH MICHIGAN BE HEARD IN FEDERAL COURT**

Calgary-based Enbridge Inc. scored a key victory in the Line 5 dispute November 16 as a judge in Michigan rejected the state attorney general's bid to get the dispute over the cross-border pipeline kicked out of federal court. U.S. Circuit Court Judge Janet Neff agreed with Enbridge that its dispute with Michigan Gov. Gretchen Whitmer's administration involves "substantial federal issues."

## **BIDEN ADMIN DISMISSES MICHIGAN GOV'S WISHES ON LINE 5 PIPELINE CLOSURE**

The Biden administration has announced that it is not, for now, supporting the closure of the Line 5 pipeline, which carries Canadian oil and gas across the border into Michigan. The Administration announced that it will continue a review by the Army Corps of Engineers and will maintain intensive talks with the Canadian government about the pipeline's future.

## **HOW THE GLOBAL ENERGY CRUNCH IS BOOSTING OILSANDS' SHIFT TO RENEWABLES**

The global energy crisis is giving new momentum to the shift to renewables in Canada, according to some of the bankers helping oilsands producers navigate that transition. That's because, for all the doubt that's been cast on the reliability of solar and wind power, surging oil and gas prices are providing more cash for major energy companies to pursue their long-term targets to cut emissions

## **EVOLUTION OF RENEWABLES AND BIOFUELS NEEDED TO HIT CLIMATE TARGETS, WILKINSON SAYS**

When former clean tech CEO Jonathan Wilkinson took over as Minister of Natural Resources, some saw it as a signal the department is going to evolve to prioritize clean technology in a way it hasn't yet done.

"I do think that the way in which we define natural resources going forward actually has to include renewable energy, it has to include hydrogen, it has to include biofuels," Wilkinson said in an interview with the Canadian Press.

## **COULD PLUG-IN HYBRID VEHICLES SLOW THE TRANSITION TO ELECTRIC-ONLY?**

Ottawa has a target for 100 per cent of new cars to be zero-emissions vehicles (ZEVs) by 2035. But that number includes plug-in hybrids (PHEVs) that run on gas and produce CO2. PHEVs are considered a 'gateway drug' to EVs. However, because most people keep a new car for 10 to 15 years, that means PHEVs will be on the road for a while. Joanna Kyriazis, a senior policy adviser at Clean Energy Canada, expects that government policies will soon phase out PHEVs.

## WESTERN REGION

### PARKLAND PAUSES B.C. REFINERY OPERATIONS DUE TO TRANS MOUNTAIN SHUTDOWN

Calgary-based Parkland Corp. is moving to pause its refinery processing operations in Burnaby, B.C., due to a lack of crude oil supply from the Trans Mountain pipeline, which has been shut down as a precaution due to the flooding in B.C. The company says it plans to maintain the refinery, which is a key source of gasoline for the Vancouver area, on standby mode so that it can resume processing quickly.

### ALTA. OILPATCH RECRUITING IN MARITIMES AGAIN AS DRILLING SET TO RISE IN 2022

After seven years of layoffs and hard times, employers in Alberta's oilpatch are once again flush with cash and out to lure workers from the Maritimes and other parts of Eastern Canada. The Canadian Association of Energy Contractors (CAOEC) said November 23 it is expecting 6,457 oil and gas wells to be drilled in 2022, a more than 25 per cent increase from 2021.

### ENERGY TRANSITION AND NET ZERO THEMES ANNOUNCED FOR CALGARY-HOSTED WORLD PETROLEUM CONGRESS IN 2023

The World Petroleum Congress set to be hosted in Calgary in 2023 will have a theme that sets it apart from past events: energy transition and the path to net zero. It's the first time net zero has been explicitly mentioned as a theme to the triennial petroleum industry gathering.

### HYDROGEN AS A FUTURE ENERGY SOURCE IN WESTERN CANADA

During the past year, Fluor Canada and GoobieTulch Inc. (GTI) have performed an in-depth review of hydrogen as a future energy source in Western Canada. One conclusion stood out in their report: a business case exists to continue with the development of an Alberta-based project to use hydrogen as a future energy source in Alberta, having the potential to replace traditional transportation fuels.

### B.C. COURIER FURTHER GREENS FLEET WITH ORDER FOR 40 HYDROGEN-FUEL TOYOTAS

In what's hopefully a harbinger of a zero-emission revolution to come, Geazone, a British Columbia-based "final-mile" courier company operating in Vancouver and Vancouver Island, has announced it is acquiring 40 new hydrogen-fueled Toyota Mirai fuel-cell electric vehicles to provide the sustainable delivery services of the future.

## PRAIRIE REGION

### SASK. ENVIRONMENTAL GROUP PUSHES FOR CHANGE AS PREMIER PANS FEDERAL OIL, GAS EMISSIONS CAP PLAN

A Saskatchewan environmental group called on the provincial government to think bigger when it comes to cutting emissions during the United Nations COP26 climate change summit, noting that if Saskatchewan were a country, it would have "the highest per capital greenhouse gas emissions in the world." Meanwhile, Premier Scott Moe blasted Prime Minister Justin Trudeau's performance and proposals at COP26, a sign that the two are still at odds over climate policy and the way forward.

### MANITOBA'S NEW PREMIER TO NEGOTIATE CARBON PRICE WITH OTTAWA

The Manitoba government has decided not to appeal a court ruling that said the federal government has a right to impose a carbon price on provinces. Instead, Premier Heather Stefanson is hoping for a more amicable negotiation with Ottawa than her predecessor, Brian Pallister.

### SASK. EV GROUPS ASK GOVERNMENT TO DELAY \$150 TAX

The Saskatchewan Environmental Society is calling on the provincial government to delay the electric vehicle tax. This group, along with the Saskatchewan Electric Vehicle Association, SaskEV, and Tesla Owners Club of Saskatchewan, is asking that the Saskatchewan government delay the \$150 tax put into effect October 1 that would be contributed to the provincial road maintenance fund.

## SASKATOON EV COMPANY AIMING TO PROVIDE RELIABILITY IN CANADIAN COLD

A Saskatoon company is looking to make a big splash in the growing electric vehicle market. Teal Electrification Systems is offering a full line of electric commercial vehicles, under the Teal-EV banner. One key concern for Teal EV has been performance in the cold Canadian climate, usually a problem for electric vehicles.

### ONTARIO / QUÉBEC REGION

## ONTARIO ANNOUNCES STRATEGY TO ATTRACT ELECTRIC-VEHICLE INVESTMENT

Announcing Phase 2 of Ontario's auto strategy, Driving Prosperity, Premier Doug Ford November 17 announced an emphasis on manufacturing electric vehicles (EVs) in the province. **The plan** aims to attract more auto manufacturers by establishing a battery supply chain ecosystem that connects critical minerals in the north to manufacturing production capacity in the south of the province. The government's goal is to see 400,000 EVs manufactured in the province by 2030.

## DOUG FORD SAYS HE WON'T GIVE ONTARIANS REBATES TO BUY ELECTRIC VEHICLES, EVEN THOUGH SALES ARE LAGGING

Premier Doug Ford is dismissing the idea of bringing back a rebate to encourage Ontarians to buy more electric vehicles, even though the province is lagging behind much of the country in sales. In 2018, Ford's government cancelled the Electric and Hydrogen Vehicle Incentive Program brought in by the Liberals under Kathleen Wynne. A report from market analytics firm IHS Markit shows electric vehicle sales in Ontario were far behind that of provinces offering incentives in the third quarter of 2021.

## ONTARIO LIBERALS PROMISE UP TO \$9,500 IN EV INCENTIVES

Ontario electric vehicle buyers will be able to plug in to \$9,500 in incentives under a provincial Liberal government, Leader Steven Del Duca says. Combined with an existing federal subsidy, an EV purchaser could see a rebate of up to \$13,000, Del Duca said. The Ontario Liberals also plan to offer up to \$1,500 to assist in obtaining charging equipment.

### ATLANTIC REGION

## SOARING ETHANOL PRICES STINGING NEW BRUNSWICK DRIVERS, EVEN THOSE WHO DON'T USE IT

Soaring prices in the United States for the plant-based fuel ethanol are hitting consumers at the gas pumps in New Brunswick, even at pumps that don't carry ethanol. It's an expensive pricing oddity that has been causing confusion for provincial drivers, wholesalers and retailers. The anomaly is caused by New Brunswick's mechanism to accommodate ethanol price spikes.

## CALL FOR OFFSHORE DRILLING BIDS IN NOVA SCOTIA WATERS GOES UNANSWERED — AGAIN

A call for bids from companies for offshore oil and gas drilling in Nova Scotia waters has gone unanswered, again. The Canada-Nova Scotia Offshore Petroleum Board issued a Call for Bids in May that included two mainly deep-water parcels located on the southwestern Scotian margin with potential for oil and gas exploration. The board received no bids by its Nov. 3 deadline.

## DEMAND GROWS FOR ELECTRIC VEHICLES IN THE MARITIMES, BUT SUPPLY IS LIMITED

As 2021 winds down, anyone considering a new vehicle has likely at least considered going electric, although there aren't a lot of in-person options in the Maritime provinces. Insiders say more could be done to change that.

INTRODUCING

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[jstewart@cipma.org](mailto:jstewart@cipma.org) | Cell: 613.915.5699

**MAILING ADDRESS** | 411 Donald B. Munro Drive, Ottawa, Ontario, K0A 1L0

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