

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

January 2022

connection

W W W . C I P M A . O R G

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JENNIFER STEWART

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APRIL 11-13, 2022 MONTREAL, QUEBEC

SECTOR NEWS UPDATES

FUELLING CANADA'S FUTURE

FULL MEMBERS



ASSOCIATE MEMBERS



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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,

Welcome to the first 2022 issue of Connection! The beginning of a new year is the perfect time to reflect upon the importance of our sector, particularly given what happened during the extreme weather in British Columbia near the end of last year.

When all is well, it is easy to take for granted the work that happens every day to ensure Canadians have access to the fuel they need to carry out their daily lives. However, a catastrophic event like the severe flooding in British Columbia in November – which is unfortunately becoming more likely due to climate change – is an important reminder of the extent to which the public relies on the products and services of our Members.

During the 21-day closure of the Trans Mountain Pipeline, which is the only pipeline delivering petroleum products to British Columbia, the situation came very close to critical. It was thanks to the extraordinary efforts of those in our industry that British Columbians did not run out of fuel. In a recent Globe and Mail op-ed, Trans Mountain Pipeline CEO Ian Anderson described how a group of industry representatives met daily with provincial and federal government officials during the crisis to find ways to maintain critical fuel supply throughout this longest-ever shutdown in the history of the pipeline. This included local suppliers working together to accomplish the herculean feat of procuring fuel by barge and rail.

What CIPMA Members do matters. Our sector provides critical products and services without which life in this country would grind to a halt. That's why I am proud to represent and advocate for our Members as we not only strive to meet the transportation energy needs of Canadians, but also work toward a smooth transition to providing the sustainable options that will ensure the future health of our planet.

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,

Jennifer Stewart
President and CEO

Canadian Independent Petroleum Marketers Association

STAYING CONNECTED

CIPMA CONNECTION
2022 EVENTS, PODCASTS, WEBINARS

PODCAST: SEASON TWO, EPISODE 2 ROADCHATS NOW AVAILABLE

Join Michelle Coates Mather and special guest Sarah Herdman, CEO of AXOS Renewable Energy, as they discuss the evolving Canadian market for clean, combustible fuel solutions, the role renewables play in the path to decarbonization, and why this is such an exciting time to be an entrepreneur in the renewable fuel industry.

Listen [here](#)

2022 CANADIAN FUEL MARKETING CONFERENCE REGISTRATION OPEN

Montreal, Quebec
April 11 – 13, 2022

For further information and to register click [here](#)
Interested in learning about sponsorship opportunities?
Contact Dana Telfer at dtelfer@cipma.org



GOVERNMENT POLICY AND INDUSTRY HIGHLIGHTS

This 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.

NATIONAL POLICY UPDATES

Life Cycle Analysis Comparison – Electric and Internal Combustion Engine Vehicles

On January 25, the Fuels Institute released a **report** that evaluates the life cycle environmental impact of three vehicle types – electric (BEV), internal combustion (ICEV), and hybrid (HEV) – at each stage of their life, from material sourcing through operations to end of life. It also compares the energy sources that power the different kinds of vehicles and the effect of external variables on life cycle carbon emissions and the corresponding total cost of ownership. (You can find a summary of the report's key findings on p. 7)

13 Canadian companies on the 2022 Global Cleantech Report

According to the 13th edition of the Global Cleantech 100, the number of Canadian firms considered to be among the top cleantech startups in the world continues to rise. Assembled by San Francisco-based market research firm Cleantech Group, the Global Cleantech 100 highlights the privately-held cleantech companies deemed most likely to have a significant market impact over the next five to 10 years by a panel of experts. The **2022 Global Cleantech 100** names 13 Canadian companies, up from 11 last year, placing Canada as the second-most represented country on the list next to the United States, which dominated with 50. Read more [here](#).

Buying better – Leveraging federal procurement to drive demand for Canadian cleantech

A **new Smart Prosperity Report** outlines how the federal government can use its significant buying power to seize our cleantech advantage by procuring products made in Canada. The report identifies three distinct issues that the federal procurement system grapples with and puts forward five policy recommendations that will advance procurement of environmentally preferable innovative products. Read the full report [here](#).

Geopolitics of the Energy Transformation: The Hydrogen Factor

According to **new analysis by the International Renewable Energy Agency (IRENA)**, hydrogen is changing the geography of energy trade and regionalising energy relations, signalling the emergence of new centres of geopolitical influence built on the production and use of hydrogen as traditional oil and gas trade declines. Analysis and key findings offer insights into how countries and stakeholders can navigate the uncertainties and shape the development of hydrogen markets, including policy considerations to help mitigate the geopolitical risks and capitalise on opportunities.

Hundreds of academics ask Freeland to scrap carbon capture tax credit

More than 400 Canadian climate scientists and other academics have **written a letter** to the federal finance minister calling for a planned tax credit

for carbon capture and storage facilities to be scrapped, describing it as a “massive subsidy to the oil and gas industry.” Carbon capture, storage and utilization systems, known as CCUS, trap and isolate carbon dioxide emitted mostly from large-scale industrial operations and store it deep underground. Most projects currently use the added pressure created by the stored CO2 to push more oil out of the ground, known as enhanced oil recovery. Freeland floated the idea of the tax credit in last year’s federal budget, and consultations to design it ended just before Christmas.

Bank of Canada and banking regulator say financial sector faces climate transition risk

A **new report** by the Bank of Canada and the Office of the Superintendent of Financial Institutions examined the balance sheets of Royal Bank of Canada, Toronto Dominion Bank and four large insurance companies to see how the institutions would be impacted by various policies aimed at achieving net-zero emissions. The research is among several initiatives across Canada that are aimed at gauging the financial and economic effects of climate change. As Canada transitions to net-zero, “some sectors will be significantly impacted and the economy as a whole will undergo significant structural changes,” said Toni Gravelle, deputy governor of the Bank of Canada. The transition will be more challenging for commodity-exporting countries like Canada. The report also found that delayed action increases the risks to the financial sector and the entire economy.

Zero Emission Vehicle Availability study released

A **new study by consulting firm Dunsky**, prepared for Transport Canada, found that despite increasing inventory levels, the majority of dealerships in Canada still have no or extremely low EV stock. While inventory levels have increased, many shoppers entering dealerships across Canada will not find a ZEV available that can be driven off the lot the same day. Another key finding is that inventory continues to be unevenly distributed between provinces and automakers, with a number of automakers focusing their inventory in Quebec, BC and, to a lesser extent, Ontario, leaving other parts of the country with much less inventory overall as well as a lack of diverse options.

Car advertising finally goes electric

Industry giants have started making EVs en masse and are testing new strategies to sell them, **as this Bloomberg story explains**. Many of the major automakers, for the first time, are giving plug-ins the kind of nationwide advertising that they typically reserve for their best-selling combustion engine models. Car brands collectively ran four times as many national television ads for EVs in 2021 as they did either of the previous two years. The shift is quicker than many anticipated, and is partly to do with disruptions to the supply chain, according to marketing analytics startup EDO president and CEO Kevin Krim. "It's really striking that, even though everyone saw electric coming for a long, long time, no one was really messaging it at any scale," says Krim, "until suddenly you don't have any conventional cars, so you might as well sell the future." The results of this new marketing strategy are paying off, with EV ads outperforming traditional car spots when it comes to the proportion of viewers who look online for more information following the airing of ads.

The Government of Canada launched consultations in December on commitment to require all new cars sold in Canada be zero emission by 2035

Now closed, **early consultations** on key, new emissions reductions measures will inform the 2030 Emissions Reduction Plan (ERP) set to be tabled by the end of March 2022. This timeline will enable the government to engage with provinces, territories, Indigenous Peoples, the Net-Zero Advisory Body, and interested Canadians on what is needed to reach Canada's climate objectives. Written submissions will be welcomed. Canada's 2030 Emissions Reduction Plan is the first of many requirements under the Canadian Net-Zero Emissions Accountability Act. The Government of Canada is considering more formal, ongoing, and consistent engagement processes for the establishment of future emissions reduction targets, plans, and reports.

Finding the Way to Zero: Final report of Climate Action Canada's 2021 workshop series on net-zero

A recent report by the International Institute for Sustainable Development captures the outcomes of a series of virtual workshops run by the Climate Action

Network in 2021 on the implications of net-zero in Canada. Themes included net-zero scenarios and pathways, carbon removal, energy transition and the role of different energy sources, and carbon offsets. A primary objective of the workshops was to identify areas of clear agreement to inform an approach to net-zero that the Climate Action Network (and its members and allies) can uphold and advocate for in the coming months and years. The report captures the discussions that were held, outlining areas of agreement on several potential principles, policy positions, and future research activities.

PROVINCIAL & TERRITORIAL POLICY TRENDS

Central Canada

The Ontario **government is providing** \$2.5 million to help **Kawartha Ethanol** in Havelock to expand its production capabilities for hand sanitizers to help fight the COVID-19 pandemic. Launched in April 2020, Kawartha Ethanol's corn production facility has the annual capacity to produce 100 million litres of fuel-grade ethanol.

Western Canada

Metro Vancouver's transit and transportation network **has committed** to eliminating its climate-polluting greenhouse gas emissions by 2050. Translink said it aims to achieve net-zero emissions from its bus fleet by 2040, and a reduction of 45 per cent over 2010 levels by 2030. The targets apply to its entire fleet, which includes more than 2,000 transit vehicles and 400 service vehicles, along with operations at more than 200 facilities, such as stations, terminals and administrative offices.

Northern Canada

The government of the Northwest Territories is looking into electric vehicle charging options in the region, describing some "uniquely northern obstacles" in **a recently released report**. The report looks at the feasibility of building a network of fast-charging stations for electric vehicles between Yellowknife and the Alberta border. Some of the proposed locations are in remote locations and are more than 100 kilometres away from an existing

power grid. Another challenge is the sparse commercial land along the proposed route, with the typical charging stations being located in places where there are other businesses and amenities. Read more [here](#).

Atlantic Canada

The Pembina Institute has released a new report examining the cost of providing reliable electricity in New Brunswick and Nova Scotia using Clean Energy Portfolios (CEPs). The report, ***Towards a Clean Atlantic Grid: Clean energy technologies for reliable, affordable electricity generation in New Brunswick and Nova Scotia***, found that as coal is phased out, the next energy resource built in these provinces should be CEPs because they are cleaner, more affordable and just as reliable as a new gas plant or small modular nuclear reactor (SMR). CEPs would also create jobs and stimulate economic development. The findings come at a critical point for Nova Scotia and New Brunswick, as the federal government has committed to a net-zero grid by 2035, and the two provinces plan how to phase out their coal plants.

GLOBAL RESEARCH TRENDS

Increased mobility improves ethanol trade as policies drive long-term demand

The reduction of COVID-19 restrictions around the world has spurred a **near global recovery in ethanol trade**, with gains seen around the world. In Canada, fuel ethanol was slightly higher than last year and is set to increase with policies like the Clean Fuel Standard (CFS) expected to drive further demand for ethanol in the market. "The council is encouraged by this uptick in global ethanol trade," said Brian Healy, USGC director of global ethanol market development. "Our offices are hard at work with local partners in demonstrating the ongoing value of using globally available, low-carbon ethanol to meet their policy goals."

Biofuel and agricultural interest groups press EPA not to reset 2020 Renewable Fuel Standard Volumes

In December, the Biden administration in the U.S. announced proposed cuts to the Renewable Fuels Standard (RFS), along with the rejection of all pending small-refinery exemptions and the approval

of federal aid to biofuel producers hurt by the COVID-19 pandemic. **This month**, biofuels and agricultural groups are calling on the Environmental Protection Agency (EPA) to drop a proposal to retroactively cut the corn-ethanol portion of the RFS for 2020. Reopening the 2020 volumes, CEO of Absolute Energy LLC Rick Schwarck said, would set a "dangerous precedent" and reverse the "EPA's long-held position" that it does not have "authority to retroactively adjust" previously set RFS standards.

IEA says Canada can be key global oil supplier if emissions promises kept

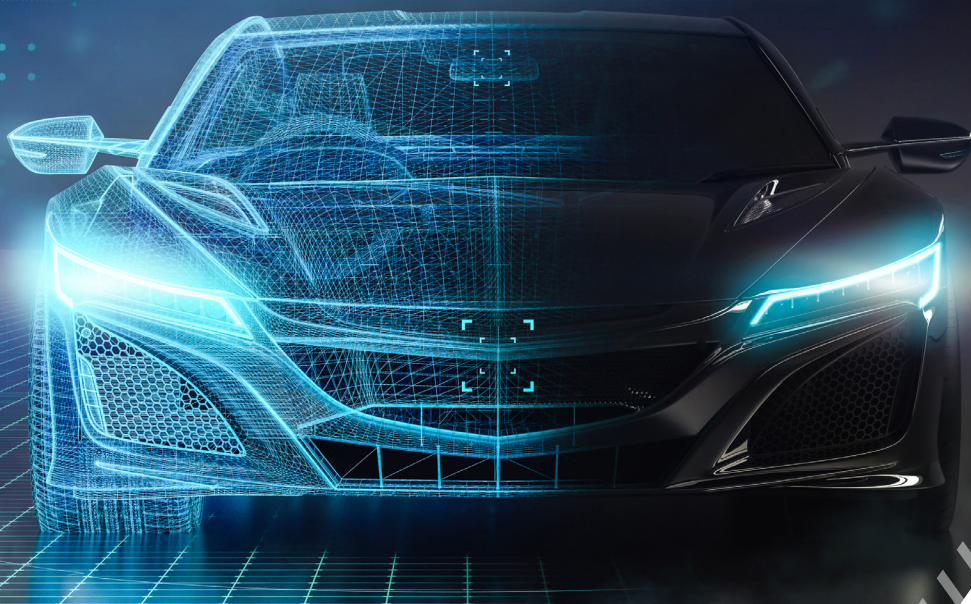
The **International Energy Agency (IEA)** says that Canada can be a key global supplier for years to come providing it sticks to promises to sharply cut emissions. The world will need oil and gas even while aiming for net-zero emissions by 2050, and IEA Director Fatih Birol would like that production to come from reliable countries with plans to produce it as cleanly as possible. To speed up decarbonization of the oil and gas sector, the IEA called for strong action to curb methane emissions and accelerate the rate of innovation in energy technology.

Ethanol blending in India rises to 8.1% in 2020-21, up from 5% the previous year

Thanks to a number of policy measures aimed at increasing the share of biofuels in the transportation sector and cut the country's dependence on oil imports, **ethanol blending in India rose to 8.1% in 2020-21**. As more supplies become available, the blending ration is expected to reach 10% this year. India aims to further boost ethanol production to reach a blending ratio of 20% by 2025.

Green hydrogen to get cheaper by 2030 as China drives policies favouring clean fuel to control emissions

As China cranks up investments for clean energy under its long-term climate-change commitments, green hydrogen could become as much as three-fourths cheaper over the next decade. The cost could drop to around US\$1.40 to US\$2.30 per kg by 2030 in regions with abundant renewable wind and solar resources such as the Middle East, Australia and northwestern part of China, according to Shell Hydrogen, versus as high as US\$6 in recent trades. China is the world's largest producer of hydrogen and has prioritised hydrogen as an emerging industry under its 2060 net-zero goal.



FUELS INSTITUTE REPORT SUMMARY

On January 25, the Fuels Institute released a report entitled **"Life Cycle Analysis Comparison – Electric and Internal Combustion Engine Vehicles."** The report evaluates the life cycle environmental impact of three vehicle types – electric (BEV), internal combustion (ICEV), and hybrid (HEV) – at each stage of their life, from material sourcing through operations to end of life. It also compares the energy sources that power the different kinds of vehicles and the effect of external variables on life cycle carbon emissions and the corresponding total cost of ownership.

Key findings:

- Based upon the U.S. average electricity sector, BEVs emit 41% fewer tons of greenhouse gases than comparable ICEVs. HEVs emit 29% fewer tons of greenhouse gases than ICEVs and 21% more than BEVs.
- How electricity is generated matters: in low-carbon electricity markets, BEVs emit 71% fewer tons of greenhouse gases than ICEVs; in extremely high-carbon electricity markets, BEVs emit 16% more than ICEVs and 59% more than HEVs.
- BEVs are less carbon intense than ICEs after approximately 19,000 miles of operation in places with low-carbon electricity. Parity with ICE vehicles occurs at a much later point in vehicle life with high-carbon electricity.
- Decarbonization of electricity appears to be the biggest driver in reducing the life cycle emissions from the vehicle followed by technological advancements in vehicle systems. Larger scale adoption propels the technology growth faster due to economies of scale.
- 72% of greenhouse gases emitted by BEVs are associated with electricity generation; 73% of ICEV emissions are associated with fuel consumption during vehicle operation.
- Despite their higher acquisition costs, over a 10-year period BEVs and HEVs represent on average an 8% lower total cost to own compared with an ICEV, driven primarily by lower fuel expenditures.
- In 2025, it is projected that overall BEV ownership costs will be lower than the respective ICE vehicle in seven of the nine types of BEVs studied. Declining battery costs are expected to account for much of the future decline in EV costs. Some other factors include increased vehicle efficiency and reduced cost of many EV components due to economies of scale.



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APRIL 11-13, 2022

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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

THE BULLISH CASE FOR OIL PRICES IN 2022

At the start of 2022, Omicron's surge and record COVID cases in many major economies are combining with an expected oversupply on the oil market to give bears a reason to cheer. COVID developments will continue to be the biggest wild card in the market this year, but average global oil demand in 2022 is expected to exceed the pre-pandemic level from 2019, forecasters and analysts say.

GLOBAL CARBON PRICE COULD BE 'GAME CHANGER,' BOE OFFICIAL SAYS

A Bank of England policy maker said adopting a global price on fossil fuel pollution could spur investment and productivity that would lift the world economy out of its torpor. Catherine Mann, a member of the U.K. central bank's Monetary Policy Committee, said that pricing carbon emissions everywhere could feed a fundamental improvement in productivity that would encourage growth.

DAMAGED PIPELINE CUTS LIBYA'S OIL OUTPUT BY 200,000 BARRELS PER DAY

Libya's oil production dropped by another 200,000 barrels a day in the first week of January as workers tried to fix a damaged pipeline. The latest outage comes less than two weeks after militias shut down the OPEC member's biggest field, causing output to fall by around 350,000 barrels a day. Any sustained drop from Libya, which sits on Africa's biggest oil reserves, could counter efforts by OPEC and its partners to boost exports.

SHELL HITS OIL AND GAS IN NAMIBIAN OFFSHORE WELL

Shell has made a significant oil and gas discovery at a closely-watched offshore well in Namibia which could spark a wave of investment in the southern African country, which before now was not a fossil fuel producer.

MALAYSIA AIMS TO IMPLEMENT B20 BIODIESEL MANDATE BY END OF 2022

Malaysia plans to implement its nationwide adoption of the B20 palm oil biofuel programme by the end of the year, the country's palm oil board revealed. The mandate to manufacture biofuel with a 20% palm oil component for the transport sector was introduced in January 2020 but faced delays due to the pandemic.

AUSTRALIA'S BIOFUELS COULD GET BOOST FROM NEW STANDARD

New Australian fuel standards starting in 2022 could significantly increase the ethanol blend rate. A new fuel standard starting Jan. 1, 2022, reduces the gasoline pool maximum aromatics content from 42% to 35%. If enforced, this could prompt a significant increase in ethanol use.

JAPAN TO SKIP CARBON TAX IN FISCAL 2022 REFORM PACKAGE

Japan's ruling Liberal Democratic Party and its coalition partner, Komeito, have decided not to include the introduction of a carbon tax in their tax reform package for fiscal 2022. A carbon tax will instead be mentioned as an important issue that needs to be considered, along with various other policies aimed at realizing a carbon-neutral society.

EU SPLIT ON PROPOSALS TO EXTEND CARBON PRICING TO ROAD TRANSPORT, BAN POLLUTING CARS

EU countries remain divided on proposals to tighten carbon emission standards for cars and extend the EU's carbon market to the road transport sector. The revised regulation on CO2 emission standards for cars and vans increases emissions targets to 2030 and proposes an effective ban on the sale of diesel and petrol vehicles by 2035.

SHELL OPENS FIRST EV CHARGING HUB IN THE U.K.

Oil and gas giant Shell has announced the opening of its first EV charging hub in the U.K. The new hub is located in London, where existing gasoline and diesel pumps have been replaced with new ultra-rapid charge points. It is a global pilot for Shell, and is considered the first instance in which a gasoline/diesel station has been converted to exclusively electric-vehicle charging.

MIDDLE EAST OIL GIANTS ARE BATTLING FOR HYDROGEN SUPREMACY

Saudi Arabia and the UAE have both revealed major investments in blue and green hydrogen production for the next decade, hoping to beat Europe to become the biggest producers of the fuel.

GERMANY'S \$1BN SCHEME TO SUBSIDISE GREEN HYDROGEN PROJECTS IN NON-EU NATIONS GETS GREEN LIGHT

A €900m (\$1bn) plan to subsidise green hydrogen production in non-EU countries, including Canada, for import into Germany has been approved by the European Commission. Berlin launched the H2Global scheme earlier this year because it believes that Germany will not be able to produce enough affordable green hydrogen from renewable energy inside its own borders.

UNITED STATES

WHITE HOUSE OPTIMISTIC EV CREDITS WILL STAY IN REWORKED SPENDING BILL

White House National Climate Advisor Gina McCarthy expressed confidence on January 20 that tax credits for electric cars would survive in a reworked Build Back Better climate and social spending bill after President Joe Biden signaled willingness to accept "chunks" of the stalled legislation. The comments come as Congress has struggled to enact all of Biden's proposals for boosting the adoption of electric vehicles.

ON THE DEFENSIVE A YEAR AGO, THE AMERICAN PETROLEUM INSTITUTE IS BACK WITH BRAVADO

What a difference a year makes. The chief of the nation's top oil and gas lobby laid out the state of his industry on January 12 in a presentation that reflected a remarkable turnaround for the sector. While Sommers repeated his warnings from last year against restricting oil and gas development, his tone was less combative.

VERBIO NOW PRODUCING BIOFUELS AT IOWA PLANT

Verbio has commenced production at its new production plant in Nevada, Iowa. The plant will generate biomethane from maize straw, and is the first large-scale commercial plant in the USA to use the technology developed by Verbio.

GM TO EXTEND PRODUCTION HALT FOR CHEVROLET BOLT EV THROUGH FEBRUARY

General Motors Co said December 20 it is extending a production halt at its Orion Assembly plant in Michigan, which makes the Chevrolet Bolt electric vehicle, through the end of February. GM has also indefinitely halted retail sales of new Bolt vehicles.

GM WORKING ON HYDROGEN-POWERED GENERATORS TO MAKE EV CHARGING PORTABLE

General Motors announced January 19 that it is planning to bring its Hydrotec hydrogen fuel-cell technology to generators. The company plans to test the waters with a hydrogen-powered mobile power generator, or MPG, and a rapid charger called Empower. While GM foresees multiple use cases for its Hydrotec-based generators, it is primarily highlighting this technology's potential to help today's gas stations transition to electric-vehicle charging stations.

PLANS FOR 'WORLD'S FIRST CARBON-NEGATIVE GREEN HYDROGEN PROJECT' UNVEILED IN US

A US start-up says it will produce carbon-negative green hydrogen from wood waste at a plant in Bakersfield, California, as soon as 2024. By utilising biomass that has absorbed carbon dioxide from the atmosphere as it grew, and then capturing and storing that CO₂, the process actually removes carbon from the air.

'WE WILL REDUCE THE COST OF GREEN HYDROGEN TO \$1/KG BY 2025', SAYS ELECTROLYSER MAKER CHAIRMAN

US-based electrolyser maker Ohmium will be able to produce green hydrogen in India at a levelised cost of \$1 by 2025, its chairman Ahmad Chatila told Indian business newspaper The Economic Times. Ohmium, which is headquartered in Nevada, shipped its first electroliser from its factory in Bangalore, India, in November.

THE LONE STAR STATE MAY HOST THE WORLD'S NEXT BIG HYDROGEN HUB

It is widely thought that a future low-carbon hydrogen industry will arise in industrial clusters. ExxonMobil Corp. is thinking seriously about a hub concept for Houston, Texas, where the company has a major corporate campus, large refinery complex, and more than 12,000 employees.

CANADA

HIGH GAS PRICES, OILPATCH LABOUR CRUNCH, PIPELINE FRICTION: THE YEAR AHEAD IN ENERGY

The CBC's Tony Seskus says the industry expects a busier 2022 as policy-makers sharpen focus on net-zero plans. Stories to watch in the coming months include: high gasoline prices, a busier oilpatch, pipeline strife, climate scrutiny, and energy transition and disruption.

CANADA HAS COMMITTED TO HALT FINANCING TO THE OIL AND GAS INDUSTRY. TO UNDERSTAND WHAT THAT REALLY MEANS, WATCH FOR THE FINE PRINT

At last year's UN COP26 climate conference in Glasgow, Scotland, Canada joined 23 other countries in committing to end certain types of **support for foreign oil and gas activity by the end of 2022**. During a news conference, Minister of Natural Resources Jonathan Wilkinson said Canada would also end public financing of "domestic" fossil fuel projects, reiterating an election campaign pledge made by the Liberal Party.

OIL INVESTMENT TO RISE

The Canadian Association of Petroleum Producers says it expects a 22 per cent increase in natural gas and oil investment in 2022. The association says capital spending in the sector is expected to reach \$32.8 billion, compared with an estimated \$26.9 billion in 2021. CAPP says the expected growth in overall spending this year would mark the second straight year of significant increases in investment.

LAST BLEND STANDING? CANADIAN OILSANDS' PROSPECTS SURGE AS COMPETITORS FALL APART

The decimation of crude exports from rival heavy oil producers has made the Canadian oilsands the last exporting blend standing in the Americas. The latest tailwind for the Canadian energy sector could emerge from Mexico's decision to curtail crude oil exports.

CANADA WRESTLES WITH CARBON BORDER ADJUSTMENTS

The federal government is currently consulting on how to prevent "leakage" of industries and investment and keep Canadian industry competitive with a tool known as border carbon adjustments (BCA). A federal discussion paper, **Exploring Border Carbon Adjustments for Canada**, frames the issue and outlines the factors that could shape the design of a BCA. The federal finance department is **looking for input** by January 31.

STUDY SHOWS MORE THAN 50% OF CANADIANS HAVE CONSIDERED PURCHASING AN EV

A report on public opinion of zero-emission vehicles (ZEV) in Canada is now public from Natural Resources Canada (NR Can). The study aimed to provide a baseline measure of Canadians' awareness, knowledge and confidence in ZEVs. NR Can will repeat the survey annually or bi-annually to provide key performance indicators on ZEVs in Canada so it can course correct as the country pushes to move to 100 per cent ZEV adoption by 2035.

ELECTRIC AUTONOMY DRIVERS' SURVEY STUDIES IDEAL EV CHARGING STOP

As part of research for **The Electric Fuelling Station of the Future** design competition, meant to reimagine what multi-purpose electric fuelling stations of the future should look like, Electric Autonomy Canada and its partners commissioned an EV driver survey to explore driver consumer behaviour profiles and interests relevant to highway recharging facilities.

CANADA NEEDS TO BUILD MILLIONS – NOT THOUSANDS – OF EV CHARGING STATIONS, INDUSTRY GROUP SAYS

The federal government is promising to spend close to \$880 million over the next four years to build about 65,000 new charging stations for electric or fuel cell-powered passenger vehicles. But an industry group representing some of Canada's biggest automakers says Canada needs to be building millions of stations.

FEDERAL GOVERNMENT ANNOUNCES \$73-MILLION TOP UP FOR IZEV REBATE PROGRAM

The federal government is continuing its efforts to aid and encourage more Canadians to switch over to electric vehicles by topping up, once again, the Incentive for Zero-Emission Vehicles (iZEV) rebate program. \$73 million was added to the program in mid-December to extend purchase incentives to the end of March 2022.

ELECTRIC CIRCUIT SIGNS TWIN CHARGING NETWORK ROAMING AGREEMENTS WITH CHARGEPOINT, MERCEDES

Plugging in an electric vehicle at an Electric Circuit or ChargePoint station is a lot more seamless, with the operators now enabling roaming agreements across their networks. The roaming agreements mean EV owners will no longer need multiple accounts or subscriptions to charge at either of these providers' stations. A single Electric Circuit or ChargePoint mobile app or card will do the trick instead.

ENEL X PROVIDES 438 LEVEL 2 EV CHARGERS TO 50 KILLAM MULTI-UNIT RESIDENTIAL BUILDINGS ACROSS CANADA

A new electric vehicle charger deal between a national multi-unit residential building landlord and an international energy management company, with funding from Natural Resources Canada, is bringing 438 Level 2 chargers to 50 apartment buildings across Canada.

REPORT PREDICTS GROWTH IN CANADIAN RENEWABLE DIESEL PRODUCTION

Canada could have 3.27 billion liters (863.84 million gallons) of renewable diesel production capacity in place within the next four years, according to a report recently filed with the USDA Foreign Agricultural Service's Global Agricultural Information Network. The report discusses the current status of the Canada's renewable diesel and biodiesel industries and provides an overview of the country's draft Clean Fuel Standard.

WESTERN REGION

TRANS MOUNTAIN OIL PIPELINE RETURNS TO NORMAL OPERATING PRESSURE

The Trans Mountain pipeline returned to normal operating pressure on January 15, it said in a statement, after functioning at reduced pressure for over a month. The Canadian government-owned oil pipeline, which ships 300,000 barrels a day of crude oil and refined products from Alberta to the Pacific Coast, had been operating at a reduced capacity since Dec. 5.

CAPLINE PIPELINE REVERSAL FULLY ONLINE WITH EXTRA CANADIAN CRUDE CAPACITY

The reversed Capline Pipeline is fully online and has enough excess capacity to roughly double its current Canadian oil sands crude volumes. Capline is a 632-mile, 40-inch pipeline system that historically moved crude from the Louisiana Gulf Coast to Midwestern refiners but was reversed due to increased demand has picked up for crude oil from Canada and the Bakken shale.

HOW ALBERTA IS TURNING CARBON EMISSIONS INTO AN ADVANTAGE

Large industrial plants are meant to last decades, so planners need a solution for carbon now if they want to hit their own net-zero targets for 2050. Increasingly, corporate planners are looking for places that already put a price on carbon and have the infrastructure and geological potential to sequester CO2 below ground. Alberta is one such place.

SUMMERLAND ALSO BEING EYED FOR HYDROGEN PLANT

Summerland has joined Penticton on a short list of Okanagan communities where a Toronto-based company is planning to build cutting-edge facilities to convert scrap aluminum into hydrogen and electricity. Officials from GH Power – formerly known as Frontenac Energy – on January 10 provided an update to Summerland council to explain their technology and future demand for it.

LIMITS ON OIL PRODUCTION NO LONGER NEEDED, ALBERTA GOVERNMENT SAYS

Alberta let its oil production curtailment policy expire on December 31. UCP Energy Minister Sonya Savage says the province has not set production limits on the oil industry since December of 2020. She said the market is now working as it should, and the government's power to curtail oil production is no longer needed.

INDIGENOUS LEADERS PUSH FOR CREATION OF MANDATORY ELDERS WISDOM PANELS ON RESOURCE PROJECTS

Some Indigenous leaders are hopeful the Alberta government will act on a recent recommendation to create elders wisdom panels, which could be involved whenever a major natural resources project is proposed in the province. The panels are one of the recommendations of the recent inquiry by commissioner Steve Allan, a long-delayed and **controversial report** into alleged anti-Alberta energy campaigns.

PRAIRIE REGION

OPERATIONAL PROBLEMS HIT SUNCOR AGAIN, LOWERING OIL PRODUCTION

Operational problems at two Suncor Energy Canadian oil sands sites last month resulted in lower crude production, the company said on January 18, marking its latest such issue. The company said its full-year production was 732,000 bpd, down 1% from its guidance range. The sites have returned to normal output. Production guidance for 2022 is unaffected.

SASK. GOVERNMENT VOWS TO SUBMIT NEW CARBON PRICING PROPOSAL TO FEDERAL GOVERNMENT

Premier Scott Moe says Saskatchewan will soon be sending a new submission to the federal government to get provincial control of carbon pricing. On January 19, the premier said new submissions would be sent in the next few months.

SASKPOWER NOT PASSING ON 2022 FEDERAL CARBON PRICE INCREASE TO ITS CUSTOMERS

SaskPower says it will not be passing on the federal carbon price increase to its customers. The federal carbon price increased from \$40 to \$50 per tonne on Jan. 1, 2022. The Crown utility says reduced coal emissions and more reliance on renewable energy will allow customers to pay the same rate for the carbon price in 2022 as they did in 2021.

RENEWABLE DIESEL MADE FROM CRUSHED CANOLA TO BE MANUFACTURED IN REGINA

Federated Co-operatives Ltd. says a new renewable diesel fuel and canola-crushing plant will be part of its plan to reduce greenhouse gas emissions. The oil-production business announced January 17 that the estimated \$2-billion Integrated Agriculture Complex is to be built in north Regina. The project is expected to be completed by 2027.

SASK. RESEARCHER FINDS ALTERNATIVE FUEL IN PROVINCE'S AGRICULTURAL LEFTOVERS

A University of Saskatchewan researcher has composed a recipe that could put some of the millions of tonnes of leftover canola meal to use in a holistic way: as biofuel. Professor Ajay Dalai has been considering how to mimic the forestry sector's use of pellets as a biofuel in the province's vast agricultural industry, which has ample supply. It would generate an invaluable alternative source of biofuel from leftover materials from canola production.

ONTARIO / QUÉBEC REGION

NEW EV CHARGERS COMING TO ONTARIO

On January 13, a \$2-million federal investment was announced that will help support the deployment and installation of up to 300 electric vehicle chargers across Windsor-Essex County and put Canadians in the driver's seat on the road to a net-zero future.

LION ELECTRIC RECEIVES ORDER FOR 200 ALL-ELECTRIC BUSES FROM LANGS BUS LINES

All-electric commercial truck and bus manufacturer Lion Electric Co. says it has received a conditional order for 200 school buses from Langs Bus Lines, a company which operates over 600 school buses and minibuses in southern Ontario. The order is conditional on a grant under the federal government's zero-emission transit fund. Deliveries are set to begin gradually in 2022 and run through 2026.

SUPERIOR PROPANE TO DISTRIBUTE HYDROGEN IN QUEBEC

Superior Propane, a subsidiary of Superior Plus Corp., and Charbone Corp. are collaborating to provide hydrogen fuel to commercial and industrial customers initially in Quebec, Canada. Under the terms of the letter of intent between the parties, Charbone will provide Superior with hydrogen fuel from its Sorel-Tracy, Quebec, facility with initial deliveries expected in the third quarter of 2022.

ATLANTIC REGION

WHY NOVA SCOTIA'S FOSSIL FUEL ENERGY MEGAPROJECTS ARE GOING BUST

Several of Nova Scotia's energy megaprojects have fizzled in recent months and years, and some say the societal shift toward renewables is the reason.

NORTHERN REGION

EVS MEET NEEDS OF THESE N.W.T. DRIVERS, BUT STOP SHORT OF LONG-DISTANCE TRAVEL

Electric vehicles start reliably in the cold, but long-distance "range anxiety" is real. France Benoit, vice-president of the YK Care Share Co-op, sees more potential for electric cars for travel within N.W.T. communities rather than in between them — where infrastructure is still needed to make long-distance drives possible, especially in the winter.

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Jennifer Stewart, *President and CEO*
jstewart@cipma.org | Cell: 613.915.5699

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

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