

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

MAY 2026

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PRESIDENT'S MESSAGE

**GOVERNMENT POLICY
AND INDUSTRY UPDATES**

ADVOCACY CORNER

SECTOR NEWS UPDATES



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MISSION

CEMA's mission is to support and elevate Canada's small and medium-sized energy marketers, who are responsible for nearly 100,000 direct and indirect jobs across the country and are deeply committed to ensuring that innovative energy products, including low-carbon transportation solutions, are readily available to Canadian consumers.

CEMA ensures the voices of its membership are heard at all three levels of government in a fair, consistent and advocacy-first manner – members who include progressive leaders responsible for the distribution of diverse products like gasoline, diesel, heating oil, propane and aviation fuel, as well as low-carbon transportation energy solutions including renewable fuels and electric vehicle charging stations across a vast geography, to diverse industries, and to millions of Canadian consumers.



MESSAGE FROM THE PRESIDENT

PETER KILTY | **PRESIDENT AND CEO**

Dear Members,

We would like to thank everyone who took the time to fill out the Conference Survey. Your feedback will be very helpful as we put together the outline for next year's conference in Toronto.

On the world scene, the war in the Middle East continues, and it appears that there may be a glimmer of hope that a resolution is on the horizon – positive thoughts.

CEMA continues to communicate and meet with the federal government about refunding the carbon tax and excise tax monies that are owed to our Members with the cancellations of these two taxes. We will continue to push for a resolution and hope to continue making progress in June.

This week, CEMA sent Members an email regarding the Government of Ontario's recent announcement indicating they will provide funding to small and medium-sized businesses to help offset the costs of modernization and digital upgrading for initiatives such as PCI Compliance. If you did not see it, please reach out to us and we can send you another copy.

On Thursday, June 23, we are holding our Western Canada Members' dinner in Calgary at Caesar's Steakhouse. For those based in Western Canada or who happen be in Calgary on the 23rd, we would love for you to join us for a great event. With Premier Danielle Smith's announcement last week that Alberta will hold a referendum to ask the question, 'Should Alberta remain a province of Canada or should the Government commence the legal process required under the Canadian Constitution to hold a binding provincial referendum on whether or not Alberta should separate from Canada?' there will be lots to talk about, and we are looking to confirm a political insider to give us their perspective on the issue. Please do join us on the 23rd.

Until next time,

A handwritten signature in black ink, appearing to be 'Peter Kilty', written in a cursive style.

Peter Kilty

President and CEO

Canadian Energy Marketers Association

STAYING CONNECTED

CEMA CONNECTION 2026 EVENTS, PODCASTS, WEBINARS



WESTERN MEMBERS' MEETING

June 23, 2026

Members are invited to join the CEMA Board of Directors for a reception and dinner taking place on Tuesday, June 23, 2026, at Caesars Steakhouse in Calgary, Alberta. Invitations have been sent out. Please respond by June 15 to events@cemassociation.ca.



CEMA GOLF CHALLENGE

SAVE THE DATE: September 21, 2026

Mark your calendar and plan to join us at the annual CEMA Golf Challenge at Glen Abbey Golf Club in Oakville, Ontario on September 21, 2026! Registration and sponsorship details are coming soon.



EASTERN MEMBERS' MEETING AND AGM

SAVE THE DATE: Thursday, October 8, 2026

We hope many of you will be able to join us at the Eastern Members' Meeting and AGM, taking place Thursday, October 8, 2026. Location TBD.



CEMA ON SOCIAL MEDIA

Follow CEMA on [LinkedIn](#) for the latest in energy policy, thought leadership, and content and event updates from membership and stakeholders.



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 & RESEARCH UPDATES

Guilbeault resigns as MP, says he'll fight climate change outside of government

Ex-environment minister Steven Guilbeault said **he is resigning as an MP** because he intends to take his fight for the environment outside of government. In a social media post, he said, "After almost seven years as a member of Parliament and minister, I have come to the conclusion that it is time for me

to pursue my fight for environmental protection and the fight against climate change in a different way." Guilbeault, who has vocally opposed the Carney government's attempts to strike an energy accord with Alberta that includes advancing a pipeline to the West Coast and weakening industrial carbon pricing, will remain a Liberal MP until the House of Commons rises for the summer.

Canada's investment climate for oil and gas improving, executives say

Canada has become **more attractive for oil and gas investment** under Prime Minister Mark Carney, although the cost of doing business remains a challenge that could limit long-term energy sector growth, industry executives said on May 21. Oil and gas companies, which have long complained that onerous federal regulations and environmental policies in Canada impede industry growth, offered measured praise for a recent energy deal between the federal government and the oil-producing province of Alberta.

Carney says the world is facing an ‘energy crisis’ and Canada must help solve it

While in B.C. to meet with the province’s premier May 20, Prime Minister Mark Carney said the world is in the throes of an “energy crisis” and **Canada must do its part** to supply it with the natural resources it needs. Speaking to a largely business audience at the Greater Vancouver Board of Trade, Carney said recent global shocks have threatened the availability of some forms of energy, putting other countries in a bind. He said Ottawa wants to move quickly to supply those resources, and if B.C. stands opposed to more development, his government will “be spending more time elsewhere in the country.”

Canada and Germany make liquefied natural gas deal as Carney looks to diversify from US

Canada has reached a deal to **export liquefied natural gas to Germany** from a planned Pacific Coast terminal, an official familiar with the matter said May 26. The official confirmed Canada will sign the agreement with Germany’s SEFE group, which stands for Securing Energy for Europe, from the proposed KSI Lisims export facility on the coast of British Columbia. The official spoke on condition anonymity as they were not authorized to speak ahead of the May 27 announcement. The official said up to 1 million metric tons (1.1 million US tons) of liquefied natural gas per year will be exported.

WESTERN REGION

Western premiers stress importance of united Canada

Western premiers are emphasizing the value of open discussion as their annual meeting wraps, despite looming disagreements between leaders over major projects and Alberta independence. The two-day conference in Kananaskis came to a close May 26. British Columbia Premier David Eby said despite substantial differences of opinion, the **meeting of the premiers was productive**. The seven premiers signed a joint communique opening with an affirmation of the leaders’ support for a united Canada and outlining shared positions on topics such as strengthening interprovincial trade corridors and investing in national security and defence.

PM Carney and Alberta’s Smith have signed a pivotal energy agreement. What comes next?

Now that Prime Minister Mark Carney and Alberta Premier Danielle Smith have signed a pivotal energy agreement that could usher in a new oil pipeline, representatives from both governments and industry are sharing their **expectations on what comes next**. Alberta will submit a proposal for a new oil pipeline to Carney’s Major Projects Office by July 1. The federal government says it will “pursue” designating the pipeline as a project of national interest by Oct. 1.

Carney lays out pipeline conditions before talks with Eby on B.C.’s priorities

Prime Minister Mark Carney and British Columbia Premier David Eby have agreed to enter negotiations on B.C.’s economic priorities and Ottawa’s role in national development projects. Carney met with Eby in a closed-door meeting in Vancouver May 20, shortly after the prime minister spoke to B.C. business leaders at a separate event where he **outlined prerequisites for a possible pipeline** championed by Alberta. Carney noted that the pipeline would only go ahead with the creation of the Pathways carbon capture project as well as substantial economic benefits for B.C. and “non-negotiable” consultation with First Nations.

Officials hopeful that LNG Canada will make significant investment decision, expected by end of 2026

B.C. Premier David Eby says he’s hopeful that LNG Canada will come to a final investment decision at the end of the year that will be the “largest private-sector investment in Canadian history.” Eby and other provincial officials, along with federal Energy Minister Tim Hodgson and LNG Canada president Chris Cooper, were in Vancouver on May 14 to tout a new **“enhanced cooperation agreement”** around the company’s expansion plans in Kitimat, B.C. Eby says if the final investment decision is reached, it will make a “material difference” for both Canada’s GDP and the value of the Canadian dollar.

PRAIRIE REGION

Canadian Taxpayers Federation: Moe needs to keep Saskatchewan carbon-tax free

The Canadian Taxpayers Federation is **calling on Premier Scott Moe** to keep Saskatchewan the only carbon tax-free province in Canada after he said he's open to discussing a hidden industrial carbon tax with the federal government. "Moe has spent years fighting the carbon tax – he can't cave to the feds now," said Gage Haubrich, CTF Prairie Director. "Saskatchewan is the only carbon tax-free province in Canada, and it needs to stay that way." Moe recently said that the Saskatchewan government will start talks with Ottawa to find a "workable place" on charging Saskatchewanians an industrial carbon tax again.

ONTARIO AND QUEBEC

Quebec reimbursing more than 15,000 farmers for fuel tax

Quebec Premier Christine Fréchet has responded to pressure from the agriculture sector, promising to **reimburse millions of dollars to farmers for fuel taxes** linked to the province's carbon market. Starting in July, more than 15,000 farmers will begin to be reimbursed for the fuel taxes. The government has pledged to transfer a total of \$87 million to farmers for the taxes they will pay in 2026 and 2027, with the money coming out of Quebec's climate change fund.

Development of natural gas resources could grow Quebec's economy by \$93 billion over 25 years

Given the present combination of strong global energy demand and record budget deficits, the Quebec government should seriously **consider repealing its ban on hydrocarbon exploration** and development in the province, advises the independent public policy think tank MEI in a report published May 21. Both exploration and development of Quebec's oil and gas deposits have been prohibited by provincial law since 2022. This law is part of a wider stance of hostility to the hydrocarbon sector that has persisted for nearly 15 years despite Quebecers' widespread use of these energy sources.

ATLANTIC REGION

Price of gas jumps in N.B. after EUB ruling on company environmental costs

Gasoline and diesel rose five cents across New Brunswick on Friday, May 15, driven mostly by resurgent oil company environmental costs that Susan Holt's government had once promised it would eliminate from prices. Instead, in a ruling earlier that week, **New Brunswick's Energy and Utilities Board cleared the way for higher charges.** The board found the government's plan to eliminate them from retail prices would be "crippling" for wholesalers and retailers in a way that could eventually "collapse" petroleum supply chains in the province.

Impact Agency of Canada launches regional assessment for offshore oil and gas exploration drilling in Nova Scotia

On May 19, the federal government launched a public consultation process for its regional assessment for oil and gas exploratory drilling in Nova Scotia's offshore. In a **statement**, Premier Tim Houston said: "Nova Scotia is ready to rebuild our offshore oil and natural gas sector safely and responsibly.... This regional assessment will draw on decades of regulating oil and gas projects in Atlantic Canada and the recent regional assessment for offshore wind. It will help provide clarity for industry, strengthen environmental protection, and ensure that decisions are informed by science and public input."

ADVOCACY CORNER

Featured in the newsletter on a monthly basis, Advocacy Corner provides insight into federal and provincial political activity of importance to our Members. Read on to find out what decisions are being made, what's on the horizon, and what it all means for our sector.

Fuel Tax Tensions

Following the removal of the federal excise tax last month, Conservatives pushed the Liberal government to scrap all additional federal taxes on gas and diesel for the remainder of the year, including the GST, and presented a motion in the House of Commons to permanently end the clean fuel standard.

The motion was co-sponsored by many prominent Conservative Members of Parliament, including Melissa Lantsman and Andrew Scheer. Opposition Leader Pierre Pollièvre introduced the motion, arguing that gas prices are more than 40 cents higher than they were when Conservatives were in power in 2014, when a global energy crisis also pushed the price of oil to US\$100 per barrel.

The motion was put to a vote on May 27 and was struck down, failing to get a majority vote.

The MOU Progresses

Alberta and Ottawa have continued to make headlines and stir up controversy in their updates on national energy collaboration developments.

In mid-May, Prime Minister Mark Carney and Premier Danielle Smith met in Calgary to announce an agreement on the future of industrial carbon emission pricing in the province. The leaders revealed a plan for Alberta to raise its emission price from \$95 per tonne to \$130 per tonne by 2040. A trilateral agreement involving Ottawa, Alberta, and the energy companies behind the

Pathways carbon capture and storage project is also still being negotiated. Despite being seen by many as a long-sought-after step forward, some critics say the federal government's pipeline deal with Alberta includes a cancellation fee that is too low to ensure the province holds up its end of the bargain once new oil infrastructure to the West Coast is built.

The implementation agreement sets out the conditions under which a new pipeline will be constructed. In the fine print of the deal are two clauses stating that if Canada or Alberta cancels its carbon pricing regime, or reneges on an insurance policy built into the deal, it assumes sole liability. The contracts are partly intended to give companies a guarantee that a future government won't rip up the policy, thereby wiping out costly investments they would need to make to comply with the new rules.

Liberals Dissent

While the energy sector and Alberta's counterparts applaud progress on the federal-provincial energy arrangement, some in Carney's own caucus have been ringing alarm bells. In a letter made public last week, 14 Liberal MPs wrote to the prime minister, objecting to the deal and the concessions being given to Alberta, saying, "We remain deeply concerned; the government's credibility will be seriously compromised." The MPs reportedly signed the letter but have requested anonymity with regards to their dissent in the press.

So far, only Member of Parliament Steven Guilbeault, who left Carney's cabinet after Carney and Smith signed the initial MOU last fall, has publicly criticized Carney's most recent proposals. Guilbeault announced his resignation as an MP in the Liberals' weekly parliamentary caucus meeting on May 27 and then delivered a statement in the House of Commons. He will remain a Liberal MP until the House rises for the summer.

The federal Bloc Québécois has thrown its support behind the dissenting MPs, saying it aims to use the few remaining weeks of the parliamentary sitting before recess to pressure environmentally sensitive Liberals to speak out.

Provinces Continue to Lock Horns

Another point of contention for Alberta is the friction with British Columbia's leadership. This week, premiers representing the western provinces and northern territories gathered in Kananaskis for a two-day meeting. As of writing, it was expected that the continued disagreement over a proposed pipeline to the B.C. coast, along with Alberta's plan to hold a referendum on separation, would likely be key topics of discussion. During an event hosted by the Calgary Chamber of Commerce on May 21, Smith said the meeting might be "a little awkward," given recent developments with the MOU. Other western premiers, including Manitoba's Wab Kinew and Saskatchewan's Scott Moe, were also at the table, each with their own perspectives and possible sticking points to address.

Prime Minister Mark Carney made his views on the tension clear when speaking before the Greater Vancouver Board of Trade before sitting down with Premier David Eby earlier in the month. He said recent global shocks have threatened the availability of some forms of energy, putting other countries in a bind. Carney stated that Ottawa wants to move quickly to supply those resources, and if B.C. stands opposed to more development, his government will "be spending more time elsewhere in the country."

Separatist sentiment is also expected to be top of mind at this meeting, following the statement from Prime Minister Carney that Alberta is "at the centre" of his plans for the country's economy, hours after the province announced that it will vote later this year on whether to hold a referendum on separating from Canada. The announcement about the vote came after a court blocked a petition to hold a vote on separation, citing a lack of consultation with Indigenous groups that would be affected by the referendum. Premier Smith emphasized that she opposes separation, but she rejected the judicial ruling.

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.

INTERNATIONAL

[OIL COULD STAY ABOVE \\$100 FOR YEARS, ANALYSTS WARN](#)

Oil prices briefly fell below \$100 on optimism over a potential U.S.-Iran deal, but rebounded after President Trump said there was “no rush” and confirmed the Hormuz blockade would remain in place. Analysts warn the market is underestimating the crisis, with inventories falling rapidly, and the IEA cautioning that oil markets could enter a “red zone” by July or August.

[THREE SUPERTANKERS CARRYING 6 MILLION BARRELS EXIT STRAIT OF HORMUZ](#)

Three commercial supertankers carrying a combined 6 million barrels of Middle East crude oil have successfully exited the Strait of Hormuz. The vessels departed the strategic waterway on May 20 after being stranded inside the Persian Gulf for over two months, lending hope to an end to the closure of the strait.

[NORWAY DOUBLES DOWN ON OIL AND GAS AS EUROPE SCRAMBLES FOR SUPPLY](#)

Norway is boosting fossil fuel production to offset energy supply disruptions caused by Middle East instability and sanctions on Russian energy. The Norwegian government plans to reopen three North Sea gas fields and maintain high production levels beyond 2030. Environmentalists argue the policy undermines climate goals and delays Europe’s transition away from fossil fuels.

KENYA TRANSPORT PROTESTS TURN DEADLY AS FOUR KILLED IN FUEL PRICE UNREST

At least four people have been killed during nationwide transport protests in Kenya, the interior minister has confirmed, as anger over rising fuel prices paralyzed major cities and exposed deep economic strain. The unrest erupted on May 18 when public transport operators went on strike, leaving thousands of commuters stranded.

ANGOLA'S FIRST NEW REFINERY IN 50 YEARS SHIPS ITS FIRST FUEL CARGOES

The Cabinda oil refinery in Angola, the first built in the country since it gained independence from Portugal 50 years ago, has started shipping fuel to domestic and international markets to relieve fuel supply stress caused by the Iran war. Prior to Cabinda, Angola had only one other refinery.

U.S.

EPA SEEKS DELAY ON STRICTER EMISSIONS RULES FOR CERTAIN VEHICLES

The Environmental Protection Agency has proposed delaying stricter emissions standards for light-duty and Class 3 medium-duty vehicles until model year 2029 as part of a wider rollback of Biden-era pollution regulations. This change is projected to save American families \$1.7 billion.

TRUMP TEAM SEEKS LONGER GAS TAX HOLIDAY

The Trump administration is working with Congress to suspend federal excise taxes on gasoline and diesel as the war in Iran drives up oil and fuel costs. Talks are underway on drafting the fuel tax suspension in a way that provides relief without provoking a run on gasoline supplies.

CANADA

HIGHER SALES AT GAS STATIONS AS PRICE RISE BOOSTS RETAIL SALES IN MARCH

Sales at gas stations and fuel vendors rose 12.4 per cent in March as the attack on Iran by the U.S. and Israel drove oil and gas prices higher, Statistics

Canada said on May 22. In volume terms, sales for the subsector fell 1.9 per cent for the month.

MORE PEOPLE ARE BUYING ZERO-EMISSION VEHICLES IN CANADA

According to a new Statistics Canada report, 21,574 new zero-emission vehicles (ZEVs) were sold across the country in March. That's an increase of 74.7 per cent year-over-year. New ZEVs made up 12.2 per cent of total new motor vehicles sold in Canada, compared with 6.5 per cent in March 2025.

WESTERN REGION

ENBRIDGE WARMS UP TO NEW ALBERTA-TO-B.C. OIL PIPELINE AFTER CARBON COMPROMISE

Enbridge Inc. "definitely would consider" backing a new oil pipeline to Canada's west coast, its chief executive said, giving an early vote of confidence hours after Prime Minister Mark Carney signed an energy deal with Alberta Premier Danielle Smith. The company's CEO Greg Ebel called the accord "a big step forward for Canada."

PEMBINA PIPELINE GOING AHEAD WITH \$570M HEARTLAND EXTRACTION PROJECT

Pembina Pipeline Corp. says it's going ahead with its \$570-million Heartland extraction plant project. The 750-million-cubic-foot-per-day straddle plant will extract natural gas liquids under Pembina's extraction rights on the Yellowhead Pipeline. It is expected to enter service in late 2029.

PRAIRIE REGION

SASKATCHEWAN BETS ON NATURAL HYDROGEN: MAX POWER SIGNS CITY OF MOOSE JAW

MAX Power Mining Corp. has signed an MOU with the City of Moose Jaw to jointly explore commercialization opportunities for natural hydrogen in the Regina-Moose Jaw Industrial Corridor, the largest industrial zone in Saskatchewan and, arguably, the most strategically positioned piece of real estate in Canada's emerging natural hydrogen story.

ONTARIO AND QUEBEC

CHARBONE AND VEMA PARTNER TO SCALE QUEBEC HYDROGEN SUPPLY

Canadian gas producer and distributor Charbone Corporation has entered into a conditional offtake and infrastructure development agreement with U.S. clean energy company Vema Hydrogen to develop a hydrogen production and processing project in Quebec. The partnership aims to build a regional “well-to-market” hydrogen supply chain.

ATLANTIC REGION

BEZOS-BACKED COMPANY, HALIFAX MINING OUTFIT LOOKING FOR WHITE HYDROGEN DEPOSITS LURKING IN NOVA SCOTIA'S DEEPEST FAULT

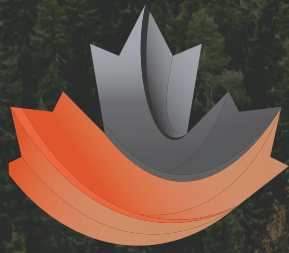
A potential white hydrogen rush in Nova Scotia has attracted the attention of clean fuel startup Kavenex Enrgy Inc. and has swayed a Halifax company to refocus its exploration activities. Mongoose Mining Ltd. has pivoted from its primary exploration of iron oxide, copper and gold mineral systems to focus on white hydrogen within its Nova Scotia properties.





**Thanks to our
Members for working
so hard to fuel Canada.
Canada's Energy Marketers:
Essential. Reliable. Ethical.**





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