



NEWS RELEASE

Canadian Trucking Alliance

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CTA Calls On Government to Ease Hurdles to Proposed Fuel Waiver Regulation

Good first step but some regulatory language needs to be adjusted

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The Canadian Trucking Alliance is a federation of the seven Canadian provincial trucking associations representing approximately 4,500 motor carriers and is dedicated to serving the national and international interests of Canadian motor carriers.

The federal government has proposed an amendment to the Canadian Environmental Protection Act (CEPA) that would allow the use of temporary fuel waivers during times of short-term supply constraints. In its comments on the proposal to Environment Canada, the Canadian Trucking Alliance (CTA) was supportive of the general purpose of the proposed action, but recommended changes to the regulatory text, which in its current form may not allow government to act quickly enough to bring needed relief to the trucking industry, which is the major consumer of diesel fuel in Canada.

According to CTA chief executive officer David Bradley, "governments need to act quickly in times of significant temporary fuel shortages. The current language contained in CEPA prevents regulators from implementing supply solutions that override legislated restrictions on the quality of fuel that may be used by the trucking industry. The proposed regulation by Environment Canada recognizes the need for government to take an active role in relieving supply shortages, but the proposal still contains barriers to action that need to be addressed."

Specifically, CTA is concerned that by making the authority to issue a waiver contingent on the declaration of an emergency by the federal or provincial government, the proposed regulation sets an impractically high threshold.

"Emergencies are declared only in rare and exceptional cases. It is CTA's understanding that from a legal perspective, it is highly unlikely that events such as those experienced in central Canada in 2007, would have qualified as an emergency situation. At that time, for a period of several weeks a significant diesel fuel shortage resulted from the combined impact of a refinery outage and national rail strike. It was certainly an urgent situation for the trucking industry, but probably would not have met the criteria for an emergency set out in the current fuel waiver proposal," added Bradley.

In a related submission, CTA recommended that on a priority basis, the government, along with the trucking industry, petroleum marketers and other directly affected stakeholders, begin discussions aimed at developing a workable contingency plan to ensure a minimum

acceptable supply of on-road diesel fuel in times of local or regional supply disruptions such as those experienced in 2007. This type of planning will become even more crucial in the next four to five years, as emerging engine technologies will make it virtually impossible for trucks to burn off-road diesel fuel in the manner contemplated by the fuel waiver proposal now under consideration.