



Growth Energy™
Expanding America's Bioeconomy

July 8, 2025

The Ministry of Energy and Climate Solutions
CleanBCReview@gov.bc.ca

RE: An independent review of CleanBC policies and programs

Thank you for the opportunity to provide comments as part of this independent review of CleanBC's policies and programs.

Growth Energy is the leading voice of America's biofuel industry. Our members operate and support biomanufacturing facilities at the heart of America's bioeconomy, delivering a new generation of clean fuel options. Growth Energy is the largest association of ethanol producers in the United States, representing 97 U.S. plants that each year produce 9.5 billion gallons of low-carbon, renewable fuel; 130 businesses associated with the production process; and tens of thousands of ethanol supporters around the country. Growth Energy represents the leading exporters in the ethanol industry, helping to support nearly two billion gallons of ethanol exports to over 60 countries around the world. Further, we have a strong history of positive collaboration with the Canadian biofuels industry and promoting our shared North American agricultural goals.

British Columbia (BC) has been a global leader in its efforts to implement the Low Carbon Fuel Standard (LCFS) and achieve a 30 percent reduction in fuel carbon intensity by 2030, relative to 2010 levels. This program has been successful in driving innovation in the production of low emissions biofuels. However, we have concerns that a forthcoming change related to domestic content requirements may undermine this policy—specifically, that the LCFS' ability to meet its 5 percent renewable fuels requirement and emissions reductions in gasoline will be jeopardized.

In February 2025, BC's Minister of Energy and Climate Solutions issued Ministerial Order No. M41. This order notes that effective January 1, 2026, the minimum five percent renewable fuel requirement for gasoline must be met with eligible renewable fuels (i.e. ethanol) produced in Canada.

BC's low carbon fuel policy provides substantial economic incentives for ethanol producers who supply the required low carbon ethanol into the program. As a result, ethanol facilities, including those in the United States, have made significant financial investments in technologies to lower their carbon intensity level, such as deploying carbon capture utilization and storage technologies, to participate in the LCFS. Ministerial Order No. M41 puts those investments at risk and greatly diminishes the probability of future investments due to lack of financial certainty in the LCFS.

This order was seemingly implemented to address potential concerns in the Canadian biomass-based diesel (BBD) industry resulting from changes in U.S. tax policy for clean fuel production. It is important to note that the ethanol market in both the U.S. and Canada operates very differently in terms of production, feedstock, supply chain, end use, and competition. The

BC LCFS and U.S. Clean Fuel Production Credit are both intended to drive reductions in carbon intensity. Rather than restrict U.S. ethanol with domestic content requirements, we urge you to consider additional ways to further incentivize Canadian biofuels. Restrictions such as these could result in higher regulatory compliance costs to BC's obligated parties and ultimately higher fuel prices for BC consumers.

For these reasons, and others, we respectfully ask that you recommend the reversal of Ministerial Order No. M41, thereby removing the domestic production requirement for eligible renewable fuels in gasoline.

Thank you for your consideration of these comments as part of your review on CleanBC's policies and programs. Canada, including BC, has been a significant partner and friend to the U.S. ethanol industry. We look forward to discussing how U.S. ethanol, an economically viable and available low-carbon product, can help support BC's low carbon fuel goals.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Bliley", with a stylized flourish at the end.

Chris Bliley
Senior Vice President of Regulatory Affairs
Growth Energy