

## Canadian Propane Association supports C-206 to reduce GHGs and help farmers

**OTTAWA, February 23, 2021** – The Canadian Propane Association calls for the support of Bill C-206. “Discouraging the increased use of carbon-intense fuels such as gas and diesel in favour of low-emission energy like propane for agriculture applications would be a win-win for the environment and for farmers’ bottom line,” said Nathalie St-Pierre, President of the Canadian Propane Association (CPA).

Members of Parliament can show their support for both the environment and the economy if they vote in favour of Private Member’s Bill C-206 on Wednesday as it currently moves through the House of Commons.

C-206 calls for changes to the current Greenhouse Gas Pollution Pricing Act (GGPPA) which defines the application of the federal carbon tax or “backstop” in provinces such as Alberta, Saskatchewan, Manitoba and Ontario.

If passed, C-206 would result in low-emission energy sources such as propane being exempt from the federal carbon tax for qualifying agriculture applications.

Presently, the GGPPA does not allow for exemptions for propane beyond providing energy for greenhouses but does exempt carbon-intense fuels such as gas and diesel for all applicable agricultural uses, not just greenhouses.

“The principle of the GGPPA is intended to encourage a reduction in the use of carbon-intense fuels,” said St-Pierre. “By exempting gas and diesel but not allowing the same exemption for propane, the law actually encourages the increased use of gas and diesel – this is environmental nonsense.”

St-Pierre said that CPA members are also hearing from their customers in the agriculture sector about the significant added cost due to the federal carbon tax. According to an estimate provided by the Parliamentary Budget Officer last December, over the next five years about \$235 million will be collected from farmers for using natural gas and propane.

“Farmers are important customers for the propane industry,” said St-Pierre. “Farmers are also important stewards of the environment. If given a choice, they will choose a cleaner energy source. But the exemptions for gas and diesel are actually disincentives for choosing propane.”

St-Pierre also noted that changes to the GGPPA are required for remote power generation. Presently, diesel and natural gas are exempt, but propane is not.

“For Indigenous, rural and remote communities, propane is an important and cleaner energy alternative to diesel,” said St-Pierre. “Just as it is with agriculture applications, the omission of propane for remote power generation was an oversight in the development of the GGPPA, which we believe should be addressed by the federal government immediately.”

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### **About the Canadian Propane Association**

With over 450 members, the Canadian Propane Association (CPA) is the national association for a growing, multi-billion-dollar industry that impacts the livelihood of tens of thousands of Canadians. The CPA develops and produces industry training materials, offers an emergency response assistance plan to its members, and provides advocacy services for the propane industry. The CPA does not monitor or provide an analysis of propane prices or supply and cannot comment on individual businesses’ operations.

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