Canadian Propane Association | Association canadienne du propane

To: modeleacvcarburant-fuellcamodel@ec.gc.ca
From: Canadian Propane Association
Date: April 26, 2026

RE: Updated processes for natural gas and propane

On behalf of the Canadian Propane Association (CPA), I am writing to provide comments on Environment and Climate Change Canada's (ECCC) pre-publication titled *Updated processes for natural gas and propane* (March 26, 2026). The CPA appreciates the opportunity to provide input on the proposed updates to the Fuel Life Cycle Assessment (LCA) Model. We commend ECCC for its continued efforts to improve transparency and incorporate more recent data sources. These updates represent an important step toward ensuring that Canada's regulatory framework is grounded in current and credible data.

Support for Updated Carbon Intensity Values

The CPA supports the direction of the proposed updates, particularly the revised carbon intensity (CI) values for propane. While the CPA supports the updated CI values, we believe that the carbon intensity of Canadian propane is likely lower than currently reflected in the Model. Recent data and improved understanding of propane production pathways, including co-product allocation in natural gas processing, suggest that further reductions may be warranted.

Need for Continued Refinement and Lower Carbon Intensity Values

While the CPA supports the updated CI values, we believe that the carbon intensity of Canadian propane is likely lower than currently reflected in the Model. Recent data and improved understanding of propane production pathways, including co-product allocation in natural gas processing, suggest that further reductions may be warranted. Specifically, we encourage ECCC to continue refining the modelling approach in the following areas:

- **Production Pathways and Co-product Allocation:** Propane is primarily a by-product of natural gas processing. The allocation of upstream emissions among co-products has a significant impact on CI values. Updated methodologies that more accurately reflect propane's role as a low-carbon by-product could further reduce its lifecycle emissions intensity.
- **Regional and Operational Data:** Canadian propane production benefits from relatively low-emission upstream practices and increasing efficiencies. Incorporating more granular, Canada-specific operational data could better capture these advantages.
- **Combustion and End-Use Efficiency:** Propane's high combustion efficiency and lower carbon content relative to other fuels should continue to be accurately reflected in the Model, particularly when compared to higher-emitting alternatives.

Streamlining Carbon Intensity Applications for Retailers

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In addition to the modelling considerations above, the CPA would like to highlight an important implementation issue related to CI applications.

Requiring CI applications to be submitted on a facility-by-facility basis creates a significant administrative burden for propane retailers, many of whom are small businesses operating with limited internal resources. This approach will inadvertently create barriers to participation and increase compliance costs without improving environmental outcomes.

To address this, the CPA recommends that ECCC allow for a streamlined approach whereby a single CI application—once approved—can be applied across multiple fueling stations operated by the same entity, provided that the fuel source and supply chain characteristics are consistent. This would:

- Reduce administrative burden and costs for propane retailers;
- Improve efficiency in the application and approval process;
- Enable greater participation in the program, particularly among smaller operators; and
- Maintain the integrity and consistency of CI reporting where fuels share the same lifecycle characteristics.

We believe this approach strikes an appropriate balance between regulatory rigor and practical implementation and would support broader engagement within the propane sector.

Conclusion

In conclusion, the CPA supports the updated CI values proposed for propane in this pre-publication as a positive step forward. At the same time, we believe that further refinements to the Model—particularly with respect to production pathways, emissions allocation, and updated data—could result in lower and more accurate CI values for Canadian propane. We also encourage ECCC to consider practical improvements to the CI application process, including allowing a single approved CI to be applied across multiple fueling stations, to reduce administrative burden and support participation by propane retailers.

We appreciate ECCC's openness to stakeholder feedback and would welcome continued collaboration to ensure the Model reflects the best available science and data. Thank you for considering our comments, we look forward to discussing our feedback at your earliest convenience.

Sincerely,

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Katie Kachur
Vice President, Government Relations, West
Canadian Propane Association