Information Bulletin Implementation of Government of Canada Clean Fuel Regulations and Federal Fuel Charges on July 1, 2023

The Commission is advising Island consumers of **two** federal carbon reduction measures that will come into effect on petroleum products beginning **July 1, 2023.**

Federal Fuel Charges

Under the Greenhouse Gas Pollution Pricing Act, the Government of Canada will be implementing Federal Fuel Charges to petroleum products, including Furnace Oil and Propane, sold in Prince Edward Island effective July 1, 2023. The Federal Fuel Charges will replace provincial carbon levies on gasoline and diesel products. This will result in an increase in all petroleum products on July 1, 2023. The table below indicates the expected impacts of the **Federal Fuel Charge.**

Product	Carbon Levy	Federal Fuel Charge	Difference
Gasoline	11.05	14.31	+3.26
Diesel	13.41	17.38	+3.97
Furnace Oil	Nil	17.38	+17.38
Stove Oil	Nil	16.78	+16.78
Propane	Nil	10.06	+10.06

Clean Fuel Regulations

Under the Canadian Environmental Protection Act, the Government of Canada has passed Clean Fuel Regulations, which are set to come into effect on July 1, 2023. These regulations require primary suppliers of petroleum products to reduce the carbon intensity of the petroleum products they produce and sell in Canada. Reducing the carbon intensity of gas and diesel products is expected to result in higher production costs and increased demand. The Commission has not approved any increase in the price of petroleum products on July 1 as a result of the Clean Fuel Standards. The earliest we may see an impact at the pump would be July 7, 2023, which coincides with the weekly price adjustment.

To view the Fuel Charge Rates for Listed Provinces and Territories, 2023-2030, please visit: <u>Fuel Charge</u> Rates for Listed Provinces and Territories for 2023 to 2030 - Canada.ca