

# Cleaner Transportation Fuels: Renewable Content Requirements for Gasoline and Diesel Fuels, O Reg 663/20



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## Environmental Protection Act

### ONTARIO REGULATION 663/20

#### CLEANER TRANSPORTATION FUELS: RENEWABLE CONTENT REQUIREMENTS FOR GASOLINE AND DIESEL FUELS

**Consolidation Period:** From December 15, 2025 to the e-Laws currency date.

Last amendment: 349/25.

***This is the English version of a bilingual regulation.***

#### Definitions

**1. (1) In this Regulation,**

“additive” means a substance that is added to gasoline or diesel that does not materially affect its composition, and includes deactivators, oxidation inhibitors, detergents and lubricants, but does not include oxygenates; (“additif”)

“bio-based content” means,

- (a) subject to subsection (3), any material that is derived from biological matter that is available on either a renewable or recurring basis, or
- (b) ethyl alcohol that is derived from renewable or recurring sources and any denaturant that has been added to it; (“contenu biosourcé”)

“blended diesel” means a combination of diesel and bio-based content; (“diesel mélangé”)

“blended gasoline” means a combination of gasoline and bio-based content; (“essence mélangée”)

“blendstock” means a fossil-based substance that is not suitable for use in a spark ignition engine until combined with an oxygenate; (“composé de base”)

“compliance period” means,

- (a) with respect to the 2020 and 2021 calendar years, those two years combined, and
- (b) after 2021, a calendar year in respect of which a fuel supplier is required to comply with this Regulation; (“période de conformité”)

“diesel” means a fossil-derived liquid that,

- (a) is sold or represented as diesel fuel or as a fuel suitable for use in a diesel engine,
- (b) is subject to evaporation at atmospheric pressure, and
- (c) boils within the range of 130°C to 400°C; (“diesel”)

“fuel supplier” means a person who, in Ontario,

- (a) manufactures diesel, blended diesel, gasoline or blended gasoline and uses it or sells it at wholesale or retail,
- (b) imports diesel, blended diesel, gasoline or blended gasoline and uses it or sells it at wholesale or retail, or
- (c) acquires diesel, blended diesel, gasoline or blended gasoline through an inter-refiner agreement and uses it or sells it at wholesale or retail; (“fournisseur de carburant”)

“gasoline” means a fossil-derived liquid that is represented or sold as gasoline or that is designed for use in a spark ignition engine, but does

not include,

- (a) aviation fuel, except when used or intended to be used to generate power by means of internal combustion in a vehicle other than an aircraft,
- (b) the products commonly known as diesel fuel, fuel oil, coal oil or kerosene, except when any such product is mixed or combined with gasoline, or
- (c) blendstock, not sold or represented as gasoline, that is intended to be further refined or blended before sale or use as gasoline; ("essence")

"greenhouse gas intensity" means, when used in reference to a substance, the greenhouse gas emissions, expressed in grams of carbon dioxide equivalent emissions per megajoule of energy, that are attributable to the substance as quantified using a method listed in the Guideline; ("intensité en gaz à effet de serre")

"Guideline" means the guideline published by the Ministry and available from the Ministry, entitled "Technical Guideline: Cleaner Transportation Fuels", as amended from time to time; ("Ligne directrice")

"import" means to import into Ontario from outside Ontario; ("importer")

"incoming transfer volume" means, when used in reference to a fuel supplier during a compliance period, the average adjusted volume of bio-based content in the blended diesel or blended gasoline, calculated in accordance with this Regulation, that was placed in the Ontario market by another fuel supplier during the compliance period and subsequently transferred from the records of the other fuel supplier to the records of the fuel supplier; ("volume de transfert entrant")

"inter-refiner agreement" means an agreement between refiners for the physical transfer of diesel, blended diesel, gasoline or blended gasoline, and includes agreements to exchange diesel, blended diesel, gasoline or blended gasoline; ("accord entre raffineurs")

"manufacture" means, when used in reference to diesel, blended diesel, gasoline or blended gasoline, to manufacture the applicable fuel but does not include modification of the fuel solely by the addition of additives; ("fabriquer")

"outgoing transfer volume" means, when used in reference to a fuel supplier during a compliance period, the average adjusted volume of bio-based content in the blended diesel or blended gasoline, calculated in accordance with this Regulation, that was placed in the Ontario market by the fuel supplier during the compliance period and subsequently transferred from its records to the records of another fuel supplier during the compliance period; ("volume de transfert sortant")

“professional engineer” means a person who holds a licence, limited licence, provisional licence or temporary licence under the [Professional Engineers Act](#); (“ingénieur”)

“source separated organics” has the same meaning as in [Ontario Regulation 79/15](#) (Alternative Low-Carbon Fuels) made under the Act. (“matière organique séparée à la source”)

(2) In this Regulation, the following words and expressions have the same meanings as in Regulation 347 of the Revised Regulations of Ontario, 1990 (General — Waste Management) made under the Act:

1. Anaerobic digestion output.
2. Composting.
3. Municipal waste.

(3) For the purposes of the definition of “bio-based content” in subsection (1), bio-based content does not include the component of solid municipal waste that contains,

- (a) source separated organics, except for residues generated by the processing of the waste;
- (b) compost produced by composting;
- (c) anaerobic digestion output; or
- (d) leaf and yard waste collected or accepted by a leaf and yard waste system to which [section 13](#) of [Ontario Regulation 101/94](#) (Recycling and Composting of Municipal Waste) made under the Act applies, except for residues generated by the composting of the waste at a leaf and yard waste composting site as defined in Part V of that Regulation.

### **Placed in the Ontario market, meaning**

**2.** (1) Subject to subsection (2), for the purposes of this Regulation, a volume of diesel, blended diesel, gasoline or blended gasoline is “placed in the Ontario market” if a fuel supplier,

- (a) manufactured or blended it and used it or sold it, at wholesale or retail, in Ontario;
- (b) imported it and used it or sold it, at wholesale or retail, in Ontario; or
- (c) acquired it in Ontario through an inter-refiner agreement and used it or sold it, at wholesale or retail, in Ontario.

(2) If a volume of diesel, blended diesel, gasoline or blended gasoline is placed in the Ontario market more than once, only the fuel supplier that first placed it in the Ontario market shall account for it.

### **Transfer by inter-refiner agreement not sale**

**3.** For the purposes of this Regulation, diesel, blended diesel, gasoline or blended gasoline is not sold if it is transferred from one refiner to another as the result of an inter-refiner agreement.

### **Calculation of volume of diesel, gasoline**

**4.** For the purposes of the formulae in Schedule 1, when calculating the volume of diesel or gasoline placed in the Ontario market by a fuel supplier, any volume of diesel or gasoline that is included in a volume of blended diesel or blended gasoline shall not also be included in the volume of diesel or gasoline.

### **Non-application of Regulation**

**5.** This Regulation does not apply with respect to,

(a) diesel, blended diesel, gasoline or blended gasoline that enters Ontario in the fuel tank of a vehicle and that is used to power that vehicle;

(b) diesel, blended diesel, gasoline or blended gasoline that is imported to be used in scientific research other than marketing research or studies of consumer preferences relating to diesel, blended diesel, gasoline or blended gasoline, where the fact of the use for scientific research can be established by written evidence;

(c) diesel, blended diesel, gasoline or blended gasoline that is in transit through Ontario from a place outside Ontario to another place outside Ontario, where the fact of the transit can be established by written evidence; or

(d) diesel, blended diesel, gasoline or blended gasoline that is manufactured or sold for export where the fact of the manufacture or sale for export can be established by written evidence.

### **Blended diesel and blended gasoline, quality standards**

**6.** (1) No fuel supplier shall transfer blended diesel or blended gasoline for use or sale in Ontario unless the blended diesel or blended gasoline meets,

(a) the applicable standards and specifications set out in the Guideline; or

(b) standards and specifications that the Director has approved in writing as equivalent to the applicable standards and specifications set out in the Guideline.

(2) Subsection (1) is in addition to, and not in place of, any other requirements respecting blended gasoline or blended diesel quality to which the fuel supplier is subject.

(3) Compliance with standards and specifications shall be determined in accordance with the test methods and requirements set out in the

standards and specifications.

### **Calculation of greenhouse gas intensity**

**7.** (1) In calculating the greenhouse gas intensity of the bio-based content in blended diesel or blended gasoline for the purposes of the formulae set out in Schedule 1, the fuel supplier shall,

(a) if the Guideline includes a model for the bio-based content, use the model;

(b) if the Guideline does not include a model for the bio-based content, use a model that the Director has approved and posted on the environmental registry established under the *Environmental Bill of Rights, 1993*; and

(c) in every case, ensure that a professional engineer is of the opinion that the data used is reasonable and that the calculation is correct.

(2) If the fuel supplier wishes to use bio-based content for which a model is not listed in the Guideline and that has not been approved and posted on the environmental registry established under the *Environmental Bill of Rights, 1993*, the fuel supplier shall, in accordance with the Guideline, apply to the Director for approval of a proposed model in respect of the bio-based content.

(3) Upon receipt of an application from a fuel supplier, the Director shall determine whether or not to approve the proposed model in respect of bio-based content, based on the following factors:

1. Whether the data and results in the proposed model are verifiable.
2. Whether the emission factors, input data, background data sets and methodologies used in the proposed model are appropriate and would not result in an under-estimation of the carbon intensity value.
3. Whether the model is consistent with the following standards, both available on the website of the International Organization for Standardization:
  - i. "ISO 14040 – Environmental Management – Life cycle assessment – Principles and framework", as amended from time to time.
  - ii. "ISO 14044 – Environmental Management – Life cycle assessment – Requirements and guidelines", as amended from time to time.

(4) The Director shall provide written notice of the proposed determination to the fuel supplier, setting out the following information:

1. The proposed determination.

2. The reasons for the proposed determination.

3. A statement that the fuel supplier may, no later than five days following the day the notice was given, submit comments in writing to the Director in respect of the proposed determination.

(5) After considering any comments received from the fuel supplier in respect of a proposed determination, the Director shall give written notice to the fuel supplier of the final determination.

### **Diesel and blended diesel, minimum bio-based content**

**8.** (1) Every fuel supplier shall ensure that the average adjusted volume of bio-based content in the total volume of diesel and blended diesel that it places in the Ontario market during a compliance period is at least 4 per cent, calculated in accordance with the formula set out in section 1 of Schedule 1. O. Reg. 663/20, s. 8 (1).

(1.1) Every fuel supplier shall ensure that,

(a) subject to subsection (1.2) in 2025, at least 25 per cent of the average adjusted volume of bio-based content in the total volume of diesel and blended diesel, as calculated for the purposes of subsection (1), is produced in Canada; and

(b) in 2026 and every subsequent compliance period, at least 75 per cent of the average adjusted volume of bio-based content in the total volume of diesel and blended diesel, as calculated for the purposes of subsection (1), is produced in Canada. O. Reg. 163/25, s. 1; O. Reg. 349/25, s. 1 (1).

(1.2) A fuel supplier may elect to defer compliance with the requirement in clause (1.1) (a) until the 2026 compliance period. O. Reg. 349/25, s. 1 (2).

(2) A fuel supplier may elect to deduct from the total volume of diesel and blended diesel placed in the Ontario market during the compliance period any of that diesel or blended diesel that the fuel supplier reasonably expects is being placed in the Ontario market for the purposes of generating power in an aircraft or in a furnace or boiler to produce heat. O. Reg. 663/20, s. 8 (2).

### **Gasoline and blended gasoline, minimum bio-based content**

**9.** (1) Every fuel supplier shall ensure that, during a compliance period set out in Column 1 of the following Table, the average adjusted volume of bio-based content in the total volume of gasoline and blended gasoline that it places in the Ontario market is, at a minimum, the per cent set out opposite the compliance period in Column 2 of the Table:

TABLE

Item	Column 1 Compliance period	Column 2 Minimum per cent of bio-based content
1.	2020-2021, 2022, 2023, 2024	10
2.	2025, 2026, 2027	11
3.	2028, 2029	13
4.	2030 or any subsequent compliance period	15

O. Reg. 663/20, s. 9 (1).

(1.1) Every fuel supplier shall ensure that,

(a) subject to subsection (2.1) in 2025, at least 27 per cent of the average adjusted volume of bio-based content in the total volume of gasoline and blended gasoline, as calculated for the purposes of subsection (1), is produced in Canada;

(b) in 2026 and 2027, at least 64 per cent of the average adjusted volume of bio-based content in the total volume of gasoline and blended gasoline, as calculated for the purposes of subsection (1), is produced in Canada;

(c) in 2028 and 2029, at least 54 per cent of the average adjusted volume of bio-based content in the total volume of gasoline and blended gasoline, as calculated for the purposes of subsection (1), is produced in Canada; and

(d) in 2030 and every subsequent compliance period, at least 47 per cent of the average adjusted volume of bio-based content in the total volume of gasoline and blended gasoline, as calculated for the purposes of subsection (1), is produced in Canada. O. Reg. 163/25, s. 2; O. Reg. 349/25, s. 2 (1).

(2) The average adjusted volume of bio-based content of gasoline and blended gasoline that a fuel supplier places in the Ontario market shall be calculated in accordance with the formula set out in section 2 of Schedule 1. O. Reg. 663/20, s. 9 (2).

(2.1) A fuel supplier may elect to defer compliance with the requirement in clause (1.1) (a) until the 2026 compliance period. O. Reg. 349/25, s. 2 (2).

(3) A fuel supplier may elect to deduct from the total volume of gasoline and blended gasoline placed in the Ontario market during the compliance



period any of that gasoline or blended gasoline that meets any of the following descriptions:

1. The fuel supplier reasonably expects that it is being placed in the Ontario market for the purposes of generating power in,
  - i. aircraft,
  - ii. marine vessels or marine equipment,
  - iii. off-road vehicles or off-road equipment,
  - iv. vehicles manufactured prior to 1980, or
  - v. motorized snow vehicles within the meaning of the *Motorized Snow Vehicles Act*.
2. It has an antiknock index of 89 or greater and is not described in paragraph 1.
3. REVOKED: O. Reg. 663/20, s. 13.

O. Reg. 663/20, s. 9 (3), 13.

### **Compliance reports**

**10.** (1) On or before March 31 in each year, beginning in 2022, every fuel supplier shall submit a report to the Director respecting its compliance with this Regulation during the previous compliance period, setting out the following information at a minimum:

1. Information identifying the fuel supplier and the officer who submits the report.
2. The results of any calculations done under [sections 8 and 9](#) and the values used in reaching the results.
3. In the case of a fuel supplier who placed diesel or blended diesel in the Ontario market during the compliance period that met a description set out in [subsection 8 \(2\)](#), a statement to that effect and the volume of diesel or blended diesel that was placed in the Ontario market for those purposes.
4. In the case of a fuel supplier who placed gasoline or blended gasoline in the Ontario market during the compliance period that met a description set out in [subsection 9 \(3\)](#), a statement to that effect and the volume of gasoline or blended gasoline that was placed in the Ontario market for those purposes.
5. Sufficient information to determine compliance with the requirements of this Regulation.
6. Information about amounts paid or charged, if any, for incoming transfer volumes and outgoing transfer volumes, set out by transaction.

7. The volume and greenhouse gas intensity, calculated on a weighted average basis by volume, of the bio-based content of the blended gasoline and blended diesel that the fuel supplier placed in the Ontario market during each quarter of the compliance period.

(2) On or before March 31, 2021, every fuel supplier shall submit a report to the Director setting out, at a minimum, the following information respecting the 2020 calendar year:

1. Information identifying the fuel supplier and the officer who submits the report.

2. The results of any calculations that would be required to be done under [sections 8 and 9](#) if the 2020 calendar year were a distinct compliance period, and the values used in reaching the results.

3. In the case of a fuel supplier who placed diesel or blended diesel in the Ontario market during the 2020 calendar year that met a description set out in [subsection 8 \(2\)](#), a statement to that effect and the volume of diesel or blended diesel that was placed in the Ontario market for those purposes.

4. In the case of a fuel supplier who placed gasoline or blended gasoline in the Ontario market during the 2020 calendar year that met a description set out in [subsection 9 \(3\)](#), a statement to that effect and the volume of gasoline or blended gasoline that was placed in the Ontario market for those purposes.

5. Information about amounts paid or charged, if any, for incoming transfer volumes and outgoing transfer volumes, set out by transaction.

6. The volume and greenhouse gas intensity, calculated on a weighted average basis by volume, of the bio-based content of the blended gasoline and blended diesel that the fuel supplier placed in the Ontario market during each quarter of the 2020 calendar year.

## **Records**

**11.** (1) Every fuel supplier shall keep at its principal place of business in Ontario records and books of account with respect to each of its facilities in Ontario and each of its transactions in Ontario involving the exchange, acquisition, blending, transfer, sale, manufacture or use of gasoline, blended gasoline, diesel, blended diesel or bio-based content. O. Reg. 663/20, s. 11 (1).

(2) The records and books of account referred to in subsection (1) shall be in such form and contain such information as will enable the accurate determination of compliance with this Regulation, including,

(a) the data collected and any calculations done for the purposes of [sections 8 and 9](#), including the volumes and associated greenhouse gas intensity values and the volumes and associated percentages mentioned in [subsections 8 \(1.1\) and 9 \(1.1\)](#);

(b) dated records of meter readings, bills of lading, invoices, sales receipts, records of payment and records of transaction for volumes of gasoline, blended gasoline, diesel, blended diesel or bio-based content that are,

(i) used, transferred or blended,

(ii) transferred to or from another fuel supplier or facility,

(iii) imported, or

(iv) exported from Ontario;

(c) identifying information about the fuel suppliers and facilities mentioned in subclause (b) (ii);

(d) dated contracts, records of transfer, invoices and records of payment for incoming transfer volumes and outgoing transfer volumes; and

(e) written evidence that the opinion required under [clause 7 \(1\) \(c\)](#) was obtained. O. Reg. 663/20, s. 11 (2); O. Reg. 163/25, s. 3.

(3) Every fuel supplier required to keep records and books of account under subsection (1) shall keep every such record and book of account, as well as any other document necessary to verify the information in such record or book of account, for a period of seven years following the end of the relevant compliance period. O. Reg. 663/20, s. 11 (3).

### **Giving or submitting records**

**12.** (1) In this Regulation, if a document or other record is required to be given or submitted, other than a document required to be given or submitted by the Director, the document or other record shall be given or submitted in a form provided by or approved by the Director and in a manner approved by the Director.

(2) The Director may require that a document or other record that is given or submitted to the Director under this Regulation be given or submitted in an electronic format specified by the Director.

**13.** OMITTED (PROVIDES FOR AMENDMENTS TO THIS REGULATION).

**14.** OMITTED (REVOKES OTHER REGULATIONS).

**15.** OMITTED (PROVIDES FOR COMING INTO FORCE OF PROVISIONS OF THIS REGULATION).

SCHEDULE 1  
FORMULAE FOR CALCULATING BIO-BASED CONTENT

**Diesel and blended diesel**

1. The average adjusted volume of bio-based content in the total volume of diesel and blended diesel that a fuel supplier places in the Ontario market during a compliance period shall be determined by applying the following formula:

$$[\{A [(x - y) / z] + B - C\} / (D + E)] \times 100$$

Where,

“A” is the volume of bio-based content in “E”,

“B” is the incoming transfer volume of the fuel supplier during the compliance period,

“C” is the outgoing transfer volume of the fuel supplier during the compliance period,

“D” is the volume of diesel that the fuel supplier placed in the Ontario market during the compliance period,

“E” is the volume of blended diesel that the fuel supplier placed in the Ontario market during the compliance period,

“x” is the greenhouse gas intensity of diesel as set out in the Guideline,

“y” is the greenhouse gas intensity of “A”, calculated on a weighted average basis by volume,

“z” is the reduction in the greenhouse gas intensity of the bio-based content, relative to the value of “x”.

**Gasoline and blended gasoline**

2. The average adjusted volume of bio-based content in the total volume of gasoline and blended gasoline that a fuel supplier places in the Ontario market during a compliance period shall be determined by applying the following formula:

$$[\{A [(x - y) / z] + B - C\} / (F + G - H)] \times 100$$

Where,

“A” is the volume of bio-based content in “G”,

“B” is the incoming transfer volume of the fuel supplier during the compliance period,

“C” is the outgoing transfer volume of the fuel supplier during the compliance period,

"F" is the volume of gasoline that the fuel supplier placed in the Ontario market in the compliance period,

"G" is the volume of blended gasoline that the fuel supplier placed in the Ontario market during the compliance period,

"H" is the volume of gasoline and blended gasoline that the fuel supplier elected to deduct under [subsection 9 \(3\)](#) for the compliance period,

"x" is the greenhouse gas intensity of gasoline as set out in the Guideline,

"y" is the greenhouse gas intensity of "A", calculated on a weighted average basis by volume,

"z" is the is the reduction in the greenhouse gas intensity of the bio-based content, relative to the value of "x".