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Comments submitted electronically via: [cfsncp@ec.gc.ca](mailto:cfsncp@ec.gc.ca)

**RE: Pre-publication 4.1: Proposed Changes to Version 4.0 of the CFR Supporting Documents**

On behalf of the Canola Council of Canada (CCC), the Canadian Oilseed Processors Association (COPA), and Canadian Canola Growers Association (CCGA), we welcome the opportunity to provide feedback on the Pre-publication Version 4.1 of the CFR Supporting Documents shared on December 12, 2025.

The CCC, COPA and CCGA collectively represent all links of the canola value chain including Canada's 40,000 canola farmers, exporters, life science companies, and value-added processors. The CCC and COPA are non-profit industry associations that work collaboratively to help address issues impacting the value chain and the oilseed processing sector. CCGA is farmer-founded and farmer-led and represents canola farmers across Canada on national and international policy issues impacting their livelihood.

Long-term market diversification in the form of a competitive domestic biofuel market is critical to the continued success of the canola value chain, and supports jobs, investments and economic growth. A recent study completed by Leftfield Commodity Research, shows that estimated canola usage under the CFR could bring value of nearly \$0.6 billion to farmgate canola prices. As a critical feedstock supplier to Canadian biofuel production, the canola industry is invested in the outcome of this current consultation.

Our organizations support frequent and robust consultation with stakeholders ahead of changes to the Life Cycle Assessment (LCA) model, as per Canada's Incorporation by Reference legal requirements and government wide guidance.<sup>1</sup> Having workable CFR Specifications and a CFR Data Workbook is an essential part of determining the carbon intensity (CI) for low carbon fuels produced from different feedstocks, which has an impact on the competitiveness of canola and other agricultural feedstocks under the regulations.

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<sup>1</sup> <https://wiki.gccollab.ca/images/4/47/TBS-IBRGuide-Ed1-EN-20241220-VF.docx#:~:text=Static%20incorporation%20by%20reference,Example%20of%20a%20static%20reference>

Please find below our feedback regarding the proposed CFR Supporting Documents that are germane to canola's competitive position in the marketplace. We specifically want to highlight our concerns with the details outlined in the *Classification Criteria for Feedstocks (Modelled as Waste or Co-Product)* topic, which as proposed, would continue to provide unfair advantages for waste feedstock. Further detail, including responses to additional topics, can be found in the Appendix.

### **Classification Criteria for Feedstocks (Modelled as Waste or Co-Product<sup>2</sup>)**

The Fuel LCA model currently makes the false assumption that used cooking oil (UCO) and yellow grease are strictly waste products that would otherwise be disposed of if not used for renewable fuels. This false assumption provides a disproportionate financial incentive for UCO. As a waste feedstock, UCO is subject to less environmental rigour, exempt from most land use and biodiversity criteria, and receives favourable, and unjustified, carbon intensity scores. This provides an unfair advantage over other feedstocks, including canola.

This flaw is reiterated in ECCC's *Guidance Document: Categorization Criteria for Low-Carbon-Intensity Fuel Feedstocks (Pre-publication December 2025)*. Raw UCO and yellow grease are designated to the 'waste' product category. When the 'cut-off' allocation approach is applied, the upstream emissions from the production and handling of the material are not applied to the waste feedstock. Below we address our concerns with this approach:

- Raw UCO and yellow grease are incorrectly allocated to the waste category, as UCO does not meet several of the proposed criteria to define a product as a waste. If not used in fuel production, UCO retains significant economic value through a multitude of other uses including soaps, industrial lubricants, bioplastics, as well as animal feed and pet food ingredient, rather than being sent to the landfill. We address the issues with ECCC's eight proposed criteria to categorize low-carbon-intensity fuel feedstocks as waste in the Appendix.
- The 'cut off' allocation approach erroneously omits any upstream emissions from the CI score of waste. ECCC should evaluate other allocation approaches beyond the 'cut off' approach. These include but are not limited to the end-of-life approach, the quality adjusted end-of-life approach, allocation based on number of uses, and the 50/50 approach. These approaches account for instances where harvested or extracted material can have multiple uses and retain significant economic value when utilized as inputs for a secondary product system.
- Considering the above issues around the classification of UCO as waste and the application of the 'cut-off' allocation approach to waste products, we propose UCO be designated a 'second

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<sup>2</sup> Co-product: In the context of the Regulations, a co-product is defined as an additional product with value generated at a fuel production facility for which no credits can be generated. The CFR Supplemental Specifications or a quantification method, as the case may be, indicates for each fuel which products can be considered "co-Products" and modeled as such following section 4.5.

use product’ or a ‘recycled product’. This classification as a ‘second use product’ or ‘recycled product’ would allow the appropriate capture of upstream emissions and generate a more accurate CI score. As UCO and yellow grease do not meet the criteria for a waste nor a co-product, an alternate designation requires due consideration.

In addition to managing UCO as a second use product in the LCA model, ECCC should consider the regulatory changes the canola industry proposed in our submission to the CFR Targeted Amendments consultation submitted on January 15, 2026. This submission offers proposed regulatory text to assess risk of fraud and establish corresponding guardrails and to clarify that UCO cannot contain any vegetable oil feedstock derived from crops that have high Indirect Land Use Change (ILUC) risk.

Our organizations want to reiterate our support for maintaining a single CI value for vegetable oil from oilseed (canola, soy, camelina) within the Fuel LCA Model and the CFR. Any changes to the single vegetable oil classification must include close consultation with Canadian oilseed stakeholders to prevent unfavourable CI values that would change our industry’s competitiveness. Also, we reiterate our request for CFR Verification guidance to appropriately address the risk of fraud or product adulteration of waste feedstock.

Thank you again for the opportunity to provide feedback on the CFR Supporting Documents Pre-Publication 4.1. The federal LCA model must reinforce the integrity of the biofuel market in Canada by ensuring that low carbon intensity feedstocks, including Canadian canola, can compete on a level playing field with other feedstocks, including UCO. We would appreciate the opportunity to discuss the recommendations in this document further in a meeting with ECCC.

Sincerely,

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