



For Immediate Release

March 19, 2007

## **Biofuels Get Big Boost in 2007 Budget**

Milestone day for farmers, the environment, and homegrown biofuels producers

OTTAWA – The Canadian Renewable Fuels Association (CRFA) today welcomed Finance Minister Jim Flaherty’s announcement of \$2 billion in new incentives for renewable fuels.

“The budget is a big boost for our environment and a homegrown renewable fuels industry,” stated Kory Teneycke, Executive Director of the Canadian Renewable Fuels Association. “Today we join the thousands of farmers and rural communities in celebrating this important milestone for renewable fuels in Canada, and tomorrow we will continue the hard work of building a more sustainable energy industry that will benefit all Canadians.”

The renewable fuels producer payment will provide \$1.5 billion over 7 years to domestic ethanol and biodiesel producers, and create a \$500 million fund for the commercialization of next generation renewable fuels technologies such as cellulose ethanol. This program is designed to provide stability and support for the Canadian biofuels industry that is competitive with that offered in other jurisdictions. The CRFA looks forward to working with the government to flesh out the remaining details of the program to ensure that new biofuels facilities are built.

Combined with the government’s regulation requiring 5% renewable content in gasoline and 2% renewable content in diesel fuel by 2010, this measure will reduce GHG emissions by over 4.2 megatonnes, which is the equivalent of taking over 1 million cars off the road each and every year.

Properly implemented, the renewable fuels operating incentive program will lead to over 20 new world-class biofuels facilities in Canada, create over 14,000 new jobs in rural communities, and provide a new market for over 200 million bushels of Canadian grains and oilseeds.

Founded in 1994, the Canadian Renewable Fuels Association is a non-profit organization with a mission to promote renewable transportation fuels through consumer awareness and government liaison activities. The CRFA membership is comprised of representatives from all levels of the ethanol and biodiesel industry, including: grain and cellulose ethanol producers, biodiesel producers, fuel technology providers and agricultural associations.

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