

## **BIODIESEL MANUFACTURERS BIODIESEL (GENERAL) REGULATION**

**Q: I want to manufacture biodiesel in Manitoba. Do I need to have a manufacturing licence?**

**A:** Yes. Anyone intending to manufacture biodiesel in Manitoba must have a manufacturing licence issued by the Minister of Innovation, Energy and Mines.

**Q: Why do I need a licence?**

**A:** Licensing is a requirement under Manitoba's biofuels law: *The Biofuels Act*.

**Q: Are there different types of manufacturing licences?**

**A:** Yes. The *Biodiesel (General) Regulation* provides for two types of licences:

- (a) commercial; and
- (b) non-commercial.

**Q: How do I know what type of licence to apply for?**

**A:** If you intend to manufacture biodiesel for sale in Manitoba or if you plan to manufacture 15,000 litres or more of biodiesel yearly, you must apply for a commercial licence.

If you plan to manufacture less than 15,000 litres of biodiesel yearly, you can apply for a non-commercial licence. But if you intend to sell the biodiesel produced, a commercial licence will be required even if the amount you produce is under the 15,000 litre threshold.

**Q: How do I apply for a manufacturing licence?**

**A:** A licence application form must be completed and sent to the Department of Innovation, Energy and Mines (IEM). The forms will be available from the

IEM Biofuels Office and on the IEM website.

**Q: Is there a fee for a licence?**

**A:** No. There is no licence fee.

**Q: Are there recordkeeping and reporting requirements for licence holders?**

**A:** Yes. Under the *Biodiesel (General) Regulation*, manufacturers are required to keep records and submit reports to IEM.

There are different recordkeeping and reporting requirements for commercial and non-commercial licence holders.

**Q: What are the recordkeeping requirements for commercial licence holders?**

**A:** Commercial licence holders must keep monthly records of the quantity of biodiesel manufactured, sold and retained in inventory. Records must also be kept of any blending of biodiesel and petroleum diesel fuel that a licence holder undertakes.

The details of the recordkeeping requirements are set out in the *Biodiesel (General) Regulation*.

**Q: What are the reporting requirements for commercial licence holders?**

**A:** Commercial licence holders will be required to submit yearly reports to IEM containing information, such as the volumes of biodiesel produced, sold, and blended by the licence holder. Reports for each year must be filed by March 31 of the following year.

The details of the reporting requirements are set out in the *Biodiesel (General) Regulation*. The reporting form will be available from the IEM Biofuels Office and on the IEM website.

**Q: What are the recordkeeping requirements for non-commercial licence holders?**

**A:** Non-commercial licence holders must keep a monthly record of the quantity of biodiesel manufactured.

**Q: What are the reporting requirements for non-commercial licence holders?**

**A:** Non-commercial licence holders will be required to submit an annual report to IEM setting out the volume of biodiesel produced in the year. The report must be filed by March 31 of the following year.

The details of the reporting requirements are set out in the *Biodiesel (General) Regulation*. The reporting form will be available from the IEM Biofuels Office and on the IEM website.

**Q: What fuel quality standards apply to biodiesel?**

**A:** Biodiesel that is sold or offered for sale in Manitoba for use in powering a diesel engine must meet the specifications set out in one of the following standards:

(a) ASTM Standard D6751, *Standard Specification for Biodiesel Fuel Blend Stock (B100) for Middle Distillate Fuels*, ASTM International;

(b) EN 14214, *Automotive Fuels - Fatty Acid Methyl Esters (FAME) for Diesel Engines - Requirements and Test Methods*, European Committee for Standardization.

The ASTM and the EN standard are standards for neat biodiesel, often called B100.

If commercial biodiesel manufacturers sell biodiesel into the Manitoba fuel market, they must ensure that their biodiesel meets either the ASTM or EN standard.

**Q: Where can biodiesel manufacturers have their biodiesel tested to ensure that it meets applicable fuel quality standards?**

**A:** Manitoba Hydro Laboratories in Selkirk, Manitoba is an accredited biodiesel testing facility. Biodiesel producers will be able to have their biodiesel tested at the Selkirk laboratory. Other accredited testing facilities exist in other provinces.

**Q: Is there an incentive available for biodiesel in Manitoba?**

**A:** Yes. Biodiesel produced by a commercial licence holder in Manitoba qualifies for a 14 cents per litre production grant under *The Biofuels Act* for litres sold if it meets the fuel quality standard ASTM D6751, *Standard Specification for Biodiesel Fuel Blend Stock (B100) for Middle Distillate Fuels*.

The production grant incentive for biodiesel expires on March 31, 2015.

Incentives from the federal government may also be available.

**Q: What happens if a manufacturer fails to comply with a term or condition of a licence?**

**A:** The *Biodiesel (General) Regulation* provides that the Minister of Innovation, Energy and Mines may assess a penalty for failing to comply with a licence.

The penalty amounts are as follows:

(a) up to \$25,000 for the first failure to comply;

(b) up to \$50,000 for the second failure to comply;

(c) up to \$75,000 for the third or any subsequent failure to comply.

**Q: How long do I have to retain the records I am required to keep under the Regulation?**

**A:** Records have to be retained for a period of seven years from the year in which the record was created.

**Q: What regulations under *The Biofuels Act* apply to biodiesel manufacturers?**

**A:** The *Biodiesel (General) Regulation* under *The Biofuels Act* applies to biodiesel manufacturers:

The Act and the regulation can be found on the Manitoba Laws website and on the IEM website.

There may be other regulatory requirements relating to the biodiesel production and biodiesel production facilities under other laws.

**Further information may be obtained from:**

Manitoba Innovation, Energy and Mines (IEM)

Biofuels Office

1200-155 Carlton Street Winnipeg, Manitoba R3C 3H8

Telephone: 1-204-945-7392; Manitoba Toll Free: 1-800-282-8069 or 1-866-444-4207

Fax 1-204-943-0031

Web site: <http://www.gov.mb.ca/stem/energy/biofuels/biodiesel/index.html>