

EDPRO



ENERGY GROUP INC.

In June 2016, the Government of Ontario introduced Ontario's Cap and Trade Program in efforts to fight climate change and reduce greenhouse gas (GHG) in the province. This program will begin on January 1, 2017.

Companies that sell 200+ litres of propane in Ontario in a given year, along with all propane refiners or fractionators with GHG emissions of 25,000 tonnes or more, will be required to report the GHG emissions associated with the combustion of that product. From January 1, 2017 onwards, allowances must be purchased to match the GHG emissions reported for that year.

Carbon allowance pricing will be set quarterly at auction. This cost will be added to all fuels and is anticipated to increase over time. It has always been EDPRO's policy to provide our customers with transparency in our pricing.

As a result, effective January 1, 2017, an additional \$0.0278 per litre will be charged for propane sold in Ontario, as required by the Cap and Trade Program. This rate is based on an estimated CO₂ cost of \$18.00 CDN/tonne and an emission default factor of 1.544.

The rate value will be adjusted quarterly to reflect the actual costs incurred through Ontario's Cap and Trade Program.

Cap And Trade rates Effective January 1, 2017	
All Bulk propane	\$0.0278 per litre
#20 cylinders	\$0.5004 per cylinder
#33 cylinders	\$0.8229 per cylinder
#100 cylinders	\$2.4742 per cylinder

A Guideline for Greenhouse Gas Emissions Reporting can be found here:

www.downloads.ene.gov.on.ca/envision/env_reg/er/documents/2015/012-4549_d_Guideline.pdf.

For further information on the program, please visit the Government of Ontario website:

www.ontario.ca/page/cap-and-trade.

If you have general questions related to the program, please contact the Ministry of the Environment and Climate Change by emailing CThelp@ontario.ca or by calling 1-888-217-3326.

Still have questions? Please contact us at info@edproenergy.com.