

Canadian Natural Gas Vehicle Alliance

Canadian Natural Gas Vehicle Alliance Applauds Government's Support for Natural Gas Vehicle Deployment with New Funding Commitments for Infrastructure and Innovation

Ottawa – March 24, 2016

The 2016 federal budget, announced March 22, outlines an ambitious agenda aimed at transforming Canada's economy. Focused on delivering key commitments from the fall election, CNGVA is pleased to see there are a number of opportunities for Canada's natural gas vehicle sector. "Canada's medium and heavy duty vehicle sector will continue to move toward low cost transportation and emissions reductions with the government's \$62.5 million pledge to fund electric and alternative fuel infrastructure along with various other infrastructure commitments in Budget 2016" – said CNGVA Executive Director, Bruce Winchester.

Infrastructure

\$11.9 billion over five years, starting immediately. Budget 2016 puts this plan into action with \$3.4 billion over three years to upgrade and improve public transit systems across Canada. In this envelope are opportunities for supporting the deployment of natural gas powered transit buses along with municipal natural gas fueling infrastructure.

Municipalities

In supporting municipalities' front-line efforts, the Government has announced \$75 million in new funding for local governments to address climate change to be delivered by the Federation of Canadian Municipalities. This investment will support municipality-led projects to identify and implement greenhouse gas reduction opportunities.

Ferries

The Budget has identified the need to support ferry operations and will support environmental performance through fleet renewal. To support ferry operators' plans to renew their aging fleet, Budget 2016 proposes to waive the 25 per cent tariff on ferry imports after October 1, 2015. This will provide an estimated \$118 million in savings over six years.

Innovation

The budget promises \$1 billion over four years to support clean technology, including in the forestry, fisheries, mining, energy and agriculture sectors to be delivered as part of a forthcoming innovation agenda. Budget 2016 proposes to provide over \$130 million over five years, starting in 2016-17, to support clean technology research, development and demonstration activities:

- \$50 million over four years, starting in 2017–18, to Sustainable Development Technology Canada (SDTC) for the SD Tech Fund.
- \$82.5 million over two years, starting in 2016–17, to Natural Resources Canada (NRCan) to support research, development and demonstration of clean energy technologies. These resources will accelerate the innovation required to bring clean energy technologies closer to commercialization, reducing the environmental impacts of energy production and creating clean jobs.

Support for alternative fuels and clean transportation

Budget 2016 proposes to provide \$56.9 million over two years, starting in 2016-17, to Transport Canada and Environment and Climate Change Canada to support the transition to a cleaner transportation sector, including through the development of regulations and standards for clean transportation technology. Funding will also support Canada's continued participation in the development of international emissions standards for emissions from the international aviation, marine and rail sectors, including through the International Maritime Organization and the International Civil Aviation Organization.

The Canadian Natural Gas Vehicle Alliance advocates on behalf of Canada's natural gas vehicle industry. Natural gas vehicle technologies provide proven, commercially available transportation solutions that reduce emissions while using lower cost fuel. Our members are leading Canadian companies involved in research, manufacturing, fuel and infrastructure supply, vehicle conversion technology and installation, consulting, and international project management. Our mission is to promote the sustainable growth of natural gas vehicles, refueling infrastructure, and renewable gaseous fuels for the benefit of Canada's economy and environment.

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