



NEWS RELEASE

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BC Biodiesel Association Applauds Government Support for Off-Road Biodiesel

The 2008 BC Budget and Fiscal Plan removes tax on biodiesel for non-motive purposes

VANCOUVER – According to the 2008 BC Budget and Fiscal Plan, effective February 20, 2008, biodiesel used as coloured fuel, marine diesel, or locomotive fuel is exempt from tax. Previously biodiesel was only exempt from tax when used in on-road applications.

The announcement was welcome news for the BC Biodiesel Association whose members have been actively pursuing government support for the expanding off-road biodiesel market. It also helps the province align biodiesel with its low-carbon fuel standard and renewable fuel policy objectives.

“The BC Government continues to demonstrate its commitment to smart environmental policy,” said Ian Thomson, President of the BC Biodiesel Association. “The de-taxation of biodiesel combined with the previously announced five percent renewable requirement for diesel by 2010, will allow the BC biodiesel industry to mature. And the result will be significant reductions in greenhouse gases and air pollution for our province,” says Thomson.

In 2006, approximately 40% of all diesel consumed in British Columbia was for off-road use. The off-road market includes several of the country’s earliest and largest adopters of biodiesel, however, current feedstock prices have made it increasingly difficult for biodiesel to remain cost competitive with its petroleum counterpart.

“When you’re dealing with our type of fuel requirements, a few cents per liter can have a significant impact on your bottom line,” says Joe Murphy, Vice President, Engineering and Maintenance for TSI Terminal Systems Inc., a container terminal operator and biodiesel consumer since 2005. “Environmental responsibility is a top priority for our company and the de-taxation of biodiesel supports our ongoing investment in reducing our emissions,” says Murphy.

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