# The Ethanol Fuel (Grants) Regulations

# being

Chapter G-5.1 Reg 107 (effective October 24, 2002) as amended by Saskatchewan Regulations 42/2004 and 19/2013.

# NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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## CHAPTER G-5.1 REG 107

# The Government Organization Act

#### Title

1 These regulations may be cited as *The Ethanol Fuel (Grants) Regulations*.

#### Interpretation

- 2 In these regulations:
  - (a) "agreement" means an agreement mentioned in section 5;
  - (a.1) "disposition" includes delivery to a location in Saskatchewan operated by an eligible distributor where eligible fuel is available for sale;
  - (b) "eligible distributor" means a distributor as defined in *The Ethanol Fuel Act* that:
    - (i) holds a valid licence issued pursuant to section 27 or 28 of *The Fuel Tax Act*, 2000; and
    - (ii) is designated as an eligible distributor pursuant to section 4;
  - (c) "eligible ethanol-blended fuel" means unleaded automotive gasoline fuel that has been blended with ethanol in the manner required by *The Ethanol Fuel Act* and *The Ethanol Fuel (General) Regulations*;
  - (d) **Repealed.** 18 Jne 2004 SR 42/2004 s3.
  - (e) "ethanol" means ethanol produced in Saskatchewan from biomass or renewable feedstocks by an ethanol producer but does not include any denaturant;
  - (f) "ethanol producer" means an ethanol producer whose production facilities are located within Saskatchewan;
  - (g) "fuel" means fuel as defined in The Fuel Tax Act, 2000;
  - (h) "grant" means a grant payable pursuant to section 7;
  - (i) "litre" means a litre as defined in *The Fuel Tax Act*, 2000;
  - (j) "minister" means the member of the Executive Council to whom for the time being the administration of *The Ethanol Fuel Act* is assigned;
  - (k) "purchaser" means a person who purchases eligible ethanol-blended fuel in Saskatchewan for use in Saskatchewan, but does not include:
    - (i) an eligible distributor; or
    - (ii) a person who holds a licence issued pursuant to section 28 of *The Fuel Tax Act*, 2000 to export fuel.

1 Nov 2002 cG-5.1 Reg 107 s2; 18 Jne 2004 SR 42/2004 s3.

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#### Application to minister

- **3**(1) A person who wishes to be designated as an eligible distributor shall apply to the minister in any form that the minister may approve.
- (2) Together with the application, the person applying to the minister shall provide the minister with any information that the minister may require to satisfy the minister that the person:
  - (a) carries on business in Saskatchewan as a distributor;
  - (b) has obtained any necessary licence required pursuant to *The Fuel Tax Act. 2000*; and
  - (c) proposes:
    - (i) to obtain ethanol from ethanol producers; or
    - (ii) to obtain eligible ethanol-blended fuel that has been blended in Saskatchewan.

1 Nov 2002 cG-5.1 Reg 107 s3; 18 Jne 2004 SR 42/2004 s4

#### Approval

4 On receipt of an application pursuant to section 3 and if the minister considers it appropriate to do so, the minister may approve the application and designate the person applying as an eligible distributor.

1 Nov 2002 cG-5.1 Reg 107 s4.

#### Agreement

- **5**(1) To be eligible for a grant pursuant to these regulations, an eligible distributor shall enter into a written agreement with the minister in which the eligible distributor agrees to do all of the following:
  - (a) to allow any audit procedures that the minister may require;
  - (b) subject to subsections (3) and (4), to obtain over a calendar year at least 30% of its total ethanol to be used in blending with eligible fuel from ethanol producers whose design capacity to produce ethanol is equal to or less than 25 million litres per year;
  - (c) to comply with *The Fuel Tax Act, 2000*, the regulations made pursuant to *The Fuel Tax Act, 2000*, *The Ethanol Fuel Act*, the regulations made pursuant to *The Ethanol Fuel Act* and other Acts and regulations;
  - (d) to allow the minister to have access to and review any records or information provided to the Minister of Finance in connection with *The Fuel Tax Act*, 2000 or the regulations made pursuant to that Act;
  - (e) to make audited financial records and statements available to the minister;

- (f) to allow the minister, for the purposes of producing a readable record from a computer system used by the distributor, to use any computer system or hardware in the possession of the distributor;
- (g) to keep and make available to the minister the following records:
  - (i) with respect to ethanol used by the eligible distributor to blend with eligible fuel:
    - (A) the name and address of the person from whom the eligible distributor obtained the ethanol:
    - (B) the volume, expressed in litres, of ethanol obtained; and
    - (C) the date the ethanol was obtained;
  - (ii) with respect to the blending of eligible fuel and ethanol:
    - (A) **Repealed.** 18 Jne 2004 SR 42/2004 s5.
    - (B) the volume, expressed in litres, of eligible fuel and ethanol blended and the volume, expressed in litres, of the eligible ethanol-blended fuel produced;
    - (C) a description of the eligible ethanol-blended fuel produced, with the ethanol expressed as a percentage of the total eligible ethanol-blended fuel; and
    - (D) the date the eligible ethanol-blended fuel became available for distribution in Saskatchewan;
  - (iii) with respect to each sale or disposition of eligible ethanol-blended fuel by the eligible distributor:
    - (A) except in the case of sales to consumers as defined in *The Fuel Tax Act*, 2000, the name and address of the person to whom the eligible ethanol-blended fuel was sold or disposed of;
    - (B) a description of the eligible ethanol-blended fuel sold or disposed of;
    - (C) the volume, expressed in litres, of eligible ethanol-blended fuel sold or disposed of; and
    - (D) the date of the sale or disposition;
- (h) to retain the records mentioned in clause (g) for at least six years after the date that the information in the records relates to;
- (i) to do any other things that the minister may require for the purposes of these regulations.
- (2) No eligible distributor shall fail to comply with the agreement that the eligible distributor has entered into.

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- (3) The minister may exempt an eligible distributor from complying with clause (1)(b) for a period if the eligible distributor satisfies the minister that:
  - (a) the eligible distributor is unable to comply with that clause for that period;
  - (b) in that period, the eligible distributor obtained ethanol from producers other than a producer described in that clause; and
  - (c) the eligible distributor is otherwise in compliance with these regulations.
- (4) Clause (1)(b) does not apply to an eligible distributor that is also an ethanol producer if the eligible distributor satisfies the minister that all or substantially all of the ethanol-blended fuel that it makes available for retail sale at its retail outlets is blended with the ethanol that it has produced.

1 Nov 2002 cG-5.1 Reg 107 s5; 18 Jne 2004 SR 42/2004 s5.

#### Grant applications

- **6**(1) In this section and in section 7, **"grant period"** means a period:
  - (a) commencing on January 1 in one year and ending on March 31 of that year;
  - (b) commencing on April 1 in one year and ending on June 30 of that year;
  - (c) commencing on July 1 of one year and ending on September 30 of that year; or
  - (d) commencing on October 1 of one year and ending on December 31 of that year.
- (2) An eligible distributor may apply to the minister for a grant with respect to sales or dispositions of eligible ethanol-blended fuel in the grant period by the eligible distributor to purchasers.
- (3) An application for a grant must be made within 90 days after the grant period with respect to which the application is made.
- (4) Together with an application for a grant period, an eligible distributor shall provide the minister with all of the following information:
  - (a) the volume, expressed in litres, of eligible ethanol-blended fuel that the eligible distributor had at the beginning of the grant period and the composition of that eligible ethanol-blended fuel, with the ethanol expressed as a percentage of the total eligible ethanol-blended fuel;
  - (b) the volume, expressed in litres, of ethanol blended with eligible fuel in the grant period to produce eligible ethanol-blended fuel during the grant period;
  - (c) the volume, expressed in litres, of eligible ethanol-blended fuel that was sold or disposed of by the eligible distributor to purchasers in the grant period;

- (d) the volume, expressed in litres, of eligible ethanol-blended fuel that the eligible distributor had at the end of the grant period and the composition of that eligible ethanol-blended fuel, with the ethanol expressed as a percentage of the total eligible ethanol-blended fuel;
- (e) any other information that the minister may require to determine the eligible distributor's eligibility for a grant and the amount of the grant.

1 Nov 2002 cG-5.1 Reg 107 s6; 18 Jne 2004 SR 42/2004 s6.

#### Grant approvals

- **7**(1) On receipt of an application and all required information pursuant to section 6 and if the minister is satisfied that the eligible distributor has complied with these regulations and is eligible for a grant, the minister shall pay a grant to the eligible distributor with respect to eligible ethanol-blended fuel sold or disposed of by the eligible distributor to purchasers in the grant period.
- (2) The amount of a grant for a grant period for which an eligible distributor is eligible is the amount A calculated in accordance with the following formula:

$$A = B \times C$$

where:

B is the volume, expressed in litres, of ethanol blended in eligible ethanolblended fuel that was sold or disposed of by the eligible distributor to purchasers in the grant period;

C is the rate of \$0.10 per litre.

- (3) If a grant has been paid with respect to eligible ethanol-blended fuel, no further application shall be made and no further grant is to be paid with respect to that eligible ethanol-blended fuel.
- (4) No grant is payable with respect to eligible ethanol-blended fuel that is not intended to be made available for distribution in Saskatchewan.

 $1~\rm Nov~2002~cG\text{-}5.1~Reg~107~s7;~18~Jne~2004~SR~42/2004~s7;~5~Apr~2013~SR~19/2013~s2.$ 

#### Overpayments

- 8(1) The minister may declare all or any grant payments made to an eligible distributor pursuant to these regulations to be an overpayment if, in the opinion of the minister:
  - (a) the eligible distributor has knowingly made a false or misleading statement with respect to a material fact on any form or in any information or document provided to the minister pursuant to these regulations;
  - (b) the eligible distributor has omitted to make a statement or to provide any information or document that results in a statement with respect to a material fact being misleading;
  - (c) the eligible distributor has failed to comply with these regulations or the terms and conditions of an agreement.

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(2) If the minister declares a grant payment to be an overpayment, the amount of the overpayment is deemed to be a debt due and owing to the Crown in right of Saskatchewan and may be recovered from the eligible distributor in any manner authorized pursuant to *The Financial Administration Act, 1993* or in any other manner authorized by law.

1 Nov 2002 cG-5.1 Reg 107 s8.

#### Review of regulations

- **8.1**(1) In this section, "**review committee**" means a review committee appointed by the minister pursuant to this section.
- (2) In accordance with section 16 of *The Government Organization Act*, the minister shall appoint one or more persons as a review committee to review these regulations for the purpose of determining whether these regulations remain relevant and necessary.
- (3) The review committee must be appointed on or before October 24, 2012.
- (4) The minister may:
  - (a) determine the manner in which a review pursuant to this section is to be conducted; and
  - (b) specify a date by which the review committee must submit a written report to the minister.
- (5) The review committee shall complete its review and submit a written report for the minister on or before the date that the minister may specify.
- (6) The minister shall:
  - (a) file a copy of the report with the Registrar of Regulations within 30 days after the date the report was submitted to the minister; and
  - (b) cause a copy of the report to be made public in any manner that the minister considers appropriate.

18 Jne 2004 SR 42/2004 s8.

### Coming into force

**9** These regulations come into force on the day on which they are filed with the Registrar of Regulations.

1 Nov 2002 cG-5.1 Reg 107 s9.