

Regulations and other Acts

Gouvernement du Québec

O.C. 1269-2009, 2 December 2009

Environment Quality Act
(R.S.Q., c. Q-2)

Greenhouse gas emissions from motor vehicles

Regulation respecting greenhouse gas emissions from motor vehicles

WHEREAS subparagraphs *a, c, d, e, e.1, h* and *l* of the first paragraph of section 31, paragraphs *a* to *c* of section 53, sections 109.1 and 124.1 of the Environment Quality Act (R.S.Q., c. Q-2) empower the Government to regulate the emission of contaminants into the environment and to use economic instruments for the purpose of protecting the environment;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1) and section 124 of the Environment Quality Act, a draft of the Regulation respecting greenhouse gas emissions from motor vehicles and fees for excess emissions was published in Part 2 of the *Gazette officielle du Québec* of 3 January 2008 with a notice that it could be made by the Government on the expiry of 60 days following that publication;

WHEREAS it is expedient to make the Regulation with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister of Sustainable Development, Environment and Parks:

THAT the Regulation respecting greenhouse gas emissions from motor vehicles, attached to this Order in Council, be made.

GÉRARD BIBEAU,
Clerk of the Conseil exécutif

Regulation respecting greenhouse gas emissions from motor vehicles

Environment Quality Act
(R.S.Q., c. Q-2, ss. 31, 1st par., subpars. *a, c, d, e, e.1, h* and *l*, 53, pars. *a* to *c*, 109.1, 124.0.1 and 124.1)

CHAPTER I

OBJECT, SCOPE AND DEFINITIONS

1. The objective of this Regulation is to reduce emissions of manmade greenhouse gases likely to cause climate change and threaten environment quality.

To that end, the Regulation specifies the greenhouse gas maximum emission standards that must be met, starting in 2009, by various categories of motor vehicles and, to assist in the achievement of that objective, establishes a system of charges for emissions in excess of the maximum standards. The Regulation also recognizes the possibility, for certain persons, of earning credits and trading them to realize the target reduction.

To ensure as much flexibility as possible in the achievement of its objective, this Regulation, in addition to making the efforts to reduce greenhouse gas progressive, sets maximum emission standards for broad categories of motor vehicles covering a range of models, and bases the calculation of fees on the effort made to reduce the emissions of a vehicle fleet as a whole.

2. This Regulation applies to motor vehicles within the meaning of section 4 of the Highway Safety Code (R.S.Q., c. C-24.2) that

(1) are fuelled wholly or partly by gasoline or diesel fuel or, in the case of hybrid vehicles, partly by gasoline or diesel fuel and partly by electricity;

(2) belong to the 2009 model year or a later model year;

(3) are initially sold, leased or otherwise marketed in Québec; and

(4) are designed for the transportation of up to 12 persons and have a gross vehicle weight not exceeding 4,535 kg, or for the transportation of goods and have a gross vehicle weight not exceeding 3,855 kg.

Mopeds, motorcycles, emergency vehicles, paratransit vehicles, vehicles designed exclusively for school transportation, tool vehicles and off-highway vehicles within the meaning of section 4 of the Highway Safety Code are excluded.

3. The following definitions apply for the purposes of this Regulation:

“**CO₂ equivalent**” means a metric measurement used to compare emissions of various greenhouse gases based on their global warming potential (GWP). The CO₂ equivalent of a gas is calculated by multiplying the number of grams of the gas by its GWP; (*équivalent CO₂*)

“**curb weight**” means, for a new vehicle, the combined weight of the chassis with cab in running order and the bodywork, including tools, spare wheel, and fully-filled coolant, oil and fuel tanks; (*poinds à vide*)

“**global warming potential**” (GWP) means a unit used to measure the effect of a greenhouse gas on global warming compared to carbon dioxide (CO₂), over a given period of time. Defined by the Intergovernmental Panel on Climate Change (IPCC), the GWP of CO₂ over a period of 100 years is equal to 1, that of methane (CH₄) is equal to 21, and that of nitrous oxide (N₂O) is equal to 310; (*potentiel de réchauffement de la planète*)

“**greenhouse gas**” (GHG) means a gas, such as carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O), the emission of which contributes to the greenhouse effect, measured in grams of CO₂ equivalent; (*gaz à effet de serre*)

“**gross vehicle weight**” means the gross vehicle weight rating specified by a motor vehicle manufacturer for a vehicle, including accessories, equipment and loads; (*poinds maximal brut*)

“**intermediate manufacturer**” means a vehicle manufacturer that, for the 2006 model year, initially sold, leased or otherwise marketed between 2,000 and 11,999 vehicles from its vehicle fleet in Québec or that, after the 2006 model year, initially sells, leases or otherwise markets between 2,000 and 11,999 vehicles from its vehicle fleet in Québec in each of 3 consecutive years; (*constructeur intermédiaire*)

“**large volume manufacturer**” means a vehicle manufacturer that, for the 2006 model year, initially sold, leased or otherwise marketed at least 12,000 vehicles from its vehicle fleet in Québec or that, after the 2006 model year, sells, leases or otherwise markets at least 12,000 vehicles from its vehicle fleet in Québec in each of 3 consecutive years; (*grand constructeur*)

“**loaded vehicle weight**” means the curb weight plus 136 kg; (*poinds avec charge*)

“**person**” any person, including a municipality, the Communauté métropolitaine de Montréal, the Communauté métropolitaine de Québec and an intermunicipal board; (*personne*)

“**small volume manufacturer**” means a vehicle manufacturer that, for the 2006 model year, initially sold, leased or otherwise marketed less than 2,000 vehicles from its vehicle fleet in Québec or that, after the 2006 model year, initially sells, leases or otherwise markets less than 2,000 vehicles from its vehicle fleet in Québec in each of 3 consecutive years. (*petit constructeur*)

4. For the purposes of this Regulation, the vehicle fleet of a vehicle manufacturer means all the vehicles, of whatever make, marketed in Québec by that vehicle manufacturer.

If a vehicle manufacturer markets in Québec, under one of its trademarks, vehicles from another manufacturer, the vehicles from the other manufacturer are then part of the vehicle fleet of the first manufacturer.

Vehicles manufactured by more than one vehicle manufacturer and marketed in Québec constitute a single vehicle fleet

(a) where at least 10% of the property of a vehicle manufacturer is held by another vehicle manufacturer; or

(b) where at least 10% of the capital of each vehicle manufacturer is held by the same third party.

CHAPTER II GREENHOUSE GAS EMISSION STANDARDS

DIVISION I MAXIMUM EMISSION STANDARDS

5. For the purposes of this Regulation, motor vehicles are classified into one of the following categories, based on their characteristics and gross vehicle weight:

(1) category 1, which comprises vehicles designed for the transportation of up to 12 persons and having a gross vehicle weight not exceeding 3,855 kg, as well as vehicles designed for the transportation of goods and having a loaded vehicle weight not exceeding 1,705 kg;

(2) category 2, which comprises vehicles designed for the transportation of up to 12 persons and having a gross vehicle weight exceeding 3,855 kg but not exceeding 4,535 kg, as well as vehicles designed for the transportation of goods and having a loaded vehicle weight exceeding 1,705 kg but a gross vehicle weight not exceeding 3,855 kg.

6. The fleet average emission requirement for a large volume manufacturer, for each category and for a given model year, is shown in the following table:

Model year	Maximum greenhouse gas emission standards “large volume manufacturer”	
	Category 1	Category 2
	Grams of CO ₂ equivalent/km	Grams of CO ₂ equivalent/km
2009	201	273
2010	187	261
2011	166	242
2012	145	224
2013	141	221
2014	138	217
2015	132	212
2016	127	206

7. Intermediate manufacturers are not subject to the greenhouse gas emission standards before the 2016 model year. As of 2016, the fleet average emission requirement for an intermediate manufacturer corresponds, for each category,

(a) to the maximum average emission shown for the 2012 model year in the table in section 6; or

(b) to 75% of the average emissions of the category 1 vehicles in its vehicle fleet for the 2002 model year and to 82% of the average emissions of category 2 vehicles in its vehicle fleet for the 2002 model year.

8. Small volume manufacturers are not subject to the greenhouse gas emission standards before the 2016 model year. As of 2016, the fleet average emission requirement for a small volume manufacturer corresponds, for each category,

(a) to the maximum average emission shown for the 2012 model year in the table in section 6; or

(b) to the average emissions of comparable vehicles, in terms of power and ratio between weight and power, sold by a large volume manufacturer for the 2012 model year.

DIVISION II CALCULATION OF AVERAGE EMISSIONS FROM A VEHICLE FLEET

9. The greenhouse gas emission of a vehicle of a given model year is calculated by establishing the average greenhouse gas emission per kilometre of the vehicle (A) and by converting the result into grams of CO₂ equivalent per kilometre (B) using the following formula:

(1) (A): the average greenhouse gas emission per kilometre is calculated by adding 55% of the vehicle’s city emissions per kilometre to 45% of the vehicle’s highway emissions per kilometre.

The city GHG emission values attributed to the vehicles of the vehicle fleet of a manufacturer are determined in accordance with the quantitative evaluation procedures of the “Federal Test Procedure (FTP)”, USA Code of Federal Regulation, 40 CFR, part 86, subpart B, and the highway emissions per kilometre are measured in accordance with the technical requirements of the “Highway Test Procedure”, USA Code of Federal Regulation, 40 CFR, part 600, subpart B.

(2) (B): the average CO₂ equivalent emission value is the total of the products obtained by multiplying the greenhouse gas emissions per kilometre (A) by their respective global warming potential (GWP).

The sum of the methane (CH₄) and nitrous oxide (N₂O) emission values may be replaced by 1.2 grams of CO₂ equivalent per kilometre.

10. The average greenhouse gas emissions of the vehicle fleet from a vehicle manufacturer is calculated by category of vehicles. That calculation is established by dividing the sum of values attributed to the vehicles, in accordance with section 9, by the number of vehicles.

CHAPTER III MOTOR VEHICLES INITIALLY SOLD, LEASED OR MARKETED IN QUÉBEC

DIVISION I EMISSIONS ASSESSMENT AND CALCULATION OF CREDITS AND FEES

§1. Person responsible

11. The responsibility for assessing compliance with the maximum emission standards prescribed by sections 6, 7 and 8 falls to the vehicle manufacturer or to the person who is entitled to use, in Québec, the trademark, name or distinctive sign that identifies or is used to market the type of motor vehicle concerned.

If that person has no domicile or establishment in Québec, the person responsible is,

(1) where a point of retail sale or leasing of motor vehicles is supplied or operated under a franchise, chain, banner or other similar type of affiliation or grouping of businesses or business establishments, the person who offers the franchise or owns the chain, banner or group; if that person has no domicile or establishment in Québec, the person responsible is that person's representative in Québec; or

(2) in the absence of a person mentioned in subparagraph 1, or if motor vehicles are marketed in a manner not covered by subparagraph 1, the person responsible is the retailer.

12. Compliance with the maximum emission standards in sections 6, 7 and 8 must be assessed separately by the person responsible under section 11, for each category of motor vehicle.

§2. Allocation of credits and debits

13. Credits are allocated to a person responsible under section 11 who, for the 2006, 2007 or 2008 model year, complies with the standards set for the 2012 model year for the motor vehicle category. The person must prove compliance to the Minister of Sustainable Development, Environment and Parks. The credits are considered as if they had been allocated in 2011 and retain their full value until 2012. They then lose 50% of their value in 2013 and 75% in 2014. In 2015, the credits expire.

Credits are allocated to a person responsible under section 11 who, as of the 2009 model year, complies with the standards set out in of section 6, 7 or 8.

Beginning with the 2009 model year, credits retain their full value for 5 years after the year in which they are allocated. They lose 50% of their value in the sixth year and 75% in the seventh year. In the eighth year, the credits expire.

14. A person to whom credits have been allocated by the Minister may trade all or any of them, with or without charge, to another person responsible under section 11, if a written notice to that effect is sent to the Minister and to the beneficiary of the trade. The notice must specify the credits traded and their period of validity.

No credit obtained by a person pursuant to this Regulation may be sold or traded otherwise than for the purposes of this Regulation.

15. Debits are allocated to a person responsible under section 11 who, as of the 2010 model year, has not complied with the standards set out in sections 6, 7 and 8.

16. For each person responsible under section 11, the total of the credits and debits is calculated for each category of motor vehicles by determining the difference between the average emissions calculated pursuant to section 10 and the maximum standard applicable under section 6, 7 or 8, and by multiplying the result by the total number of vehicles taken into account in establishing the average emission value of the vehicles in the category. Credits and debits are expressed in grams of CO₂ equivalent.

§3. Fees payable for excess emissions

17. Beginning with the 2010 model year for large volume manufacturers and the 2016 model year for other manufacturers, a fee of \$5,000 per vehicle equivalent is payable for any excess over the maximum emission standards.

18. For the purposes of section 17, the number of vehicle equivalents is calculated by dividing the absolute value of the number of debits obtained for that model year by the maximum emission standard applicable under section 6, 7 or 8.

19. The persons responsible under section 11 are required to pay the Minister, not later than 31 August of the fifth year following the model year, the fees payable for vehicles of a given model year. The fees for the model year 2010 are due on 31 August 2015.

Fees not paid within the prescribed time bear interest, from the due date, at the rate determined as provided in section 28 of the Act respecting the Ministère du Revenu (R.S.Q., c. M-31).

A penalty of 15% of the amount of unpaid fees is to be paid to the Minister if the fees remain unpaid for over 60 days.

The sums thus obtained are paid into the Green Fund established by section 15.1 of the Act respecting the Ministère du Développement durable, de l'Environnement et des Parcs (R.S.Q., c. M-30.001).

20. Every person required under this Chapter to pay fees may offset all or part of the debt by using the credits allocated to the person or to another person responsible under section 11 for either vehicle category.

DIVISION II ANNUAL EMISSION REPORTS

21. The persons responsible under section 11 are required to file with the Minister, not later than 31 August of each year, an annual report containing the following information and data:

- (1) the name and address of the person;
- (2) the establishments where the motor vehicles covered by the report were sold, leased or otherwise marketed in the context of the person's responsibility under section 11 or, in other cases, details or a statement of the person's capacity as a retailer;
- (3) for each category of motor vehicle and for each model year of vehicles initially sold, leased or otherwise marketed between 1 June and 31 May:
 - (a) the total number of vehicles concerned;
 - (b) for the vehicles concerned,
 - i. their curb weight;
 - ii. their gross vehicle weight; and
 - iii. their city and highway greenhouse gas emissions (CO₂, N₂O and CH₄) calculated under section 9;
 - iv. the characteristics of the vehicle: manufacturer, make, model, trim, body type, model year, engine type, engine displacement, injection type, valvetrain configuration, aspiration method, fuel type or power source, driveline, transmission class, number of speeds, camshaft configuration, type of air conditioning specifying the chemical compound used, main use (transportation of goods or persons), specifying the number of vehicles for each category;
- (4) if new sales, leases or marketing of vehicles of a model year covered by this Regulation have occurred since 31 May of the preceding period, the person is required to send the same information as that required by subparagraph 3 for the purposes of filing a revised report and supplementing the information previously provided.

The data referred to in subparagraphs 3 and 4 must be certified by an independent third person who is a professional within the meaning of section 1 of the Professional Code (R.S.Q., c. C-26), empowered by the

Order of which he or she is a member to provide certification. The data may also be certified by any other person legally authorized in Québec to provide certification. The data certification must be attached to the report.

The report is drawn up in the form prescribed by the Minister, dated and signed by its author who must attest to the accuracy of the information contained therein. The report is sent using a technology-based medium.

22. The persons responsible under section 11 must keep, in paper format or using a technology-based medium and for a period of at least 8 years after the date of the last entry, the documents in support of the payment of fees and the annual records of the sales, leases or marketing of the various categories of vehicles.

CHAPTER IV OFFENCE, TRANSITIONAL AND FINAL PROVISIONS

23. A person who, in contravention of the provisions of sections 14, 21, 22 and 24, fails to file a document with the Minister or to keep it, or enters in the document false or inaccurate information or fails to enter the prescribed data in it is liable,

(1) in the case of a natural person, to a fine of \$2,000 to \$25,000; or

(2) in the case of a legal person, to a fine of \$6,000 to \$250,000.

The fines are doubled in the case of a subsequent offence.

24. The persons responsible under section 11 are required to file with the Minister, not later than 90 days after the date of coming into force of this Regulation, information concerning the number of motor vehicles for the 2006, 2007 and 2008 model years in their vehicle fleet that were initially sold, leased or otherwise marketed in Québec in order to determine the class of manufacturer to which they belong.

25. The first annual report required by section 21 must be sent to the Minister not later than 31 August 2010.

26. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.