

 Ministry of Energy, Mines and Petroleum Resources <i>Issued: August 2017</i>		Renewable and Low Carbon Fuel Requirements Regulation Low Carbon Fuel Credit Market Report Information Bulletin RLCF-017
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Credit Market Overview

Under the *Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act* (Act), Part 3 fuel suppliers may purchase validated credits in order to achieve compliance with the low carbon fuel requirements. For more information regarding credit transfers please consult *Information Bulletin RLCF-013 – Validation and Transfer of Credits* at gov.bc.ca/lowcarbonfuels. The table below provides a summary of the low carbon fuel credit market.

Summary of Credit Market ¹ – October 1, 2015 to June 30, 2017	
Transfers (number)	19
Total Volume (credits)	216,441
Average Price (\$ per credit)	\$169.69
Total Value (\$)	\$36,727,200.00

¹Excludes credit transfers reported with a zero or near-zero price.

Credit Transfer Activity

Time Period	Transfers ¹ (number)	Total Volume ¹ (credits)	Average Price ¹ (\$ per credit)	Minimum Price ¹ (\$ per credit)	Maximum Price ¹ (\$ per credit)
Q4 2015	2	14,354	\$169.95	\$20.00	\$170.00
Q1 2016	4	57,000	\$163.42	\$155.00	\$170.00
Q2 2016	5	18,705	\$171.07	\$160.00	\$190.00
Q3 2016	6	123,000	\$174.39	\$100.00	\$185.00
Q4 2016	0	-	-	-	-
Q1 2017	1	382	\$60.00	\$60.00	\$60.00
Q2 2017	1	3,000	\$100.00	\$100.00	\$100.00

¹Excludes credit transfers reported with a zero or near-zero price.



Credit Market Scope

Under section 6 of the Act, Part 3 fuel suppliers generate credits by supplying a fuel with a carbon intensity below the prescribed carbon intensity limit, and incur debits when supplying a fuel with a carbon intensity above the limit (e.g. petroleum-based gasoline and diesel). In addition, Part 3 fuel suppliers may also enter into Part 3 Agreements with the Director under the Act to take actions that would have a reasonable possibility of reducing GHG emissions through the use of Part 3 fuels sooner than would occur without the agreed-upon action. The table below shows the quantity of debits incurred and credits generated each year.

Time Period	Debits Incurred From Fuel Supply ¹	Credits Generated From Fuel Supply ¹	Credits Awarded from Part 3 Agreements	Net Surplus Credits ¹
2013 ²	161,293	513,215	-	351,922
2014 ³	322,587	1,026,429	130,000	833,842
2015	643,276	1,097,909	122,000	576,633

¹ Subject to adjustment as a result of compliance and verification activities.

² Quantities represent 1/3 of the 18th month compliance period ending December 31, 2014.

³ Quantities represent 2/3 of the 18th month compliance period ending December 31, 2014.

Need more information?

Please visit the Low Carbon Fuels website at gov.bc.ca/lowcarbonfuels or email us at lcfr@gov.bc.ca.

This information is for your convenience and guidance only, and does not replace or constitute legal advice. The *Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act* and the Renewable and Low Carbon Fuel Requirements Regulation can be found on the internet at: <http://www.bclaws.ca>.