



**Ministry of
Energy and Mines**

*Issued: March 2013
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Renewable and Low Carbon Fuel Requirements Regulation

Carbon Intensity Approvals

Information Bulletin RLCF-008

Carbon Intensity Approvals for the Renewable and Low Carbon Fuel Requirements Regulation

Issued: March, 2013
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1 Who should read this guide?

This guide is intended for a fuel producer that wishes to sell fuel into the British Columbia transportation fuel marketplace and wants to provide certainty regarding the carbon intensity of its fuel for customers. This document should be used in conjunction with the Renewable and Low Carbon Fuel Requirements Regulation Carbon Intensity Approval/Update Application form, available online at: www.empr.gov.bc.ca/RET/RLCFRR.

2 Why apply for approval of carbon intensity values?

A fuel producer would apply for approval of a carbon intensity for its fuel if the carbon intensity of the fuel supplied is lower than the default listed in the *Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act*. One intention of the Regulation is to create a competitive advantage for low carbon fuel in British Columbia and therefore, increase the volume of low carbon fuel supplied to and used in British Columbia. An approved carbon intensity provides certainty and increases the appeal of the fuel to a party purchasing fuel for the British Columbia marketplace. An approval guarantees the carbon intensity of the fuel for the customer of the producer, ensuring that any risk of error in the carbon intensity remains with the producer.

3 Carbon intensity application process

3.1 Application form

The British Columbia Carbon Intensity Approval/Update Application form is available online at: www.empr.gov.bc.ca/RET/RLCFRR. The first page of the form must be filled out, signed and included as the first page of the application. The remaining application is to be a single document, as described in the form.

3.2 Information requirements

The following information is required from a fuel producer:

- The name and contact information for the individual who can answer questions regarding the application.
- If a third-party is employed to calculate or manage a carbon intensity application, the application should identify the individual and what they are authorized to agree to on behalf of the company.
- The previously issued British Columbia Fuel Code (if updating a carbon intensity).
- The fuel type (e.g. ethanol, biodiesel, hydrogenation derived renewable diesel, etc).
- The carbon intensity being submitted for approval.
- A description of the factors most responsible for the submitted carbon intensity, including the year and regions used in GHGenius modeling.
- A description of any distinctive characteristics associated with the proposed carbon intensity value.
- A description of the feedstock supply, including the transportation distance and transportation mode used.



- A description of the fuel production process including: any co-products produced, the number of times GHGenius was run and the factors that were changed for each run (see RLCF-010 – Using GHGenius in B.C. for more information).
- A description of results, including fuel distribution distances and mode of transport.
- GHGenius input and output summary sheets providing all the inputs entered and the resulting outputs.
- Any other information regarding the steps taken that will enable a Ministry employee to reproduce the proposed carbon intensity.
- A bibliography of the references used (if any).

3.3 Fuel production

It is expected that many fuel producers manufacturing fuel from multiple feedstock pathways at a single facility will apply for a carbon intensity for each feedstock pathway produced. However, if a fuel producer does not wish to apply for an individual carbon intensity for each feedstock pathway produced, they may apply for approval of an average carbon intensity for all fuel manufactured at the facility.

3.4 Fuel and feedstock supply

When two or more feedstocks or fuels are delivered in a single shipment, the Mass Balance Accounting method should be used to determine the appropriate quantity of feedstock used or fuel supplied. The Mass Balance Accounting is based on the principle that material entering a system either leaves the system or accumulates within the system.


Mass Balance Accounting describes how volumes of fuel enter and leave a shipment or storage facility when there are multiple carbon intensities for one type of fuel. For example, a shipment may have 100 litres of ethanol A and 500 litres of ethanol B. A withdrawal of 75 litres of ethanol A and 25 litres of ethanol B may be made and accounted for, leaving 25 litres of ethanol A and 475 litres of ethanol B remaining.

3.5 Application submission

The carbon intensity approval or update application must be signed, and submitted in writing to:

RLCFR Regulation Reporting
Electricity and Alternative Energy Division
Ministry of Energy and Mines
PO Box 9314 Stn Prov Govt
4th floor, 1810 Blanshard Street
Victoria BC V8W 9N1

An electronic copy of the application is also required, and should be submitted to: lcfr@gov.bc.ca

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3.6 Confirmation of receipt

Upon receiving the application, a confirmation of receipt will be sent to the applicant via email. The receipt will include a reference number for each carbon intensity applied for, and contact information for any further correspondence regarding the application.

Once a British Columbia fuel code is issued for each fuel, it will replace the correspondence reference number.

4 Review by the Director

4.1 Evaluation

Ministry staff will review the application to ensure that it is complete. If the application is incomplete, the applicant will be asked to submit further information, which may result in a delay in the evaluation of the application.

In addition to the review for completeness, Ministry staff will evaluate the application and ensure that the proposed carbon intensity can be reproduced using an approved version of GHGenius. Staff will advise the Director whether the proposed analysis from the applicant is satisfactory and adequately supported by the information submitted in the application.

If an error is identified in the application, the application processing will be suspended and the applicant and any authorized representative will be notified. When the correction is agreed to, the applicant or an authorized representative must submit a written correction request. When the written request is received the application processing will resume.

4.2 Evaluation timeline

In general, Ministry staff will evaluate an application within 30 days of receipt. If requested, the Director may agree to expedite the review.


4.3 Confidentiality

Applications are confidential and will not be posted on the Ministry website.

Ministry staff will only discuss an application with a third-party representing the applicant when authorized in writing:

- i. in the application,
- ii. on a separate letter signed by the applicant, or
- iii. in an email from the applicant.

If a third-party is managing the application, the written authorization from the applicant must state what the third-party is authorized to agree to on behalf of the applicant.

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4.4 Effective Date

The effective date is the start date for the approval of the carbon intensity. Once the carbon intensity has been approved, the approval will become effective from the date that the complete carbon intensity application was received by the Ministry.

4.5 Approval

The Director will inform the applicant when a decision regarding an application has been made. If the application is approved, the applicant will receive written notification of the approval, and the carbon intensity for the fuel will be posted on the Ministry website. If the Director intends to refuse the application, the applicant will be provided with an opportunity to supply further clarifying information before a final decision is made. If the Director refuses to approve the carbon intensity, the producer will be informed in writing.

4.6 Expiry dates for carbon intensity postings

Carbon intensities will be approved for a maximum of three years. The Director may approve carbon intensities for shorter periods in some situations, such as when a facility is new and does not yet have actual production data. However, if there are significant changes to the production process, feedstock or co-products the producer must notify the Director immediately and either submit an update for an existing approval or submit an application for a new carbon intensity.

The approval of a carbon intensity may be rescinded through an early expiry for a number of reasons including:

- The fuel supplier has applied for an updated carbon intensity which replaces the approved value.
- An inspection reveals information that shows that the approved carbon intensity is incorrect.

The expiry date is the last date on which the approval is valid. The approved carbon intensity cannot be used for fuel supplied to the British Columbia market after the expiry date, even if no change has occurred in the fuel pathway.

4.7 Posting of carbon intensity

The Director is required to publish all approved carbon intensities on the Ministry website.

It is the Ministry’s intention to provide transparency and accountability. However, if an applicant requests to remain anonymous, the company name may be listed as “Confidential”. An applicant who wishes to have an anonymous listing must request this as part of their application, providing reasons for this request.

Example of Carbon Intensity Postings

Fuel Code	Fuel	Company	Carbon Intensity (gCO ₂ e/MJ)	Effective Date	Expiry Date
BCLCF001	Ethanol	Example Company	52.06	Jan 1, 2013	Dec 31, 2015
BCLCF002	Biodiesel	Confidential	22.11	Jan 1, 2013	Dec 31, 2015



5 Updating an approved carbon intensity

5.1 Applying to update an approved carbon intensity

Fuel producers must ensure that the approved carbon intensity is applicable to the fuel supplied. If a significant change to the pathway of the fuel occurs, the producer is required to inform the Director immediately and apply for approval of an updated carbon intensity.

As an illustration, consider a company that has an approved carbon intensity for fuel produced from feedstock grown in Saskatchewan, where dried distiller's grains are produced as a co-product.

Consider two cases:

- 1) If the grain market changes and the supply of feedstock now comes from Iowa, the company either can apply for a new carbon intensity approval to allow the flexibility to change back to Saskatchewan feedstock, or apply for an update if this is a permanent change.
- 2) If the company develops a feedlot business, and now is producing wet distiller's grains as a co-product, they can apply for an updated carbon intensity to reflect that this is the same product, but with a new carbon intensity.

In the case of an update, the fuel will retain the British Columbia fuel code issued when the fuel's carbon intensity was originally approved.

The application submission procedures are the same as applying for a carbon intensity, as described above.


5.2 Updates required due to an inspection

All fuel producers will be inspected to ensure the accuracy of their carbon intensity claims.

If, as a result of an inspection, the approved carbon intensity is found not to accurately represent the lifecycle emissions of the fuel, the approved carbon intensity may be updated immediately by the Director. The approved carbon intensity will not be changed retroactively for any fuel that has already been supplied.

5.3 Updates required due to government policy

When a carbon intensity update is required due to a change in legislation or a change in the approved version of GHGenius, the Director will notify fuel suppliers of the intent to change and conduct consultations as appropriate regarding the expiration of the current carbon intensity and the establishment of a new one.

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Need more information?

Please see the Renewable and Low Carbon Fuel website at <http://www.empr.gov.bc.ca/RET/RLCFRR> or email us at lcfr@gov.bc.ca.

This information is for your convenience and guidance only, and does not replace or constitute a legal interpretation of the legislation. 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>.