

Issued: August 2021 Revised: May 2022 Renewable and Low Carbon Fuel Requirements Regulation

Part 3 Fuel Supplier and reporting requirements for electricity

Information Bulletin RLCF-020

Background

The *Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act* (Act) imposes low carbon fuel requirements on "Part 3 fuel suppliers." Part 3 fuels include petroleum-based gasoline and diesel fuel and products that can be blended with these fuels, such as biodiesel and ethanol. Part 3 fuel may also include electricity, natural gas, propane, and hydrogen, but only when used in transportation to displace diesel or gasoline. Information about these fuels can be found in Information Bulletin *Clarification of Part 3 fuel supplier in relation to emerging fuels* (RLCF-009).

In July 2021, the Renewable and Low Carbon Fuel Requirements Regulation (Regulation) was amended to clarify who is the fuel supplier for each type of electricity supply and provides details regarding reporting requirements for fuel suppliers of electricity.

Part 3 Fuel Supplier

Electricity has uses in addition to transportation and can only be identified as a Part 3 fuel when it is supplied through a charging station or other equipment that is the final supply equipment (FSE).

Supply prior to January 1, 2022,

For electricity provided before January 1, 2022, a person was a Part 3 fuel supplier if all of the following conditions were met:

- a) the person sold electricity in British Columbia through a sale or other financial consideration and had a reasonable belief that some of the electricity they sold was used for transportation in substitution for gasoline or diesel fuel, and
- b) the person was able to, by the deadline for submitting Part 3 compliance reports, identify a specific quantity of the electricity that they supplied which was used for transportation in substitution for gasoline or diesel fuel.

However, despite meeting the above criteria, the person was not a Part 3 fuel supplier if all of the electricity they sold in substitution for gasoline or diesel fuel was originally sold to them by another person meeting the criteria in paragraphs (a) and (b).

For electricity, normally the Part 3 fuel supplier was the utility that sold the electricity to end customers at the retail meter, provided the utility knew or reasonably expected that the electricity sold at the meter was used for transportation by the customer. This is because the utility was expected to be the first person selling the electricity who meets both criteria (a) and (b) above.



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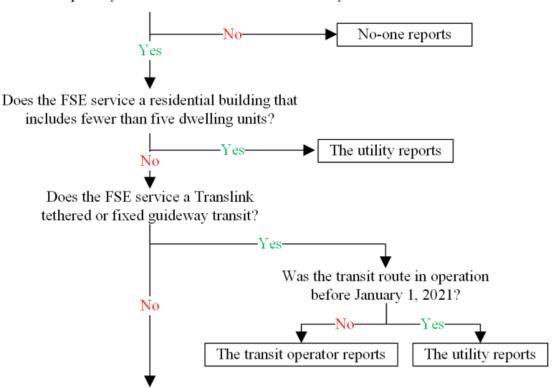
Supply January 1, 2022, onwards

Effective January 1, 2022, the supplier for electricity is the person who provides the electricity through the FSE, with the exception that the utility is considered the supplier in the following situations:

- vehicle charging at a residential building that includes fewer than five (5) dwelling units,
- Translink trains and electric trolley buses that were in operation on December 31, 2020.

The following decision tree is included to help determine if you are a fuel supplier for a quantity of electricity supplied on or after January 1, 2022, and the reporting requirements that apply to your situation.

Is the electricity provided through the final supply equipment metered or can the quantity be estimated to reasonable accuracy?



The person who provides the electricity through the FSE reports



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Reporting Requirements

Compliance with the <u>Regulation</u> is the responsibility of the Part 3 fuel supplier. As with all other fuels, electricity provided for transportation must be reported on or before March 31 following the end of the compliance period.

Residential Reporting

Residential building includes all buildings intended for private occupancy whether on a permanent basis or not. Dwellings include at least the following types: single-family, mobile, cottage, semi-detached, row house and apartment building.

Utilities that provide electricity through the FSE at a residential building that includes fewer than five (5) dwelling units are encouraged to contact lefs@gov.bc.ca for more information.

General Reporting Requirements

Prior to reporting electricity supplied through electric vehicle chargers, the Ministry recommends that Part 3 fuel suppliers identify FSE. The purpose of identifying FSE is to mitigate the potential of double reporting. Before validating credits, the director may require the Part 3 fuel supplier to provide additional information in support of a compliance report that includes electricity. Additional information may include all of the information required in the FSE identification form and any other information the director considers relevant.

- **Step 1**: Gather the following information from the FSE: charging station location, charging type, serial number, and manufacturer. If a charging station has multiple metered units, the information for each unit is required.
- **Step 2**: Fill out the FSE identification form. To obtain a FSE identification form, see our website.
- **Step 3**: Submit the identification form to lefs@gov.bc.ca. If changes occur, the FSE information must be updated prior to the following reporting deadline.
- **Step 4**: Report the total electricity supplied through the FSE by submitting a compliance report in the Transportation Fuels Reporting System (TFRS). For more information on how to access and navigate TFRS, see our <u>website</u>.
- **Step 5**: Update your FSE identification form by adding the dates of supply for the FSE that supplied the electricity reported in your compliance report and include the updated form as a file submission along with your compliance report.



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Need more information?

Please see the Renewable and Low Carbon Fuel website at http://gov.bc.ca/lowcarbonfuels or email us at lefs@gov.bc.ca

This information is for your convenience and guidance only and does not replace or constitute legal advice. Exceptions to the above may apply in certain circumstances. It is recommended that parties who may be a Part 3 Fuel Supplier review the *Greenhouse Gas Reduction* (Renewable and Low Carbon Fuel Requirements) Act and the Renewable and Low Carbon Fuel Requirements Regulation seek independent legal advice to confirm their status, legal obligations and opportunities. 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.