Issued: May 2022

Electricity Supply Frequently Asked Questions

The below lists responses to commonly asked questions:

- 1. Question: In reference to the definition of "Final Supplier" in the Regulation that came into force January 1, 2022, can you clarify what is meant by "provides the electricity"? Answer: The person who provides the electricity through final supply equipment will be the person who owns (pays the electricity bill) the electricity and causes it to be supplied through final supply equipment.
- 2. Question: Do I have to charge a fee for the electricity delivered through Final Supply Equipment to qualify as a Part 3 fuel supplier? Answer:
 - a. *Electricity supplied prior to January 1, 2022.* Yes, for electricity supplied before January 1, 2022, a sale or other financial consideration was required, as described on page one of Information Bulletin RLCF-020 (Part 3 Fuel Supplier and reporting requirements for Electricity) on the electricity page of our website.
 - b. *Electricity supplied as of January 1, 2022.* No, for electricity supplied as of January 1, 2022, the supplier for electricity will be the person who provides the electricity through the Final Supply Equipment (FSE) – selling the electricity provided through the FSE is not required by the regulation. For more information, see pages one and two of Information Bulletin RLCF-020 (Part 3 Fuel Supplier and reporting requirements for Electricity) on the electricity page of our website.
- 3. **Question:** Do I need to own the FSE that provides the electricity in order to be considered the Part 3 fuel supplier? Answer: No, you do not need to own the FSE that provides the electricity. The Part 3 fuel supplier will be the person who provides the electricity through the FSE as described on page one of Information Bulletin RLCF-020 (Part 3 Fuel Supplier and reporting requirements for Electricity) on the electricity page of our website.
- 4. **Question:** Is electricity a gasoline class fuel or diesel class fuel? **Answer:** Electricity should be reported in the class of fuel which is being replaced by the electricity. If the electricity supplied through the FSE is replacing gasoline, you would report it as gasoline class fuel and if it is replacing diesel, you would report it as diesel class fuel. See Section 1 of the Act for definitions of gasoline and diesel class fuel. Light-duty vehicles are generally considered to be gasoline class and heavy-duty vehicles are generally considered to be diesel class.
- 5. Question: Can I report electricity supplied to electric vehicles at residences, including multi-unit residential buildings (MURB), for the 2021 compliance period or prior? Answer: For electricity supplied to electric vehicles at a residence, including MURBs, prior to January 1, 2022, the Part 3 fuel supplier will generally be the utility. This is because the utility is the upstream supplier that meets the criteria outlined in the Act, the



<u>Regulation</u>, and described on page one of <u>Information Bulletin RLCF-020 (Part 3 Fuel</u> <u>Supplier and reporting requirements for Electricity</u>), for compliance periods up to and including the 2021 compliance period.

- 6. Question: Can I report electricity supplied to electric vehicles at <u>publicly accessible</u> <u>chargers</u>, for the 2021 compliance period or prior? Answer: If you meet the criteria outlined in <u>Act</u> and the <u>Regulation</u>, described on page one of <u>Information Bulletin RLCF-020 (Part 3 Fuel Supplier and reporting requirements</u> for <u>Electricity</u>), you should submit a FSE identification form. It is possible that an upstream electricity provider also meets the requirements, which means that they would be the party required to report. The Ministry will respond to your identification form with confirmation of receipt, or with a request for additional information.
- 7. Question: Is reporting electricity supply complicated? Answer: No, reporting electricity supply is very simple. The first step is to request to complete a FSE identification form for the applicable chargers. The identification form is available on on the <u>electricity page</u> of our website. The Ministry will respond to your request identification form with a request for additional information. Once the Ministry has enough information, we will provide the necessary details for getting set up in the Transportation Fuels Reporting System and provide you with an easy-to-follow user guide.
- 8. Question: Can another person report on my behalf? Answer: You may choose to authorize someone to act on behalf of your organization in dealings with the Ministry. The Representation Agreement Form found on the <u>Credit</u> <u>Market</u> page of our website is submitted to the Ministry to inform the Ministry of the agreement between the agent and the supplier. Several companies will be offering these services in the near future, and it is important that you understand that your organization retains all legal responsibilities associated with its compliance with the <u>Act</u> and the <u>Regulation</u> and that even if the actions of the Representative result in your organization being out of compliance, your organization is held accountable by the Ministry.
- 9. Question: How much credit is generated by the supply of electricity? Answer: The formula to calculate the credits generated or debits incurred in the compliance period is set out in <u>Section 6 (4) of the Act</u> and <u>Section 11.02 of the Regulation</u>. For example, if you supplied 20,000 kWh of electricity in the 2022 compliance period, you would generate approximately 17 credits.
- 10. Question: How is the value of a LCFS credit determined? Answer: The value of a credit is determined by supply and demand dynamics within the credit market. Credit Market Reports are published monthly and quarterly and include information on the number of credit transfers, the volume of credits transferred, and



credit prices. The quarterly report also includes a summary of credits generated and debits incurred in each compliance year. See <u>Credit Market</u> for more information.

11. **Question:** Who buys credits?

Answer: Credits may only be bought or sold by parties who have been identified by the Ministry as suppliers in accordance with the definitions in the <u>Act</u>. <u>Information Bulletin</u> <u>RLCF-013 (Validation & Transfer of Credits)</u> lists the Part 3 fuel suppliers that have been recognized by the Ministry. Contact information is provided with the permission of the organization. The information provided is for convenience only and is accurate at the time of publication.

Need more information?

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

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) Act and the Renewable and Low Carbon Fuel Requirements) Act and the Renewable and Low Carbon Fuel Requirements) Act and the Renewable and Low Carbon Fuel Requirements (Renewable and Low Carbon Fuel Requirements) Act and the Renewable and Low Carbon Fuel Requirements) Act and the Renewable and Low Carbon Fuel Requirements (Renewable and Low Carbon Fuel Requirements) Act and the Renewable and Low Carbon Fuel Requirements) Act and the Renewable and Low Carbon Fuel Requirements (Renewable and Low Carbon Fuel Requirements) Act and the 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.