	Ministry of Energy, Mines and Low Carbon Innovation <i>Issued: January 2011 Revised: January 2023</i>	Renewable and Low Carbon Fuel Requirements Regulation Compliance Reporting Requirements Information Bulletin RLCF-003
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Background

Compliance with the Renewable and Low Carbon Fuel Requirements Regulation (Regulation) is the responsibility of the person who sells Part 2 and/or Part 3 fuel for the first time after it is manufactured in or brought into British Columbia. The compliance responsibility for a fuel may be transferred from one fuel supplier to another under written agreements in accordance with sections 6 (for Part 2 fuels) and 6.1 (for Part 3 fuels) of the Regulation.

Effective December 6, 2016 the Regulation defines agreements under section 6.1 (for Part 3 fuels) as “Exclusion Agreements”, which have specific information and reporting requirements. For more information, see *Information Bulletin RLCF015 – Exclusion Agreements and Reports*.

Compliance periods

All Part 2 and Part 3 fuel suppliers are required to report to the Ministry of Energy, Mines and Low Carbon Innovation (Ministry). The Part 2 and Part 3 compliance periods align with the calendar year, and Compliance Reports (see below) are due on or before March 31 following the end of the compliance period. Companies wishing to claim the small supplier exemption may submit an “Exemption Report” (see *Information Bulletin RLCF005 – Exemption Reports*).

Part 2 (renewable fuel) requirements

Part 2 fuel suppliers must ensure that they have the minimum renewable fuel content, on a provincial annual average basis, in the fuel they supply in British Columbia during a compliance period. Fuel suppliers have the flexibility to vary their blend percentages and can choose where in the province they supply renewable fuel blends, as long as they meet the provincial annual average requirement for renewable fuel content.

Part 2 - automatic administrative penalties

- 30¢/L for renewable content deficit in gasoline pool
- 45¢/L for renewable content deficit in diesel pool

The renewable fuel requirement is five (5) percent for gasoline and four (4) percent for diesel for each compliance period. Records of excess renewable fuel may be transferred from one supplier to another supplier who may need additional renewable fuel to meet its obligations. This transfer of records does not require a physical transfer of the fuel itself, and is referred to as a “notional transfer”.


Part 3 (low carbon fuel) requirements

Part 3 fuel suppliers must ensure that the sum of the credits they generate or acquire is equal to or greater than the number of debits they are required to offset for that compliance period.

Part 3 fuel suppliers may request the validation of credits accrued through the supply of low carbon fuels whose carbon intensity has been determined in accordance with the Regulation (see *Information Bulletin RLCF006 – Carbon Intensity Records*). Part 3 fuel suppliers may also acquire validated credits from other Part 3 fuel suppliers (see *Information Bulletin RLCF013 – Validation & Transfer of Credits*), or be awarded credits under a Part 3 Agreement.

Part 3 - automatic administrative penalty

- \$200/net debit for penalties incurred in 2022 and previous compliance periods
- \$600/net debit for penalties beginning in the 2023 compliance period

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Compliance reporting

Compliance Reporting is managed through the [Transportation Fuels Reporting System](#).

The Ministry will not accept Compliance Reports with inconsistent data. Paper copies of compliance materials will not be reviewed or accepted.

Fuel suppliers who wish to submit or update fuel supply information for past compliance periods should contact the Low Carbon Fuels Branch at lcfs@gov.bc.ca to obtain the appropriate reporting form.

All reports submitted to the Ministry are held in confidence. Reported information is compiled in a confidential database and all information is held in a secure records management system.

Need more information?

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

This information is for your convenience and guidance only and does not replace or constitute legal advice. 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, and 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>.