

 <p>BRITISH COLUMBIA</p>	<p>Ministry of Energy, Mines and Low Carbon Innovation</p> <p><i>Issued: May 2022 Revised: May 2024</i></p>	<p><i>Low Carbon Fuels Act</i></p> <p>Electricity Supply Frequently Asked Questions</p>
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The below lists responses to commonly asked questions:

1. **Question:** When is electricity an alternative fuel?
Answer: Under the Low Carbon Fuel Standard (LCFS), electricity is a fuel if used for transportation or other prescribed purposes. Prescribed non-transportation purposes are cargo handling equipment at marine terminals, ground support equipment at airports, and heavy forklifts. Information about the equipment types within each prescribed non-transportation purpose can be found in Information Bulletin [RLCF-022: Prescribed purposes other than Transportation](#).

2. **Question:** Who is the final supplier of electricity?
Answer: A supplier is the person who owns the electricity dispensed through the final supply equipment (FSE), such as the electric vehicle (EV) chargers. This is usually the person who is responsible for paying the electricity bill and is the utility account holder. 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 train and trolley routes that were in operation on December 31, 2020.

3. **Question:** Do I need to own the FSE to become a person who supplies electricity?
Answer: No, you do not need to own the FSE. This means that you could be providing electricity without owning the equipment.

4. **Question:** Is it necessary to charge a fee for electricity to be responsible for reporting the supply?
Answer: Electricity supplied if dispensed through the FSE, irrespective of any fees imposed.

5. **Question:** Can I transfer responsibility for LCFS reporting?
Answer: Yes. Under Section 7 of the [Low Carbon Fuels Act](#) (Act), a person may create a written allocation agreement to transfer responsibility to another person who agrees to become responsible for the fuel.

You may elect anyone in the province to take on LCFS reporting for electricity. If you do this, records of your allocation agreement must be kept during its effective term and seven (7) years after its termination. For more information, see Information Bulletin [RLCF-015a: Allocation Agreements](#).

6. **Question:** When is a person who supplied electricity not required to submit a compliance report?
Answer: If you *only* market electricity, you must not submit a compliance report in the following cases.
 - i. Your aggregate volume is less than 15,000 kWh for the compliance period.
 - ii. You have an allocation agreement for all the electricity you supply.

7. **Question:** How do I register in the Transportation Fuels Reporting System (TFRS)?
Answer: Anyone can submit an application to register in TFRS if they are responsible for reporting a fuel, want to trade credits that they own or on behalf of others, or plan to be involved in an initiative agreement. The first step in the application process is to obtain a Business BCeID and review the [TFRS page](#) of our website for information relevant to your application.



To register, send a TFRS Registration Form A or B and all required documentation to lcfs@gov.bc.ca.

- TFRS Registration Form A is required if:
 - you are responsible for reporting a fuel under the Act, e.g. providing EV charging.
- TFRS Registration Form B is required if you do not meet the criteria above but want to:
 - trade credit only, or
 - participate in an initiative agreement.

8. **Question:** How do I aggregate electricity supply for others?

Answer: You may choose one or all the options described below to aggregate electricity supply.

- Through allocation agreements, take on compliance obligations from fuel suppliers and report the electricity through your TFRS account.
- Through representation agreements, act as a service provider for organizations who elect you to help report the electricity through the organization's TFRS account. For this kind of representation, you must notify the ministry of this agreement using a Representation Agreement Notification Form available on our website's [Credit Market page](#).

9. **Question:** How can I trade LCFS credits on behalf of others?

Answer: You can bank or trade LCFS credits that are in your TFRS account. To trade credits for others, create a representation agreement with an organization that wants to transfer their validated LCFS credits to you so you can help them trade. Also, the person you want to help would submit a Credit Transfer Proposal in [TFRS](#), which must be approved before the credits are transferred to your TFRS account.

10. **Question:** What are the options to measure electricity supply?

Answer: To report, you must quantify the electricity supplied in each fuel category with reasonable accuracy. For more information, see Section 17 and Schedule 2 of the [Low Carbon Fuels \(Technical\) Regulation](#).

Options for measurements include:

- FSEs that are capable of measuring the electricity supplied.
- Separate meters or submeters that measure the quantity of electricity used by applicable FSEs at a location and nothing else.
- In limited circumstances where electricity supplied cannot be metered, you may propose an alternative estimation methodology to the ministry. Note that an alternative estimation method must be approved prior to submitting your compliance report. To apply, submit an alternative estimation methodology you are proposing by email to lcfs@gov.bc.ca

11. **Question:** Is EV charging in the gasoline or diesel fuel category?

Answer: Electricity supplied to light-duty motor vehicles is in the gasoline fuel category, while heavy-duty vehicles are in the diesel fuel category. Here, heavy-duty motor vehicles have a gross vehicle weight rating exceeding 3,856 kg.



12. **Question:** How many credits are generated by reporting electricity?

Answer: Credits are calculated using the formula in [Section 13](#) of the Act. You may also explore the *Compliance Unit Calculator* on our website's [Credit Market page](#) to determine the credits generated in 2024 and future compliance periods.

13. **Question:** How is the value of low carbon fuel credit determined?

Answer: The value of a credit is determined by supply and demand dynamics within the credit market. The Credit Market data is published on our website's [Credit Market](#) page and updated monthly. You can reference this data for information on the number of LCFS credit transfers, the volume transferred, and prices.

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

Answer: The Information Bulletin [RLCF-013: Validation & Transfer of Credits](#) lists some of the entities that participate in the Credit Market. The listed contacts are provided with the organization's permission and are accurate at the time of publication.

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 fuel supplier review the *Low Carbon Fuels Act*, Low Carbon Fuels (General) Regulation and the Low Carbon Fuels (Technical) Regulation and seek independent legal advice to confirm their status, legal obligations and opportunities. The *Low Carbon Fuels Act*, Low Carbon Fuels (General) Regulation and the Low Carbon Fuels (Technical) Regulation can be found at: <http://www.bclaws.ca>.