

	<p>Ministry of Energy and Mines</p> <p><i>Issued: August 2015</i> <i>Revised: August 2016</i></p>	<p>Renewable and Low Carbon Fuel Requirements Regulation</p> <p>Validation and Transfer of Part 3 (Low Carbon Fuel) Credits</p> <p>Information Bulletin RLCF-013</p>
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Background Information

Under the *Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act* (Act), a Part 3 fuel supplier is usually the person who sells a Part 3 fuel for the first time after it is manufactured in or brought into British Columbia. A Part 3 fuel supplier's compliance with the low carbon fuel requirements of the Renewable and Low Carbon Fuel Requirements Regulation is calculated in terms of credits for low carbon fuels and debits for high carbon fuels as specified by section 6 of the Act.

Credits and debits are measured in tonnes of carbon dioxide equivalent emissions (t CO₂e) by comparing the emissions of the fuel supplied to emissions of an equal quantity of fuel at the prescribed carbon intensity limit for that compliance period. Fuel suppliers must ensure that their debits (t CO₂e above the prescribed limit) are at least balanced by credits (t CO₂e below the prescribed limit) in order to reach compliance for a given period. A supplier with more debits than credits at the end of the compliance period is subject to an automatic penalty of \$200 per outstanding debit.

Fuel suppliers may transfer debits and validated credits in order to achieve compliance with the low carbon fuel requirements.

Credit Validation

Before credits can be transferred they must be validated by the Director. As specified by section 8 (7) of the Act, fuel suppliers may submit a single application once per quarter (ending March 31, June 30, September 30, and/or December 31) requesting the validation of credits accrued for low carbon fuels supplied in a previous quarter of the same compliance period.

The Credit Validation Application form is available online at gov.bc.ca/lowcarbonfuels.

Credit Transfer before September 1, 2016

Until September 1, 2016, fuel suppliers may enter into agreements with other fuel suppliers to transfer debits or validated credits at any time. The transfers are to be reported as part of each fuel supplier's compliance reports.

If a fuel supplier wishes to transfer credits on or after September 1, 2016, they must first complete a Credit Transfer Report to either report all transfers between January 1 and August 31, 2016 or to confirm that they have not transferred any debits or validated credits in that period.

The Credit Transfer Report is available online at gov.bc.ca/lowcarbonfuels.

Credit Transfer after September 1, 2016

Beginning September 1, 2016, any transfer of debits or validated credits must be approved by the Director.

Part 3 fuel suppliers who wish to transfer debits or validated credits must apply for approval by submitting a Credit Transfer Proposal form. This proposal must be signed by both parties in the transfer. The transfer of debits or validated credits will take effect on either the date on which the transfer is approved by the Director, or a date specified in the credit transfer proposal, whichever is later.

The Credit Transfer Proposal form is available online at gov.bc.ca/lowcarbonfuels.



Notes for Credit Transfers

Before a proposed credit transfer is reviewed by the Director, each fuel supplier must ensure that they have submitted a Credit Transfer Report to report any transfers that occurred between January 1 and August 31, 2016 or to confirm that they have not transferred any debits or validated credits in that period.

Only Part 3 fuel suppliers recognized by the Ministry may transfer debits or validated credits. A list of Part 3 fuel suppliers currently recognized by the Ministry is provided below.

Under section 8 (9) of the Act, the transfer of credits must also be reported by both parties in the compliance report for the year in which the transfer occurred, even if the transfer has been previously reported.

Exempt Status and Credit Trading

A company that has been granted exemption from Part 3 compliance requirements in a given compliance period may not generate credits in that compliance period. However, a company that has been granted exemption but still holds credits from a previous compliance period may transfer those credits at any time by submitting a Credit Transfer Proposal to the Director.

Contact List for Credit Transfers

The following table lists the Part 3 fuel suppliers currently recognized by the Ministry. Where contact information appears, it is provided with written permission from the fuel supplier.

Company Name	Contact for Credit Transactions		
	Name	Email	Phone
Air Liquide Canada Inc.			
BC Hydro	Maria Furberg	maria.furberg(at)bchydro.com	604-623-4004
BC Transit	Geoff Huber	geoff_huber(at)bctransit.com	250-385-2551
Canwest Propane	Eddie Wang	eddie.wang(at)canwestpropane.com	
Chevron Canada Limited	Dave Schick	dschick(at)chevron.com	
Consolidated Biofuels Ltd.	Barb Lervold	blervold(at)consolidatedbiofuels.net	
eco-Options Energy Cooperative	David Swan	david.swan(at)eghg.ca	778-387-5201
Federated Co-Operatives Ltd.	Gurpreet Bhatia	g.bhatia(at)ccrl-fcl.ca	306-719-4586
FortisBC Energy Inc.	Ravinder Purewal	ravinder.purewal(at)fortisbc.com	604-576-7329
HTEC Hydrogen Technology & Energy Corporation	Colin Armstrong	carmstrong(at)htec.ca	604-904-0412
Husky Oil Ltd.	Cheryl Vezeau	cherylynn.vezeau(at)huskyenergy.com	
Imperial Oil Limited & McColl-Frontenac Petroleum Inc.	Tanya Farley	tanya.c.farley(at)esso.ca	587-476-3227
Powerex Corporation	Meredith Aitken	meredith.aitken(at)powerex.com	604-891-5014
Shell Canada Products	John Lesperance	john.lesperance(at)shell.com	403-384-5401
South Coast British Columbia Transportation Authority (TransLink)	Sarah Buckle	sarah.buckle(at)Translink.ca	778-375-6924
Suncor Energy Products Partnership	Michael Kaufman	mkaufman(at)suncor.com	905-804-5517
Superior Propane	Godfrey Van de Leur	godfrey_vandeleur(at)superiorpropane.com	



**Ministry of
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Renewable and Low Carbon Fuel Requirements Regulation

Validation and Transfer of Part 3 (Low Carbon Fuel) Credits

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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 lcfr@gov.bc.ca

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