

	<b>Ministry of Energy, Mines and Petroleum Resources</b> <i>Issued: August 2017</i> <i>Revised: October 2018</i>	Renewable and Low Carbon Fuel Requirements Regulation  <b>Low Carbon Fuel Credit Market Report</b>  <b>Information Bulletin RLCF-017</b>

## Credit Transfer Activity <sup>1</sup>

Under the *Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act* (Act), Part 3 fuel suppliers may purchase validated credits in order to achieve compliance with the low carbon fuel requirements. For more information regarding credit transfers please consult *Information Bulletin RLCF-013 – Validation and Transfer of Credits* at [gov.bc.ca/lowcarbonfuels](http://gov.bc.ca/lowcarbonfuels). The table below provides a summary of the low carbon fuel credit market.

Time Period <sup>2</sup>	Transfers (number)	Total Volume (credits)	Average Price (\$ per credit)	Minimum Price (\$ per credit)	Maximum Price (\$ per credit)
Q3 2018	9	149,571	\$199.96	\$55.00	\$207.00
Q2 2018	2	2,741	\$170.30	\$165.00	\$172.00
Q1 2018	7	71,092	\$159.23	\$55.00	\$176.00
CY 2017	31	240,164	\$164.30	\$60.00	\$185.00
CY 2016	15	198,705	\$170.93	\$100.00	\$190.00
CY 2015	2	14,354	\$169.95	\$20.00	\$170.00

<sup>1</sup> Excludes credit transfers reported with a zero or near-zero price.

<sup>2</sup> Q: quarter; CY: compliance year

## Credit Market Scope

Under section 6 of the Act, Part 3 fuel suppliers generate credits by supplying a fuel with a carbon intensity below the prescribed carbon intensity limit, and incur debits when supplying a fuel with a carbon intensity above the limit (e.g. petroleum-based gasoline and diesel). In addition, Part 3 fuel suppliers may also enter into Part 3 Agreements with the Director under the Act to take actions that would have a reasonable possibility of reducing GHG emissions through the use of Part 3 fuels sooner than would occur without the agreed-upon action. The table below shows the quantity of debits incurred and credits generated each year. All values are subject to adjustment as a result of compliance and verification activities.

Time Period	Debits Incurred From Fuel Supply	Credits Generated From Fuel Supply	Credits Awarded from Part 3 Agreements	Net Surplus Credits
2013	161,293	513,389	-	352,096
2014	322,587	1,026,778	-	704,191
2015	643,140	1,101,998	66,380	525,238
2016	918,776	1,067,105	166,618	314,947
2017	1,412,245	1,258,615	97,833	(55,874)

The credits awarded from Part 3 Agreements are for the completion of project milestones during a given compliance period. For the 2013 and 2014 time periods, the quantities of debits and credits represent 1/3 and 2/3 respectively of the 18<sup>th</sup> month compliance period ending December 31, 2014.



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### **Need more information?**

Please visit the Low Carbon Fuels website at [gov.bc.ca/lowcarbonfuels](http://gov.bc.ca/lowcarbonfuels) or email us at [lcfr@gov.bc.ca](mailto:lcfr@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 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>.