



Regulatory Guidance

November 2017



Low Carbon Fuel Standard (LCFS) Regulatory Guidance 17-03

Guidance on Implications of Court Ruling on Low Carbon Fuel Standard

BACKGROUND

The Air Resources Board (ARB) is issuing a regulatory guidance to clarify the Modified Writ issued by Superior Court of California, County of Fresno, on October 18, 2017, in the case of Poet, LLC et al. vs CARB et al. (No. 09 CECG 04659 JYH).

SCOPE

According to the court ruling, CARB is directed to preserve the status quo relating to conventional diesel fuel and its substitutes by continuing to adhere to the standards in effect during 2017 for those fuels until the corrective action is complete and approved by the Court in an order discharging the writ. The other LCFS fuels are not impacted by this ruling.

While the diesel targets are frozen, the following shall apply:

- (a) 2017 standard will be applicable for transactions in Q1 2018;
- (b) any change to the standard will be assessed on a quarterly going-forward basis and will not have retroactive impacts on Q1 2018 or any other quarter until, at the earliest, the quarter after the writ is discharged;
- (c) CARB will publish a similar guidance notifying the market of the change back to the 2018 or other applicable standard at least 30 days before the change takes effect; and
- (d) CARB is working expeditiously to publish the corrective action for the trial court's consideration.

CONTACT INFORMATION

For any questions regarding this regulatory guidance, please contact Sam Wade, Chief, Transportation Fuels Branch at (916) 322-8263 or via email at sam.wade@arb.ca.gov.