

# **Handout 2**

## **Regulated Party Provisions**

Subchapter 10. Climate Change  
Article 4. Regulations to Achieve Greenhouse Gas Emission Reductions

Subarticle 7. Low Carbon Fuel Standard

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§ 95481. Definitions and Acronyms. [from 95481, page 10]

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- (9) “Biogas” (also called biomethane) means the raw methane and carbon dioxide derived from the anaerobic decomposition of organic matter in a landfill or artificial reactor (digester). Biogas often contains a number of other impurities such as hydrogen sulfide, and it cannot be directly injected into natural gas pipelines or combusted in most natural-gas-fueled vehicles. It can be used as a fuel in boilers and engines to produce electrical power. The biogas can be refined to produce near-pure methane, which is sold as biomethanenatural gas that is produced from the breakdown of organic material in the absence of oxygen. Biogas is produced in processes including, but not limited to, anaerobic digestion, anaerobic decomposition, and thermo-chemical decomposition. These processes are applied to biodegradable biomass materials, such as manure, sewage, municipal solid waste, green waste, and waste from energy crops, to produce landfill gas, digester gas, and other forms of biogas.
- (10) “Biogas-Bio-CNG” means biogas-derived CNG-consisting solely of compressed biogas. Bio-CNG has equivalent or better performance characteristics than CNG. Therefore, bio-CNG is expected to have a methane content and LHV that is equivalent to or better than CNG.
- (11) “Biogas-Bio-LNG” means biogas-derived LNG-consisting solely of liquefied biogas. Bio-CNG has equivalent or better performance characteristics than LNG.
- (11-1) “Bio-L-CNG” means biogas-derived L-CNG. Bio-LCNG has equivalent or better performance characteristics than L-CNG.

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(14) “Biomethane” means when biogas is refined, the carbon dioxide and the impurities present in biogas are separated from the methane in the mixture, resulting in a product of near-pure methane content. This product is called biomethane. Biomethane has equivalent or better performance characteristics than natural gas.

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(28) “Fossil CNG” means CNG that is derived solely from petroleum or fossil sources, such as oil fields and coal beds.

(28-1) “Fossil LNG” means LNG that is derived solely from petroleum or fossil sources, such as oil fields and coal beds.

(28-2) “Fossil L-CNG” means L-CNG that is derived solely from petroleum or fossil sources, such as oil fields and coal beds.

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(34) “Import” means to bring a product from outside California into California.

(35) “Importer” means the person who owns the liquid transportation fuel or blendstock, in the transportation equipment that held or carried the product, at the point the equipment entered California. For purposes of this definition, “transportation equipment” includes, but is not limited to, rail cars, cargo tanker trucks, and pipelines.

(36-1) “Liquefied Compressed Natural Gas (L-CNG)” means LNG that has been liquefied and transported to a dispensing station where it was then re-gasified and compressed to a pressure greater than ambient pressure.

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(39) “Liquefied Natural Gas (LNG)” means natural gas that has been liquefied.

(40) “Liquefied petroleum gas (LPG or propane)” has the same meaning as defined in Vehicle Code section 380.

\* \* \* \* \*

- (45) "Natural gas" means a mixture of gaseous hydrocarbons and other compounds, with at least 80 percent methane (by volume), and typically sold or distributed by utilities, such as any utility company regulated by the California Public Utilities Commission.

\* \* \* \* \*

- (51) "Producer" means, with respect to any liquid fuel, the person who owns the liquid fuel when it is supplied from the production facility. "Producer" includes an "out-of-state producer," which is a producer of a fuel that has its production facility for that fuel located outside California and has opted into the LCFS pursuant to section 95483.10-3.

- (52) "Production facility" means, with respect to any liquid fuel (other than LNG and L-CNG), a facility at which the fuel is produced. "Production facility" means, with respect to natural gas (CNG, LNG, L-CNG or biogasbiomethane), a facility at which fuel is converted, compressed, liquefied, refined, treated, or otherwise processed into CNG, LNG, L-CNG, biogasbiomethane, or biogasbiomethane-natural gas blend that is ready for transportation use in a vehicle without further physical or chemical processing.

- (53-1) "Rack" means a mechanism for delivering motor vehicle fuel or diesel from a refinery or terminal into a truck, trailer, railroad car, or other means of non-bulk transfer.

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- (b) *Acronyms.* For the purposes of sections 95480 through 95489, the following acronyms apply.

\* \* \* \* \*

- (8) "CNG" means compressed natural gas.

\* \* \* \* \*

- (21) "L-CNG" means liquefied compressed natural gas.

- (21) "LNG" means liquefied natural gas.

- (22) "LPG" means liquefied petroleum gas.

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NOTE: Authority cited: Sections 38510, 38560, 38560.5, 38571, 38580, 39600, 39601, 41510 and 41511, Health and Safety Code; and *Western Oil and Gas Ass'n v. Orange County Air Pollution Control District*, 14 Cal.3d 411, 121 Cal.Rptr. 249 (1975). Reference: Sections 38501, 38510, 38560, 38560.5, 38571, 38580, 39000, 39001, 39002, 39003, 39515, 39516, 41510, 41511, Health and Safety Code; and *Western Oil and Gas Ass'n v. Orange County Air Pollution Control District*, 14 Cal.3d 411, 121 Cal.Rptr. 249 (1975).

**§ 95482. Fuels Subject to Regulation. [from 95480.1. Applicability., page 1]**

(a) *Applicability of the Low Carbon Fuel Standard.*

Except as provided in this section, the California Low Carbon Fuel Standard regulation, title 17, California Code of Regulations (CCR), sections 95480 through 95490 (collectively referred to as the "LCFS") applies to any transportation fuel, as defined in section 95481, that is sold, supplied, or offered for sale in California, and to any person who, as a regulated party defined in section 95481 and specified in section 95483(a), is responsible for a transportation fuel in a calendar year. The types of transportation fuels to which the LCFS applies include:

- (1) California reformulated gasoline ("gasoline" or "CaRFG");
- (2) California diesel fuel ("diesel fuel" or "ULSD");
- (3) Fossil compressed natural gas ("Fossil CNG"), ~~or fossil liquefied natural gas ("Fossil LNG"), or fossil liquefied compressed natural gas ("Fossil L-CNG");~~
- (4) ~~Biogas Bio-CNG, or biogas bio-LNG, or bio-LCNG;~~
- (5) Electricity;
- (6) Compressed or liquefied hydrogen ("hydrogen");
- (7) A fuel blend containing hydrogen ("hydrogen blend");
- (8) A fuel blend containing greater than 10 percent ethanol by volume;
- (9) A fuel blend containing biomass-based diesel;
- (10) Denatured fuel ethanol ("E100");
- (11) Neat biomass-based diesel ("B100"); and
- (12) Any other liquid or non-liquid fuel.

~~The provisions and requirements in sections 95491(a), (b), and 95494(d) apply starting January 1, 2010. All other provisions and requirements of the LCFS regulation apply starting January 1, 2011.~~

(b) *Credit Generation Opt-In Provision for Specific Alternative Fuels.* Each of the following alternative fuels ("opt-in fuels") is presumed to have a full fuel-cycle,

carbon intensity that meets the compliance schedules set forth in section 954842(b) and (c) through December 31, 2020. A fuel provider for an alternative fuel listed below may generate LCFS credits for that fuel only by electing to opt into the LCFS as a regulated party pursuant to section 95483.10.3 and meeting the requirements of this regulation:

- (1) Electricity;
- (2) Hydrogen;
- (3) A hydrogen blend;
- (4) Fossil CNG derived from North American sources;
- (5) Biogas-Bio-CNG; and
- (6) Biogas-Bio-LNG; and
- (7) Bio-L-CNG.

\* \* \* \* \*

NOTE: Authority cited: Sections 38510, 38560, 38560.5, 38571, 38580, 39600, 39601, 41510 and 41511, Health and Safety Code; and *Western Oil and Gas Ass'n v. Orange County Air Pollution Control District*, 14 Cal.3d 411, 121 Cal.Rptr. 249 (1975). Reference: Sections 38501, 38510, 38560, 38560.5, 38571, 38580, 39000, 39001, 39002, 39003, 39515, 39516, 41510, 41511, Health and Safety Code; and *Western Oil and Gas Ass'n v. Orange County Air Pollution Control District*, 14 Cal.3d 411, 121 Cal.Rptr. 249 (1975).

**§ 95483. Regulated Parties. [from 95484(a) Identification of Regulated Parties, page 22]**

Except as provided in this section, the California Low Carbon Fuel Standard regulation, title 17, California Code of Regulations (CCR), sections 95480 through \_\_\_\_\_ (collectively referred to as the "LCFS") applies to any person who, as a regulated party defined in section \_\_\_\_\_ and specified in section [95484(a)], is responsible for a transportation fuel in a calendar year. The purpose of this part is to establish the criteria by which a regulated party is determined. The regulated party is initially established for each type of transportation fuel, but this part provides for the transfer of regulated party status and the associated compliance obligations by agreement, notification, or other means, as specified below.

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(a4) Regulated Parties for Gasoline and Diesel.

\* \* \* \* \*

(2B) *Effect of Transfer of CARBOB, Diesel Fuel or Diesel Fuel Blends by Regulated Party.*

\* \* \* \* \*

(E)5. *Conditions Under Which a Non-Producer and Non-Importer Acquiring Ownership of CARBOB, Diesel Fuel or Diesel Fuel Blends Becomes the Regulated Party.* A person, who is neither a producer nor an importer and who acquires ownership of CARBOB from the regulated party, becomes the regulated party for the CARBOB if, by the time ownership is transferred, the two parties agree by written contract that the person acquiring ownership accepts the LCFS compliance obligation as the regulated party. A person, who is neither a producer nor an importer and who acquires ownership of Diesel Fuel or Diesel Fuel Blends from the regulated party at or above the rack, becomes the regulated party for the Diesel Fuel or Diesel Fuel Blends if, by the time ownership is transferred, the two parties agree by written contract that the person acquiring ownership accepts the LCFS compliance obligation as the regulated party. For the transfer of regulated party obligations to be effective, the transferor must also provide the recipient a product transfer document that prominently states the information specified in section 95491(c) paragraphs a. and b. below, and the transferor and recipient must meet the requirements specified in the paragraph e., as set forth below:

- a. ~~the volume and average carbon intensity of the transferred CARBOB. The transferor of CARBOB may report as the “average carbon intensity” on the product transfer document the total carbon intensity value for CARBOB as shown in the Carbon Intensity Lookup Table; and~~
- b. ~~the recipient is now the regulated party for the acquired CARBOB and accordingly is responsible for meeting the requirements of the LCFS regulation with respect to CARBOB.~~

e. ~~For purposes of section 95485(a), except as provided in paragraph e.iii3. of this provision:~~

- 1i. the transferor under a. above must include the *Deficits<sup>XD</sup><sub>Incremental20XX</sub>*, as defined and set forth in section 95486(b)(2)(A)19(d), in the transferor’s annual credits and

deficits balance calculation set forth in section 95485(a)(2);  
and

- 2ii. the recipient under b. above must include  $Deficits_{Base}^{XD}$ , as defined and set forth in section 95486(b)(2)(A)19(d), in the recipient's annual credits and deficits balance calculation set forth in section 95485(a)(2).
- 3iii. Paragraphs ~~e.i(E)1.~~ and ~~e.ii(E)2.~~ above notwithstanding, the transferor and recipient of CARBOB, Diesel Fuel or Diesel Fuel Blends may, by the time the ownership is transferred, specify by written contract which party is responsible for accounting for the base deficit and incremental deficit In the annual credits and deficits balance calculation set forth in section 95485(a)(2).

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(5d) *Regulated Parties for Natural Gas (Including CNG, LNG, L-CNG, and BiogasBiomethane).*

(A1) *Designation of Regulated Parties for Fossil CNG and Biogas-Bio-CNG.*

~~4.(A)~~ *Where Biogas-Bio-CNG is Added to Fossil CNG.*

For fuel consisting of a fossil CNG and biogas-bio-CNG blend, the regulated party is initially the following:

- 1a. With respect to the fossil CNG, the regulated party is the person-entity that owns the natural gas fueling equipment at the facility at which the fossil CNG and biogas-bio-CNG blend is dispensed to motor vehicles for their transportation use; and
- 2b. With respect to the biogas-bio-CNG, the regulated party is the producer or importer of the biogas-CNG- entity that injected the biomethane into the pipeline for delivery to the CNG dispensing station.

If the biomethane was injected into the pipeline out of state and if the person that injected biomethane has not elected to opt-in pursuant to section 95483.1(a), the entity that extracted the biomethane from the pipeline is the regulated party.

(B)2. *Where No ~~Biogas-Bio~~-CNG is Added to Fossil CNG.* For fuel consisting solely of fossil CNG, the regulated party is the person that owns the natural gas fueling equipment at the facility at which the fossil CNG is dispensed to motor vehicles for their transportation use.

(2B) *Designation of Regulated Parties for Fossil LNG and ~~Biogas-Bio~~-LNG.*

1.(A) *Where ~~Biogas-Bio~~-LNG is Added to Fossil LNG.*

For a fuel consisting of a fossil LNG and ~~biogas-bio~~-LNG blend, the regulated party is initially the following:

a1. With respect to the fossil LNG, the regulated party is the person-entity that owns the fossil LNG when-right before it is transferred to storage at the facility at which the liquefied blend is dispensed to motor vehicles for their transportation use; and

b2. With respect to the ~~biogasbio~~-LNG, the regulated party is the producer or importer of the biogas LNG entity that injected the biomethane into the pipeline for delivery to the LNG production facility.

If the biomethane was injected into the pipeline out of state and if the person that injected biomethane has not elected to opt-in pursuant to section 95483.1(a), the entity that extracted the biomethane from the pipeline to produce bio-LNG is the regulated party.

2.(B) *Where No ~~Biogas-Bio~~-LNG is Added to Fossil LNG.* For fuel consisting solely of fossil LNG, the regulated party is initially the person that owns the fossil LNG when-right before it is transferred to storage at the facility at which the fossil LNG is dispensed to motor vehicles for their transportation use.

(3) *Designation of Regulated Parties for LNG that is re-gasified and compressed to CNG (L-CNG).*

(A) *Where Bio-LNG is Added to Fossil LNG prior to re-gasification and compression to CNG.*

1. With respect to the L-CNG re-gasified and compressed from fossil LNG, the regulated party is the entity that owns the fossil LNG right before it is transferred to the facility at which

the liquefied blend is re-gasified and dispensed to motor vehicles for their transportation use; and

2. With respect to the bio-LCNG re-gasified and compressed from bio-LNG, the regulated party is the entity that injected the biomethane into the pipeline for delivery to the LNG production facility.

If the biomethane was injected into the pipeline out of state and if the person that injected biomethane has not elected to opt-in pursuant to section 95483.1(a), the entity that extracted the biomethane from the pipeline to produce the bio-LNG is the regulated party.

- (B) Where No Bio-LNG is Added to Fossil LNG prior to compression to CNG. For fuel consisting solely of fossil LNG re-gasified and compressed to CNG, the regulated party is initially the person that owns the fossil LNG right before it is transferred to the facility at which the fossil LNG is re-gasified and dispensed to motor vehicles for their transportation use.

- (4G) Designation of Regulated Party for Biogas-Bio-CNG or Biogas-Bio-LNG or Bio-L-CNG Supplied Directly to Vehicles for Transportation Use. For fuel consisting solely of bio-gas-CNG or, biogas-LNG or Bio-L-CNG that is produced in California and supplied directly to vehicles in California for their transportation use without first being blended into fossil CNG or fossil LNG, the regulated party is initially the producer of the biogas-bio-CNG or biogas-bio-LNG or bio-L-CNG.

- (5D) Effect of Transfer of Fuel by Regulated Party.

- 4.(A) Transferor Remains Regulated Party Unless Conditions Are Met. When a person who is the regulated party for a fuel specified in section 95483(d)(1) through (4), [old 95484(a)(5)(A), (B), or (C)] transfers ownership of the fuel, the transferor remains the regulated party unless the conditions of the following subparagraph [old 95484(a)(5)(D)2.section 95484(a)(5)(D)2. are met.

- (B)2. Conditions Under Which a Person Acquiring Ownership of a Fuel Becomes the Regulated Party. Notwithstanding the previous subparagraph (A), Section [old 95484(a)(5)(D)1.] notwithstanding, a person acquiring ownership of a fuel specified in section 95483(d)(1) – (4) [old 95484(a)(5)(A), (B), or (C)] from the regulated party becomes the regulated party for that fuel if, by the time ownership is transferred, the two parties agree by written contract

that the person acquiring ownership accepts the LCFS compliance obligation as the regulated party. For the transfer of regulated party obligations to be effective, the transferor must also provide the recipient a product transfer document that prominently states the information specified in section 95491(c).

- a. ~~the volume and average carbon intensity of the transferred fuel;~~
- b. ~~the recipient is now the regulated party for the acquired fuel and accordingly is responsible for meeting the requirements of the LCFS regulation with respect to the acquired fuel.~~

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**§ 95483.1. ~~Opting Into the LCFS Program~~ Opt-In Parties. [from 95480.2. Persons Eligible for Opting Into the LCFS Program, page 4]**

- (a) *Persons eligible to Opt In.* Only a person who meets one or more of the following criteria can elect to opt into the LCFS program, thereby becoming the regulated party in the LCFS program for a specified volume of fuel (“opt in” and “opt into” include the past, present, and future tenses):

\* \* \* \* \*

- (5) A producer of crude oil that has an innovative production method approved by the Executive Officer under Section 95489(c).

- (d) *Opting Out.* [from 95480.3(c), page 6]

A fuel provider or crude oil producer, who elected to become a regulated party by opting into the LCFS pursuant to subsection (a) above, may decide later to return to exempt status pursuant to this section ~~under section 95480.1(b)(1) (“opt out”).~~ For an ~~regulated party~~ election to opt-out of the LCFS regulation and for it to be effective, the regulated party must complete all actions specified below. ~~The, with the completed actions are to be completed and documented~~ to be in writing and submitted to ARB in the LRT-CBTS as specified below:

- (1) *90 Days before Opt-Out Date.*

- (A) ~~Provide ARB with a 90-day written notice of intent to opt out and a proposed effective date for the completion of the~~ the anticipated-opt-out-effective-date process;
- (B) ~~Provide ARB with~~ Submit any outstanding quarterly progress reports and annual compliance reports (for the quarter in which the opt-out will occur) and annual compliance report (covering January 1st of the year to the date of the opt-out notice); and
- (C) Identify in the 90-day notice any actions to be taken to eliminate any remaining deficits by the effective opt-out date.

(2) *Effective Opt-Out Date.*

~~Eliminate all remaining deficits and provide verification by email or regular mail that opt out occurred and all deficits have been eliminated. The Executive Officer shall confirm receipt of the notification within 3 business days. Any credits that remain in the regulated party's account at the time of the opt out shall be forfeited.~~

Prior to the effective opt-out date, the regulated party must submit a final quarterly progress report for the quarter in which opt-out occurs, submit a final annual compliance report (covering the year through the opt-out date in which the opt-out is effective), and submit verification that any remaining deficits have been eliminated. The Executive Officer shall notify the regulated party of the final "approval" status of the opt-out. Any credits that remain in the regulated party's account at the time of the effective opt-out date shall be forfeited and the regulated party's account in the LRT-CBTS shall be closed.

~~(3) *30 Days after Opt-Out Date.*~~

- ~~(A) Identify in writing the amount and transferee (if applicable) of any LCFS credits generated between the 30-day notice and the date of opt-out;~~
- ~~(B) Verify in writing that the former regulated party's deficit balance is zero as of the date of opt out. The verification must be signed by an authorized company representative, who must attest that the company will not sell, trade, or otherwise transact any LCFS credits after the opt-out date;~~
- ~~(C) Update the quarterly and annual compliance reports submitted with the 30-day notice, as needed, to reflect any changes that occurred during the period between the notice and the actual opt-out date.~~

~~(4) December 31<sup>st</sup> of the Year of Opt Out and the Following Year.~~

~~Confirm in writing that the former regulated party remains opted out of the LCFS program and has not sold, traded, or otherwise transacted any LCFS credits since opt-out date.~~

~~(5) Written Submittals.~~

~~All notifications, identifications, and other documentation specified in this section 95480.3 must be submitted to:~~

~~Chief, Alternative Fuels Branch  
Stationary Source Division  
California Air Resources Board  
1001 I Street, P.O. Box 2815  
Sacramento, CA 95812-2815; or  
The LRT Administrator: lrtadmin@arb.ca.gov~~

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## **§ 95483.2. Establishing a LCFS Reporting Tool Account**

### **(a) Eligibility and Restrictions**

- (1) To establish an account in the LRT-CBTS, a reporting party must qualify pursuant to section 95483 or 95483.1.
- (2) A reporting party that desires to establish separate accounts for separate subsidiaries must register each subsidiary separately. Each company that receives a user account must file quarterly and annual reports and demonstrate compliance separately.

### **(b) Requirements to Establish Account**

- (1) A reporting party, including a regulated or opt-in party, must register in the LRT-CBTS. The on-line application form requires:
  - (A) Organization Name, Address, State and County, Date and Place of Incorporation.
  - (B) Organization Federal Employer Identification Number (FEIN), Primary Contact Name, Business and Mobile Phone, Email Address, Username and Password.

A letter on company letterhead stating the basis for qualifying for an account pursuant to sections 95483 or 95483.1 of the LCFS and naming the primary account administrator and at least one secondary account administrator. This letter must be signed by the business owner, a managing partner or a corporate officer. A signed pdf copy must be uploaded in the LRT-CBTS to complete the application process. The original is to be mailed to:

California Air Resources Board  
c/o Low Carbon Fuel Standard Program  
P.O. Box 2815  
Sacramento, CA 95812

(C) The name, title, and relationship to the reporting party for a primary and at least one secondary account administrator. (E.g, "Primary account administrator is John Doe, Vice President for Fuels Marketing, Employee. Secondary account representative is Sue Smith, principal consultant, ABC Consulting Group, consultant to [Entity].")

(D) The primary account administrator and the secondary account administrator(s) must attest in writing, as follows:

1. "I certify under penalty of perjury under the laws of the State of California that I was selected as the primary account administrator or the secondary account administrator, as applicable, by an agreement that is binding on all persons who have the legal right to control LCFS credits held in the account. I certify that I have all the necessary authority to carry out the duties and responsibilities contained in California Code of Regulations, title 17, section 95480 et seq. on behalf of such persons and that each such person shall be fully bound by my representations, actions, inactions, or submissions and by any order or decision issued to me by the Executive Officer or a court regarding the account."

2. This statement must be on the company letterhead and signed and dated by the account administrators. A pdf version must be uploaded into LRT-CBTS Organization Registration page and the original with signature must be mailed to address above.

(2) The primary and secondary account administrators can be changed by following steps set forth in (b)(1)(C)(D) and (E) above. Notwithstanding any such change, all representations, actions, inactions, and submissions

by the previous account administrators prior to the time and date when the Executive Officer receives the superseding information shall be binding on the registered party.

- (3) Applicants may be denied registration: 1. based on information provided; 2. if the Executive Officer determines the applicant has provided false or misleading information; or 3. if the Executive Officer determines the applicant has withheld information material to its application.

(c) Account Management Roles and Duties.

- (1) Account administrators are solely responsible for submitting quarterly and annual reports and making any changes to the reporting party company profile within LRT-CBTS.
- (2) Account administrators may designate users within the company who can review and upload data, but not submit reports.
- (3) An account administrator can identify in the LRT-CBTS one or more employees to act as a Credit Facilitator.
- (4) A Credit Facilitator is entity reporting party employee who has permission to review all reports and data and can initiate and complete credit transfers, add credits to the listing of "Credits to Sell", and access the Incoming and Outgoing Credit Transfer Logs.
- (5) A Broker is not a reporting party employee. Once registered by the Executive Officer and authorized in the LRT-CBTS by an account administrator, a broker may represent the reporting party in LCFS credit transfers. Brokers and credit facilitators must register in the LRT-CBTS. The on-line broker registration application form includes:
- (A) Broker's Organization Name, Address, State and County, Date and Place of Incorporation, if applicable.
- (B) Broker Organization's Federal Employer Identification Number (FEIN), Primary Contact Name, Business and Mobile Phone, Email Address, Username and Password.
- (C) Broker's statement attesting: "By submitting this Broker Registration Application to the LCFS Program for an account in the LRT-CBTS I am submitting to the jurisdiction of the California courts. I certify under penalty of perjury that I have not been convicted of a felony in the last five years."

(d) Deadline to Establish an Account

- (1) Reporting parties who had LRT-CBTS accounts as of the date this section becomes effective must complete the steps set forth in subsection (b), above, within 90 days of this section's effective date. Failure to do so will result in account closure and forfeit of any credits.
  - (2) All other regulated parties responsible for any transportation fuels pursuant to section 95483 must complete registration at least 30 days prior to the date for filing any report required under this subarticle.
  - (3) An opt-in party other than one subject to the deadline in paragraph (d)(1) above can register anytime during a calendar year. All quarterly and annual reporting is then required, beginning with the quarter in which registration was approved.
  - (4) Any broker must register in LRT-CBTS prior to facilitating any LCFS credit trades.
- (e) Account Approval. The account is established when the Executive Officer approves the application.

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**§ 95483.3. Multiple Parties Claiming to Be the Regulated Party for the Same ~~Volume Amount~~ of Fuel. [from 95480.4, page 8]**

There can only be one regulated party for a specific ~~volume amount~~ of fuel at any given time. In the event that more than one person has registered with ARB as the regulated party for the same ~~volume amount~~ of fuel, the following provisions shall apply:

- (a) All LCFS credits generated from the ~~volume amount~~ of fuel at issue shall be made inaccessible to the regulated parties and placed by the Executive Officer into a holding account, including any such credits that have already been transferred to another person prior to being notified by the Executive Officer that the holding action has taken place;
- (b) The regulated parties for a credit placed in a holding account pursuant to (a) shall not ~~export, retire, sell~~, offer for sale, trade, or otherwise transfer such a credit to another person until the holding action has been lifted by the Executive Officer;
- (c) The Executive Officer shall lift the hold on a LCFS credit once the Executive Officer has determined, in his or her sole discretion, the proper credit holder pursuant to the terms of section 95483 or 95483.1. within 30 working days after initially placing the hold, and shall release the credit to a regulated party based on the following procedure in descending order of priority:

- ~~(1) The producer that has opted in under section 95480.2(b) and retained the compliance obligation; if this provision does not apply, then~~
- ~~(2) The intermediate entity (downstream of the producer) that has opted in under section 95480.2(c) and retained the compliance obligation; if this provision does not apply, then~~
- ~~(3) The importer, if neither (1) nor (2) applies, which has retained the compliance obligation pursuant to section 95484; if this provision does not apply, then~~
- ~~(4) The regulated party that received compliance obligation from the importer in (3) or a California producer pursuant to section 95484.~~

~~Paragraphs (c)(1), (2), (3), and (4) above notwithstanding, the parties above may, by the time ownership to the fuel or blendstock is transferred, specify by enforceable written contract pursuant to section 95484 the person to which the credits ultimately have been transferred and obligated.~~

- ~~(d) This section does not apply to regulated parties for electricity, which are subject to the provisions of section 95484(a)(6).~~

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## § 95491. Reporting and Recordkeeping.

- ~~(a)~~ *Reporting Requirements.* **[from 95484(b), page 38]**

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- ~~(3) *General and Specific Reporting Requirements for Quarterly Progress Reports.*~~

~~\*\*\*\*~~

~~(BC) *Specific Quarterly Reporting Requirements-Parameters for Natural Gas (including CNG, LNG, and L-CNG).* For each private access, public access, or home fueling facility to which the regulated party supplies CNG, LNG, and L-CNG, or biogas is supplied as a transportation fuel:~~

- ~~1. For CNG and L-CNG, the regulated party must report the amount of fuel dispensed (in scf) per compliance period for~~

all light/medium-duty vehicles (LDV & MDV), ~~and~~ heavy-duty vehicles with compression ignition engines (HDV-CIE) and heavy-duty vehicles with spark ignition engines (HDV-SIE). For LNG, ~~the regulated party must report~~ the amount of fuel dispensed (in gal) per compliance period for all LDV, ~~& and~~ MDV, HDV-CIE and HDV-SIE;

2. Except as provided elsewhere for in this section 95484(b)(3)(B)3., ~~the regulated party must report~~ the amount of fuel dispensed based on the use of separate fuel dispenser meters at each fuel dispenser must be reported;
3. In lieu of using separate meters at each fuel dispenser, ~~the regulated party may report~~ the amount of fuel dispensed at each facility using any other method that the ~~regulated~~ reporting party demonstrates to the Executive Officer's satisfaction as being equivalent to or better than the use of separate fuel meters at each fuel dispenser in each fueling facility;
4. The carbon intensity value of the CNG, LNG, L-CNG determined pursuant to section ~~95486~~95484.
5. For Bio-CNG, Bio-LNG, and Bio- L-CNG: Biomethane production company ID and facility ID.

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