

Handout 5

Reporting and Recordkeeping

DRAFT

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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(11-1) "Biogas L-CNG" means liquefied biogas that has been transported to a dispensing station where it was then re-gasified and compressed to a pressure greater than ambient pressure.

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(29-1) "Fuel Transaction Form (FTF)" means an online LRT-CBTS form completed by a regulated party for each of their business partners once a quarter pursuant to section 95491(c)(2) with information that is routed upon submittal to the appropriate business partners for confirmation and reconciliation of aggregated and non-aggregated information provided in the Product Transfer Documents.

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(36-1) "Liquefied Compressed Natural Gas (L-CNG)" means natural gas 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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(51-1) "Product Transfer Document (PTD)" means a document that authenticates the transfer of ownership of fuel from a regulated party to the recipient of the fuel. A PTD is created by a regulated party to contain information collectively supplied by other fuel transaction documents, including Bill of Lading, invoices, contracts, meter tickets, rail inventory sheets, Renewable Fuels Standard (RFS2) product transfer documents, etc.

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(55-1) "Reporting Party" means any person who, pursuant to section 95483 [formerly section 95484(a)] or 95483.1 [formerly section 95480.3(a)] is the

initial regulated party, or a person to whom the compliance obligation has been transferred directly or indirectly from the initial regulated party.

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(56-1) “Total Obligated Amount” means the amount of transportation fuel or blendstock (e.g. gal, scf, kWh, kg) for which a regulated party must meet the average carbon intensity requirements set forth in Tables 1 and 2 of section 95484.

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(59) “Transaction Type” means the nature of a fuel-based transaction, as defined below:

- (A) “Production for use in California” means the transportation fuel was produced inside or outside California and was designated at the time of production for use only in California;
- (B) “Import” means the transportation fuel was produced outside California and imported into California;
- (C) “Purchased with Obligation” means the transportation fuel was purchased with the compliance obligation from a regulated party;
- (D) “Purchased without Obligation” means the transportation fuel was purchased without the compliance obligation from a regulated party;
- (E) “Sold with Obligation” means the transportation fuel was sold with the compliance obligation by a regulated party;
- (F) “Sold without Obligation” means the transportation fuel was sold without the compliance obligation by a regulated party;
- (G) “Export” means the transportation fuel was exported outside of California after temporarily being in California;
- (H) “Loss of Inventory” means the fuel entered the California fuel pool but was not used in a motor vehicle due to spillage; and
- (I) “Not Used for Transportation” means the fuel did not meet the definition for “transportation fuel.”
- (J) “EV Charging” means providing electricity to recharge plug-in electric vehicles, including battery electric vehicles and plug-in hybrid electric vehicles.
- (K) “Fixed Guideway Charging” means fueling light rail or heavy rail, exclusive right-of-way bus operations, or trolley coaches with electricity.
- (L) “Forklift Charging” means providing electricity to recharge electric forklifts

(M) “NGV Fueling” means the dispensing of natural gas at a fueling station designed for fueling natural gas vehicles.

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

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(17) “HDV-CIE” means a heavy-duty vehicle compression-ignition engine.

(18) “HDV-SIE” means a heavy-duty vehicle spark-ignition engine.

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

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(26) “LRT-CBTS” means LCFS Reporting Tool and Credit Bank & Transfer System.

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(30) “NGV” means a natural gas vehicle.

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(33) “TOA” means Total Obligated Amount

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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).

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§ 95491. Reporting and Recordkeeping.

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

(1) *Reporting Frequency.* A ~~regulated reporting party~~ as defined in section 95481 must submit to the Executive Officer quarterly progress reports and annual compliance reports, as specified in this section ~~sections 95484(b)(3) and 95484(b)(4)~~. The reporting frequencies for these reports are set forth below:

(A) *Quarterly Progress Reports For All Regulated Parties.* ~~Beginning 2010 and each year thereafter, a regulated party must submit quarterly~~ Quarterly progress reports must be submitted to the Executive Officer by:

1. May 31st – for the first calendar quarter covering January through March;
2. August 31st – for the second calendar quarter covering April through June;
3. November 30th – for the third calendar quarter covering July through September; and
4. February 28th (29th in a leap year) – for the fourth calendar quarter covering October through December.

(B) *Annual Compliance Reports.* ~~By April 30th of 2011, a regulated party must submit an annual report for calendar year 2010. By April 30th of 2012 and each year thereafter, a regulated party must provide an annual compliance report for the prior calendar year.~~ An annual compliance report for the prior calendar year must be submitted to the Executive Officer by April 30th of each year.

(2) *How to Report Online Reporting.* ~~A regulated party must submit an~~ The annual compliance and quarterly progress reports must be submitted using the online LCFS Reporting Tool and Credit Bank & Transfer System (LRT-CBTS), an interactive, secured internet web-based system. The LRT is available at: www.arb.ca.gov/lcfsrt. Prior to use, a reporting party must first register in the LRT-CBTS pursuant to section 95483.2.

The ~~regulated reporting party~~ is solely responsible for ensuring that the Executive Officer receives its quarterly progress and annual compliance reports by the dates specified in this section ~~95484(b)(1)~~. The Executive Officer shall not be responsible for failure of electronically submitted reports to be transmitted to the Executive Officer. The report must contain a statement attesting to the report's accuracy and validity. The Executive

Officer shall not deem an electronically submitted report to be valid unless the report is accompanied by a digital signature that meets the requirements of title 2, CCR, section 22000 et seq.

- (3) *General and Specific Reporting Requirements for Quarterly Progress Reports.* For each of its transportation fuels, a ~~regulated-reporting~~ party must submit a quarterly progress report that contains the information specified in Table 3 and meets the additional specific requirements set forth below:
- (A) Total Obligated Amount (TOA) as defined in Section 95481 must remain positive for each fuel or blendstock reported and summed across all submitted quarterly reports.
- (AB) *Specific Quarterly Reporting Requirements-Parameters (Except As Otherwise Noted) for Gasoline and Diesel Fuel.*
1. Production company ID and facility ID for each blendstock. CARBOB and diesel fuel are exempt from this requirement. For each transfer of gasoline or diesel fuel that results in a transfer of the compliance obligation or retention of the compliance obligation by written contract, the regulated party must provide to the Executive Officer, within 10 business days of a request, the product transfer document containing the information identified in section 95484(a)(1)(B), (a)(1)(C), (a)(1)(D), (a)(2)(B), (a)(2)(C), (a)(4)(B), or (a)(4)(C), whichever applies.
 2. The carbon intensity value of each blendstock determined pursuant to section 95484 [formerly section 95486].
 3. The volume of each blendstock (in gal) per compliance period. For purposes of this provision only, except as provided in section ~~95484~~95491(ba)(4)(B), the ~~regulated-reporting~~ party may report the total volume of each blendstock aggregated for each distinct carbon intensity value (e.g., X gallons of blendstock with A gCO₂e/MJ, Y gallons of blendstock with B gCO₂e/MJ, etc.).
 4. The marketable crude oil name (MCON) or other crude oil name designation, volume (in gal), and Country (or State) of origin for each crude supplied to the refinery during the quarter.
- (BC) *Specific Quarterly Reporting Requirements-Parameters for Natural Gas (including CNG, LNG, L-CNG, and Biogas).* For each private

access, public access, or home fueling facility to which the regulated party supplies CNG, LNG, 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 ~~all~~ LDV & 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 or biogas determined pursuant to section 95484 [formerly section 95486].
5. For Biogas CNG and -Biogas LNG and Biogas L-CNG: Biogas production company ID and facility ID.

(GD) *Specific Quarterly Reporting Requirements-Parameters for Electricity used as a Transportation Fuel.* For electricity used as a transportation fuel, a regulated party must also submit the following:

1. For residential charging ~~stations~~, the total electricity dispensed (in kW-hr) to all vehicles at each ~~residences~~ - based on direct metering, which distinguishes electricity delivered for transportation use. Before January 1, 2015, "based on direct metering" means either Residential charging may be measured by:
 - a. the use of direct metering (either submetering or separate metering) to measure the electricity directly

dispensed to all vehicles at each ~~residential charging station~~ residence; or

- b. for households and residences only where direct metering has not been installed, the ~~regulated reporting party~~ may report the total electricity dispensed as a transportation fuel at each residential charging station residence using another method that the ~~regulated reporting party~~ demonstrates to the Executive Officer's satisfaction is substantially similar to the use of direct metering ~~under section 95484(b)(3)(C)1.a.~~

~~Effective January 1, 2015, "based on direct metering" means only the use of direct metering as specified in section 95484(b)(3)(C)1.a. above;~~

2. For each public access charging facility, the amount of electricity dispensed (in kW-hr);
3. For each fleet charging facility, the amount of electricity dispensed (in kW-hr).
4. For each workplace private access charging facility, the amount of electricity dispensed (in kW-hr).
5. The carbon intensity value of the electricity determined pursuant to section 95484 [formerly 95486].
6. For each fixed guideway system, the amount of electricity used for transit propulsion (in kW-hr).
7. For the electric forklifts located in each Electrical Distribution Utility service area, the amount of estimated electricity provided by Air Resources Board staff annually (in kW-hr).

~~(DE) Specific Quarterly Reporting Requirements Parameters for Hydrogen or a Hydrogen Blend. For hydrogen or a hydrogen blend used as a transportation fuel, a regulated party must also submit the following:~~

1. For each private access fueling facility, the amount of fuel dispensed (in kg) by vehicle weight category: LDV & MDV and HDV.
2. For each public access filling station, the amount of fuel

dispensed (in kg) by vehicle weight category: _LDV & MDV and HDV.

3. The carbon intensity value of the hydrogen or the blendstocks used to produce the hydrogen blend determined pursuant to section 95488 [formerly section 95486].
4. Production company ID and facility ID

(4) *General and Specific Reporting Requirements for Annual Compliance Reports.* A ~~regulated-reporting~~ party must submit an annual compliance report that meets, at minimum, the general and specific requirements for quarterly progress reports specified in section 95484(b)(3) above and the additional requirements set forth below:

(A) A ~~regulated-reporting~~ party must report the following:

1. The total credits and deficits generated by the regulated party in the current compliance period, calculated in the LRT-CBTS as per equations in section 95486(a) [formerly section 95485(a)];
2. Any credits carried over from the previous compliance period;
3. Any deficits carried over from the previous compliance period;
4. The total credits acquired from another party ~~and identify the party from whom the credits were acquired~~;
5. The total credits sold or otherwise transferred ~~and identify each party to whom those credits were transferred~~;
6. The total credits retired within the LCFS to meet compliance obligation per section 95485(a)(3) [formerly section 95488(d)]; and
7. The total credits exported to programs outside the LCFS.

(B) A producer of CARBOB, gasoline, or diesel fuel must report, for each of its refineries, the MCON or other crude oil name designation, volume (in gal), and Country (or State) of origin for each crude supplied to the refinery during the annual compliance period.

- (C) All pending credit transfers initiated during a compliance period must be completed prior to submittal of the annual compliance report.
- (5) *Significant Figures.* The regulated party must report the following quantities as specified below:
- (A) carbon intensity, expressed to the same number of significant figures as shown in the carbon intensity lookup table (Method 1);
 - (B) credits, expressed to the nearest whole metric ton CO₂ equivalent;
 - (C) fuel volume in units specified in section 95491(a)(3) and (a)(4) [formerly section 95484(b)(3) and (b)(4)], expressed to the nearest whole unit applicable for that quantity;
 - (D) any other quantity ~~not specified in section 95484(b)(5)(A) to 95484(b)(5)(C)~~ must be expressed to the nearest whole unit applicable for that quantity.
- (6) Correcting a Previously Submitted Report. A regulated party may request to have a previously submitted quarterly or annual report reopened for corrective edits and resubmittal. The regulated party must submit an Unlock Report Request Form online in the LRT-CBTS. The regulated party is required to provide justification for the report corrections and indicate the specific corrections to be made to the report. Each submitted request is subject to Executive Officer review and approval. Permission to correct a report does not preclude enforcement based on misreporting.

Table 3. Summary Checklist of Quarterly and Annual Reporting Requirements.

<i>Parameters to Report</i>	<i>Gasoline & Diesel fuel</i>	<i>CNG & LNG</i>	<i>Electricity</i>	<i>Hydrogen or Hydrogen Blends</i>	<i>Neat Ethanol or Biomass-Based Diesel Fuels or Other Alternative Fuels</i>
Company or organization name	x	x	x	x	x
Reporting period	x	x	x	x	x
Fuel pathway code	x	x	x	x	x
Transaction type	x	x	x	x	x
Transaction date	x	x	x	x	x
Business Partner	x	x	x	x	x
Biofuel Production Company ID and Facility ID	x*	x*	n/a	x	x
Physical pathway transport mode code	x	x	x	x	x
Aggregation	x	x	x	x	x
Application / EER	x	x	x	x	x
Volume of each blendstock (Gal)	x	n/a	n/a	n/a	n/a
MCON or other crude oil name designation, volume (in gal), and country (or state) of origin for each crude supplied to the refinery	x	n/a	n/a	n/a	n/a
Amount of each fuel used as gasoline replacement (MJ)	x	x	x	x	x
Amount of each fuel used as diesel fuel replacement (MJ)	x	x	x	x	x
**Credits/deficits generated per quarter (MT)	x	x	x	x	x
For Annual Reporting (in addition to the items above)					
**Credits and Deficits generated per year (MT)	x	x	x	x	x
**Credits/deficits carried over from the previous year (MT), if any	x	x	x	x	x
**Credits acquired from another party (MT), if any	x	x	x	x	x

**Credits sold to another party (MT), if any	x	x	x	x	x
**Credits exported to another program (MT), if any	x	x	x	x	x
**Credits retired within LCFS (MT) <u>to meet compliance obligation</u> , if any	x	x	x	x	x

**Does not apply for CARBOB, Diesel Fuel and Fossil NG*

***Value will be calculated ~~or~~ and stored in the ~~compliance tool~~ LRT-CBTS.*

(b) Recordkeeping and Auditing. [from 95484(c), page 45]

(1) Record Retention for Reporting Parties

(A) Any record required to be maintained under this subarticle shall be retained for five years, and made available within 20 days upon request of the Executive Officer. Records to include:

1. Product transfer documents
2. Copies of all data reports submitted to the Executive Officer
3. Records related to each fuel transaction; and
4. Records used for compliance or credit calculations.

~~(1) A regulated party must retain all of the following records for at least 3 years and must provide such records within 20 days of a written request received from the Executive Officer or his/her designee before expiration of the period during which the records are required to be retained:~~

- ~~(A) product transfer documents;~~
- ~~(B) copies of all data and reports submitted to the Executive Officer;~~
- ~~(C) records related to each fuel transaction; and~~
- ~~(D) records used for compliance or credit calculations.~~

(c) Documenting Fuel Transfers.

(1) A product transfer document provided by a regulated party pursuant to section 95483 [formerly section 95484(a)] must prominently state the information specified below.

(A) For transfers where LCFS obligation is being passed to the transferee:

1. Transferor Company Name, Address and Contact Information
2. Transferee Company Name, Address and Contact Information
3. Date of Title Transfer
4. Fuel Pathway Code (FPC) and Carbon Intensity (CI)
5. Volume/Amount
6. A statement identifying that the LCFS Obligation is passed to the transferee
7. Fuel Production Company ID and Facility ID as registered with RFS2 program or LCFS program if not RFS2 registered

(B) For transfers where the LCFS obligation is being retained by the transferor:

1. Transferor Company Name, Address and Contact Information
2. Transferee Company Name, Address and Contact Information
3. Date of Title Transfer
4. Volume/Amount
5. A statement identifying that the LCFS Obligation is retained by transferor

(2) A regulated party must submit Fuel Transaction Forms (FTF) as defined in section 95481 online in the LRT-CBTS within 20 business days after the quarter end date. Upon submittal, these forms will be routed in the LRT-CBTS to the corresponding "Business Partner(s)" identified in the FTF. An FTF must include the following fuel transaction parameters for each FTF:

- (A) Business Partner - FEIN and Name
- (B) Business Partner Name
- (C) Year and Quarter
- (D) Fuel Pathway Code (FPC)
- (E) Volume/Amount
- (F) Transaction Type
- (G) Production Company ID
- (H) Production Facility ID
- (I) Physical Transport Mode Code
- (J) Aggregation Indicator (T/F)
- (K) Title Transfer Date or Aggregated Transaction Date (last day of quarter if aggregated) and a memo (optional).

(3) Regulated parties must provide an initial acknowledgement and response online in the LRT-CBTS to incoming FTFs from all Business Partners within 30 business days after the quarter end date.

(d) ~~Data Verification~~ Verification of Pathway, CI, Report. [from 95484(c)(3), page 47]
All data and calculations submitted by a regulated party for demonstrating compliance or claiming credit are subject to verification by the Executive Officer or a third party approved by the Executive Officer.

(e) ~~Access To Facility And Data~~ Records. [from 95484(c)(4), page 48] Pursuant to H&S section 41510, if necessary under the circumstances, after obtaining a warrant, the Executive Officer has the right of entry to any premises owned, operated, used, leased, or rented by an owner or operator of a facility in order to inspect and copy records relevant to the determination of compliance.

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