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Retroactive Credit Generation Comments

In section 95486(a)(2) dealing with “No Retroactive Credit Generation” there is the following section:

“Notwithstanding this section, the Executive Officer may convert provisional credits to fully transferrable credits at any time, pursuant to section 95488 (d) and (e). Where an application or demonstration pursuant to sections 95488 or 95489 has been completed but not yet approved, the applicant may report, and the LRT-CBTS will reflect, information supporting provisional credits/deficits. Such provisional credits may not be used for any purpose until fully recognized. When the Executive Officer approves the section 95488 or 95489 application or demonstration, the Executive Officer will recognize any such provisional credits generated during the quarter in which the approval takes place, and one previous quarter, provided that the application was complete during that previous quarter.”

Two comments:

1. Please provide details on how “completed” will be determined for the purposes of this section. Often during the course of review of an LCFS Method 2A or 2B application, ARB staff will request additional information or supporting documentation. Should such a request be made, would this deem the application incomplete? It may be helpful to all concerned if CARB issued a detailed checklist of the items required to be included with the application package for it to be deemed complete. The challenge will be that new pathway features, not appearing in previous pathways, may have unique information and documentation requirements, and be difficult to know beforehand what constitutes completeness.
2. Considering the number of applications to be considered by ARB staff when processing the “batches” of applications, it may be that more than two quarters elapses. This could mean that a significant number of carbon credits are ineligible. Please consider providing retroactive credit generation for more than two quarters in the context of processing the batches of applications.