



## LOW CARBON FUEL STANDARD FREQUENTLY ASKED QUESTIONS

### Accreditation Requirements for Third-Party Verifiers for California's Low Carbon Fuel Standard (LCFS)

September 2019

The California Air Resources Board's (CARB) LCFS regulation, which appears at sections 95480 to 95503 of title 17, California Code of Regulations, is designed to reduce greenhouse gas emissions associated with the life cycle of transportation fuels used in California. CARB staff has prepared this document to address frequently asked questions (FAQ) related to third-party verification. These answers may be based in part on case-specific factual circumstances and are offered here only as guidance that does not supplant the requirements of the LCFS regulation. Unlike the regulation itself, this document does not have the force of law. It is not intended to and cannot establish new mandatory requirements beyond those that are already in the LCFS regulation, nor can it supplant, replace or amend any of the legal requirements of the regulation. Conversely, any omission or truncation of regulatory requirements does not relieve entities of their legal obligation to fully comply with all requirements of the regulation.

This document addresses common questions related to third party verification. These requirements are primarily addressed in LCFS regulation sections 95500 through 95503.

- *If you have a question that you would like to be included in this FAQ, please email it to us at [lcfsverify@arb.ca.gov](mailto:lcfsverify@arb.ca.gov).*

This FAQ document is organized under the following verification topics:

- Accreditation
- Required Verifier Training
- Verification Teams.

#### **Accreditation**

#### **1 Who can conduct verification services under California's LCFS Regulation?**

Only verifiers accredited by CARB can provide verification services for entities subject to the LCFS regulation. All verifiers must meet specific requirements that include prescreening for education and professional experience and completion of required

training. Individual accredited verifiers work in teams under the direction of companies accredited by CARB as LCFS verification bodies. Section 95502 of the LCFS regulation specifies accreditation and competency requirements for verification bodies, lead verifiers, and non-lead verifiers. Accredited verifiers and verification bodies are issued an Executive Order recognizing accreditation by CARB for a period of three years, after which both verifiers and verification bodies must apply to be reaccredited.

## **2 Do verifiers accredited under other programs need to be separately accredited to verify LCFS reports for CARB?**

Only CARB-accredited LCFS verifiers can provide verification services for entities subject to the LCFS regulation. Verification bodies and verifiers are accredited separately for each program by CARB.

## **3 What is the process to become accredited to perform LCFS verification services?**

CARB is accepting applications for verification bodies and verifiers. Verification bodies and verifiers accredited in the fourth quarter of 2019 will be eligible to perform verification services beginning in 2020. Verification bodies and verifiers accredited in the third and fourth quarter of 2020 will be eligible to perform verification services beginning in 2021. Application forms are available on the [LCFS verification webpage](#) and due dates are included in the linked [Announcement for CARB Accreditation and Verifier Accreditation Training for the LCFS](#).

Verification bodies must email an [Application for Verification Body Accreditation](#) to CARB at [lcsverify@arb.ca.gov](mailto:lcsverify@arb.ca.gov) and include employees' [Applications for Individual Verifier Accreditation](#) in the package; including potential subcontractors in verification body packages is helpful for efficient screening by CARB. Verification bodies may choose to submit the templates required in section 95502(b)(1)(B) of the LCFS regulation after verifier accreditation training, to finalize their accreditation package.

Individuals planning to provide LCFS verification services, but not yet affiliated with a verification body, must submit completed [Applications for Individual Verifier Accreditation](#) to CARB at [lcsverify@arb.ca.gov](mailto:lcsverify@arb.ca.gov).

After CARB screens individual verifier candidate applications for accreditation, approved individuals will be notified that they may enroll in the **required verifier accreditation training**. Training dates are included in the [Announcement for CARB Accreditation and Verifier Accreditation Training for the LCFS](#) linked on [the LCFS verification website](#).

## **4 What are the requirements to become a CARB-accredited LCFS verification body?**

Accreditation requirements for LCFS verification bodies are listed in the form and in LCFS regulation section 95502(a), which incorporates Mandatory GHG Reporting Regulation (MRR) section 95132(b)(1)(A) through (F). Additional application requirements for verification bodies are listed in LCFS regulation section 95502(b)(1).

A company seeking to provide verification services as a LCFS verification body must submit an application to CARB demonstrating it meets the following requirements for accreditation:

- Employs at least five full-time staff, including two CARB-accredited LCFS lead verifiers;
- Retains the specified minimum professional liability insurance of US \$4 million;
- Demonstrates that there are mechanisms in place to prevent conflicts of interest and resolve potential conflict of interest situations if they arise;
- Demonstrates that there are procedures or policies to support technical training related to verification;
- Discloses any judicial proceedings, enforcement actions, and administrative actions filed against the company in the last five years; and
- Has and maintains templates for risk assessment, sampling, and log of issues for the entity types and LCFS report types that the verification body intends to verify.

## **5 What are the types of accreditation for individual LCFS verifiers?**

CARB offers the following types of accreditations to qualify to lead verification services:

- 1) *Lead LCFS Verifier for Fuel Pathways and Alternative Fuel Transactions*
- 2) *Lead LCFS Verifier for Petroleum-Based Fuel Reports and Alternative Fuel Transactions*
- 3) *Lead LCFS Verifier for Alternative Fuel Transactions*
- 4) *Lead LCFS Verifier for*
  - *Fuel Pathways and Alternative Fuel Transactions and*
  - *Petroleum-Based Fuel Reports.*

In addition, CARB specifies a non-lead, general verifier accreditation type:

- 5) *LCFS Verifier (Non-Lead).*

## **6 What experience fulfills the requirement for non-lead verifier, lead verifier, and lead verifier with additional accreditation for alternative fuel pathways or petroleum-based fuel reports?**

All experience requirements are listed on the verifier application form available on the [LCFS verification webpage](#).

- General, non-lead verifier competency requirements are specified in section 95502(c)(1) and (2).
- Lead verifier experience requirements are listed in section 95502(c)(1) through (5) of the LCFS regulation.
  - Lead verifier without special accreditation for fuel pathways and petroleum-based fuel reports: Candidates meeting eligibility requirements in section 95502(c)(1) through (3) may serve as a lead verifier for Quarterly Fuel Transactions Reports for Alternative Fuels.
  - Lead verifier with special accreditation for fuel pathways: To become accredited as a lead verifier to validate fuel pathway applications and to verify fuel pathway reports, the applicant must have experience in alternative fuel production technology and process engineering pursuant to section 95502(c)(4), in addition to qualifications in section 95502(c)(1) through (3).
  - Lead verifier with special accreditation for petroleum-based fuel reports: To become accredited as a lead verifier to verify petroleum-based fuel reports, the lead verifier must maintain the oil and gas systems accreditation under MRR section 95131(a)(2) pursuant to section 95502(c)(5), in addition to the qualifications in section 95502(c)(1) through (3). Petroleum-based fuel reports include Quarterly Fuel Transactions Reports submitted by producers and importers of gasoline or diesel, Low-complexity and Low-energy-use Refinery Reports, Crude Oil Quarterly and Annual Volume Reports, and Project Reports.

## **7 What is “fast-track” accreditation for lead verifiers?**

CARB provides fast-track accreditation to lead verifier candidates that already possess relevant training, competency and experience to conduct GHG verifications. Candidates for lead verifier applying under section 95502(c)(3)(A)-(E) are eligible for fast-track accreditation and are not required to attend general verification training (course 1) and are not required to take the general verification accreditation exam pursuant to section 95502(c)(3)(G). Fast-track lead verifier candidates must complete the LCFS program-specific accreditation training (courses 2 through 6) described in the Daily Training Schedule provided on the LCFS verification website to become accredited.

## **8 How do I apply to be a lead verifier in the LCFS Program after initially receiving accreditation as a non-lead verifier?**

Non-lead verifier applicants must complete the CARB-approved comprehensive general verification training and accreditation examination as well as the training specific to the LCFS program to be eligible to upgrade to lead verifier once they meet the experience qualifications. Fill out the LCFS application as a lead verifier and submit with associated documentation to [lcsverify@arb.ca.gov](mailto:lcsverify@arb.ca.gov). CARB staff will send an email confirming receipt and that the application is being processed and reviewed.

## **Required Verifier Training**

### **9 When will CARB offer LCFS verification training to accredit verifiers?**

CARB will offer a comprehensive, in-person training for verifier accreditation, including an accreditation exam, in the fourth quarter of 2019 and third and fourth quarters of 2020. CARB plans to offer training each year through 2023 and will consider timing of future training to ensure a sufficient number of verifiers. See the [Announcement for CARB Accreditation and Verifier Accreditation Training for the LCFS](#) provided on the LCFS verification webpage.

### **10 What is the cost for LCFS verifier accreditation training?**

CARB has engaged a contractor to assist in development and delivery of LCFS verifier accreditation training. The contractor will charge a reasonable fee to cover the costs for delivery of the training, not to exceed \$1800 for the week-long training program. Travel, lodging, and food are not included in the training fee. A block of discounted rooms will be available at the training venues up to one month ahead of each training session.

### **11 What if I do not pass the accreditation exam?**

Applicants for non-lead verifier or lead verifier under section 95502(c)(3)(F) must take the accreditation exam and score greater than 70 percent to become accredited. There will be one opportunity to retake the accreditation exam. The examination requirement is specified in LCFS regulation section 95502(a) that incorporates MRR section 95132(b)(4) by reference and in section 95502(c)(3)(G) of the LCFS regulation.

## **Verification Teams**

### **12 Who can be on a verification team?**

Verifiers must be accredited by CARB to perform verification services pursuant to the LCFS regulation. In addition to accredited verifiers, the verification team may utilize non-accredited technical experts and verifiers-in-training under direct supervision of the verification team leader.

### **13 What is the role of the verification team leader and required qualifications?**

The verifier that leads a verification team must be accredited as a lead verifier and for specified report types, they must have additional accreditation by CARB:

- Alternative fuel pathways (section 95502(c)(4))
- Petroleum-based fuel reports (section 95502(c)(5)).

The team leader may be a subcontractor individually accredited by CARB and work under the accreditation of the verification body.

The team leader

- Directs and supervises the verification team members and their activities
- Is accountable for the quality of verification services
- Signs the validation or verification statement (section 95501(c)(3)(E))
- May fulfill the requirement for at least one lead verifier with the appropriate accreditation to lead the site visit (section 95501(b)(3)).

#### **14 What is the role of the independent reviewer?**

An independent reviewer means an accredited lead verifier, employed by a verification body, who (A) has not participated in conducting the LCFS validation or verification services for the client for the current operating period or reporting period, and (B) provides an independent review of findings and services rendered to the client as required in section 95501 of the LCFS regulation (section 95481). The independent reviewer is not required to meet the additional specified competency requirements in sections 95502(c)(4) for alternative fuel pathways and 95502(c)(5) for petroleum-based fuel reports that the verification team leader must meet, when applicable.

The independent reviewer performs the final check on the verification team's work to identify the following (section 95501(c)(2)):

- Errors in planning,
- Errors in data sampling, and
- Errors in judgment by the verification team related to the draft validation or verification statement.

The independent reviewer must agree with the verification findings before the validation or verification statement is issued and they sign the verification statement (section 95501(c)(3)(E)).

#### **15 Can a verification body subcontract verification services?**

Yes, the LCFS regulation allows verification bodies to subcontract verification services that meet the following requirements:

- The verification body assumes full responsibility for the verification services performed by its subcontracted verifiers or verification bodies;
- All verification team members that perform verification services must be accredited by CARB, including subcontracted verifiers;
- A subcontracted verifier may perform the team lead function or fulfill other team competency requirements, but only an employee of the verification body can perform the required independent review;

- The verification body is responsible for demonstrating an acceptable level of conflict of interest for all verification team members, including those that are subcontracted, and monitoring potential emerging conflict of interest;
- A subcontractor may not further subcontract or outsource verification services;
- Subcontracting may not be used to meet the minimum employee requirements for verification body accreditation.