



LCFS Guidance

Revised: April 2019



Low Carbon Fuel Standard (LCFS) Guidance 19-02

Cost and Revenue Reporting for Infrastructure Pathways

INTRODUCTION

The California Air Resources Board's (CARB) Low Carbon Fuel Standard 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 guidance document to describe the regulatory requirements in a user-friendly format. 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.

BACKGROUND

This guidance is designed to help applicants fulfill the requirements for reporting quarterly cost and revenue data to CARB for entities generating credits from ZEV fueling infrastructure pathways (LCFS Regulation sections 95486.2(a)(6)(C) and 95486.2(b)(6)(B)).¹

Starting with the first quarter of 2019, eligible applicants may apply for ZEV fueling infrastructure credit pathways, which consist of Hydrogen Refueling Infrastructure (HRI) and DC Fast Charging Infrastructure (FCI) pathways. Quarterly cost and revenue data must be reported to CARB before credits will be issued to the LCFS Reporting Tool (LRT) account associated with an approved ZEV fueling infrastructure pathway (sections 95486.2(a)(6) and 95486.2(b)(6)).

All information submitted in the Cost and Revenue Data Report is subject to audit by CARB or a third party approved by CARB. Applicants for ZEV fueling infrastructure pathways must maintain supporting documents and records for ten years from the time any LCFS report is submitted to CARB (section 95491.1(a)).

¹ All citations to the LCFS Regulation are to title 17 of the California Code of Regulations (CCR) sections 95480-95503.

HRI COST AND REVENUE DATA REPORT

The following is a draft template of a cost and revenue data report for entities applying for HRI infrastructure pathways which will be available for download. In each quarter, the entity should report costs and revenues incurred in that quarter, and not the cumulative costs and revenues. If adequately designated, data submitted in this report will be protected as Confidential Business Information.²

Quarter # in Project's Life ³	CAPEX (\$)	Total delivered cost of hydrogen (\$)	Average delivered cost of hydrogen (\$/kg)	Maintenance costs (\$)	Rental costs(\$)	Other Operational costs (\$)	CAPEX Grant revenue (\$)	OPEX Grant revenue (\$)	Total hydrogen sale revenue (\$)	Average hydrogen retail price (\$/kg)	Additional Notes
Prior to Q1											
1											
2											
3											
4											
5											

Capital Expenditure (CAPEX)⁴: This includes costs incurred by the Fueling Supply Equipment (FSE) owner associated with preparing the station for long term use (transportation of equipment, installation, etc.) including costs associated with the acquisition of a long-term asset (a non-current asset). CAPEX thus includes:

- Delivered purchase price of refueling system and associated equipment⁵
- Delivered price of hydrogen production equipment⁶
- Assembly and installation costs of refueling system, hydrogen production system, and associated equipment
- Engineering costs⁷
- Project management costs
- Costs for making the site compliant with Americans with Disabilities Act (ADA)
- Site rental costs (during construction)
- Permitting costs
- Construction costs (including labor and material)

² The definition of “confidential business information,” for the purposes of this reporting, is the same as the definition of “trade secret” found in Government Code, section 6254.7. CCR title 17, section 91011 specifies procedures for designation of trade secret/confidential business information submitted to CARB.

³ The first quarter represents the quarter that the station is approved under the HRI pathway. For stations operational prior to HRI approval, report all previous costs and revenue data in the “prior to Q1” row.

⁴ Section 95486.2(a)(6)(C)(1)

⁵ If equipment is manufactured in-house, substitute this cost with the cost of manufacturing the equipment (including labor and materials).

⁶ If equipment is manufactured in-house, substitute this cost with the cost of manufacturing the equipment (including labor and materials).

⁷ If costs are shared between multiple stations, distribute these costs equally amongst the stations.

- Modification to station (flooring, wiring, lighting)
- Inspection of equipment and test runs
- Beautification/landscaping costs when required by permitting authority or site host (documentation must be provided to justify).

Total delivered cost of Hydrogen (\$)⁸: include costs associated with obtaining hydrogen from supplier to the station.

Average delivered cost of Hydrogen (\$/kg)⁹: Total delivered cost of hydrogen divided by the total hydrogen delivered in a given period.

Maintenance costs (\$)¹⁰: includes all costs that maintain the asset at its original conditions, including repairs, replacement of faulty hardware/equipment. This may include the cost of:

- Labor
- Material
- Planned maintenance
- Unplanned repairs
- Fees or labor associated with maintaining the rental property at an acceptable condition

Rental costs (\$)¹¹: Costs incurred for renting the property during operation of the station.

Other Operational Expenditure (OPEX)¹²: All other costs associated with projects should be included here such as:

- Insurance
- Electricity for compression, refrigeration, lighting, electrolysis, etc.
- Water supply for onsite electrolysis
- Natural gas supply for onsite SMR
- Other labor
- Taxes
- Credit card fees

CAPEX grant revenues (\$)¹³: Grants/rebates and any other subsidies, tax/fee breaks/holidays associated with the project capital expenditure.

⁸ Section 95486.2(a)(6)(C)(2)

⁹ *Ibid.*

¹⁰ Section 95486.2(a)(6)(C)(3)

¹¹ Section 95486.2(a)(6)(C)(4)

¹² Section 95486.2(a)(6)(C)(8)

¹³ Section 95486.2(a)(6)(C)(5)

OPEX grant revenues (\$)¹⁴: Grants/rebates and any other subsidies, tax/fee breaks/holidays associated with the project operations and maintenance expenditure.

Total Hydrogen sale revenues (\$)¹⁵: Report total revenue from the sale of hydrogen.

Average Hydrogen retail price (\$/kg)¹⁶: Total hydrogen sale revenue divided by the total hydrogen sold in a given period.

Additional Notes: Additional information stakeholders may wish to report to help CARB better understand the costs/revenues associated with the station.

FCI COST AND REVENUE DATA REPORT

The following is a draft template of the required cost and revenue data report for entities applying for FCI infrastructure pathways which will be available for download. In each quarter, the entity should report costs and revenues incurred in that quarter, and not the cumulative costs and revenues. If adequately designated, data submitted in this report will be protected as Confidential Business Information.¹⁷

Quarter # in Project's Life ¹⁸	CAPEX (\$)	Total delivered cost of electricity (\$)	Average delivered cost of electricity (\$/kWh)	Maintenance costs (\$)	Rental costs(\$)	Other Operational costs (\$)	CAPEX Grant revenue (\$)	OPEX Grant revenue (\$)	Total electricity sale revenue (\$)	Average electricity retail price (\$/kWh)	Additional Notes
Prior to Q1											
1											
2											
3											
4											
5											

Capital Expenditure (CAPEX)¹⁹: This includes costs incurred by the station owner associated with preparing the site for long term use (transportation of equipment, installation, etc.) including costs associated with the acquisition of a long-term asset (a non-current asset). CAPEX thus includes:

¹⁴ Section 95486.2(a)(6)(C)(6)

¹⁵ Section 95486.2(a)(6)(C)(7)

¹⁶ *Ibid.*

¹⁷ The definition of "confidential business information," for the purposes of this reporting, is the same as the definition of "trade secret" found in Government Code, section 6254.7. CCR title 17, section 91011 specifies procedures for designation of trade secret/confidential business information submitted to CARB.

¹⁸ The first quarter represents the quarter that the station is approved under the FCI pathway. For stations operational prior to FCI approval, report all previous costs and revenue data in the "prior to Q1" row.

¹⁹ Section 95486.2(b)(6)(B)(1)

- Delivered purchase price of charging system and associated equipment²⁰
- Delivered price of on-site electricity generation equipment²¹
- Delivered price of onsite electricity storage equipment²²
- Assembly and installation costs of refueling system, on-site electricity generation system, onsite electricity storage, and associated equipment
- Engineering costs²³
- Project management costs
- Costs for making the site compliant with Americans with Disabilities Act (ADA)
- Site rental costs (during construction)
- Permitting costs
- Construction costs (including labor and material)
- Modification to site (flooring, wiring, lighting)
- Inspection of equipment and test runs
- Beautification/landscaping costs when required by permitting authority or site host (documentation must be provided to justify).
- Site's share of utility upgrades.

Total delivered cost of electricity (\$)²⁴: include costs associated with demand charges, electricity consumption, and environmental attributes of the electricity.

Average delivered cost of electricity (\$/kWh)²⁵: Total delivered cost of electricity divided by the total kWh of electricity consumed in a given period.

Maintenance costs (\$)²⁶: includes all costs that maintain the asset at its original conditions, including repairs, replacement of faulty hardware/equipment. This may include the cost of:

- Labor
- Material
- Planned maintenance
- Unplanned repairs

²⁰ If equipment is manufactured in-house, substitute this cost with the cost of manufacturing the equipment (including labor and materials).

²¹ If equipment is manufactured in-house, substitute this cost with the cost of manufacturing the equipment (including labor and materials).

²² If equipment is manufactured in-house, substitute this cost with the cost of manufacturing the equipment (including labor and materials).

²³ If costs are shared between multiple sites, distribute these costs equally amongst the sites.

²⁴ Section 95486.2(b)(6)(B)(2)

²⁵ *Ibid.*

²⁶ Section 95486.2(b)(6)(B)(3)

- Fees or labor associated with maintaining the rental property at an acceptable condition

Rental costs (\$)²⁷: Costs incurred for renting the property during operation of the charging site.

Other Operational Expenditure (OPEX)²⁸: All other costs associated with projects should be included here:

- Insurance
- Electricity for lighting
- Other labor
- Taxes
- Credit card fees

CAPEX Grant revenues (\$)²⁹: Grants/rebates and any other subsidies, tax/fee breaks/holidays associated with the project capital expenditure. This includes funding received by the utility

Operational Grant revenues (\$)³⁰: Grants/rebates and any other subsidies, tax/fee breaks/holidays associated with the project operations expenditure

Total electricity sale revenues (\$)³¹: Report total revenue from electricity sales for EV charging and/or from the use of charger

Average electricity retail price (\$/kWh)³²: Total dispensed electricity sale revenue divided by the total electricity dispensed for EV charging in a given period.

Additional Notes: Additional information stakeholders may wish to report to aid CARB to better understand the costs/revenues associated with the station.

CONTACT

If you have questions regarding the above information, please visit the LCFS Contacts webpage: <https://www.arb.ca.gov/fuels/lcfs/contact.htm>.

²⁷ Section 95486.2(b)(6)(B)(4)

²⁸ Section 95486.2(b)(6)(B)(8)

²⁹ Section 95486.2(b)(6)(B)(5)

³⁰ Section 95486.2(b)(6)(B)(6)

³¹ Section 95486.2(b)(6)(B)(7)

³² *Ibid.*