

Appendix A-7

Proposed Amendments to Title 17 Regulation Order

[Note: This version of the proposed amendments to Title 17 Regulation Order also complies with Government Code section 11346.2 subdivision (a)(3). The existing, original regulatory language currently adopted into the CCR is shown in “normal type.” The proposed amendments subject to comment in this rulemaking are shown in underline to indicate additions and ~~strikeout~~ to indicate deletions from the existing regulatory text. “[Insert Date of Amendment or Adoption]” is placeholder text for these amendment’s approval date.” Vertical lines in the left margins are to flag where changes are proposed for ease of reference and are not part of the proposed amendments. The proposed amendments are being presented in two versions. For ease of readability, and to review the proposed amendments in an Accessible format that can toggle between amendments in strikeout/underline and a “clean” version with amendments incorporated into the certification procedure text, please refer to the Word version of these proposed test procedures.]

Proposed Regulation Order

Title 17, California Code of Regulations

Amend Section 95481 and Section 95488.8 of title 17, California Code of Regulations, to read as follows:

§ 95481. Definitions and Acronyms.

- (a) *Definitions.* For the purposes of sections 95480 through 95503, the definitions in Health and Safety Code sections 39010 through 39060 shall apply, except as otherwise specified in this section or sections 95482 through 95503:

...

“Linear Generator” means any power generation technology that uses a thermochemical reaction to create linear motion that is directly converted into electricity and has electricity-only generation efficiency greater than 30%.

§ 95488.8. Fuel Pathway Application Requirements Applying to All Classifications.

...

- (i) *Indirect Accounting for Low-CI Electricity, Biomethane, and Low-CI Hydrogen.*

...

- (2) *Book-and-Claim Accounting for Pipeline-Injected Biomethane Used as a Transportation Fuel, to Produce Electricity for EV Charging, or to Produce Hydrogen.* Indirect accounting may be used for RNG used as a transportation fuel, to produce electricity using a fuel cell or linear generator for EV charging, or to produce hydrogen for transportation purposes (including hydrogen that is used in the production of a transportation fuel), provided the conditions set forth below are met:

- (A) RNG injected into the common carrier pipeline in North America (and thus comingled with fossil natural gas) can be reported as dispensed as bio-CNG, bio-LNG, or bio-L-CNG, or to produce electricity using a fuel cell or linear generator for EV charging, or as an input to hydrogen production, without regards to physical traceability. Entities may report natural gas as RNG within only a three-quarter time span. If a quantity of RNG (and all associated environmental attributes, including a beneficial CI) is pipeline-injected in the first calendar quarter, the quantity claimed for LCFS reporting must be matched to natural gas sold in California as RNG no later than the end of the third calendar quarter. After that period is over, any unmatched RNG quantities expire for the purpose of LCFS reporting.

...

- (C) To substantiate RNG quantities injected into the pipeline for dispensing as bio-CNG, bio-LNG, or bio-L-CNG, or to produce electricity using a fuel cell or linear generator for EV charging, or as an input to hydrogen production, the pathway application and subsequent Annual Fuel Pathway Reports must include the following documents linking the environmental attributes of RNG (in MMBtu or Therms) with corresponding quantities of natural gas withdrawn:

...

- (F) Fuel pathways producing electricity transportation fuel using a linear generator may use indirect accounting for pipeline-injected biomethane associated with reported fuel volumes supplied through December 31, 2035.

NOTE: Authority cited: Sections 38510, 38530, 38560, 38560.5, 38562.2, 38571, 38580, 39600, 39601, 41510, 41511 and 43018, Health and Safety Code. Reference: Sections 38501, 38510, 39515, 39516, 38571, 38580, 39000, 39001, 39002, 39003, 39515, 39516, 41510, 41511 and 43000, Health and Safety Code; Section 25000.5, Public Resources Code; 42 U.S.C. section 7545; and Western Oil and Gas Ass'n v. Orange County Air Pollution Control District, 14 Cal.3d 411, 121 Cal.Rptr. 249 (1975).