



LowCVP FWG meeting

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Why are we consulting now?

- RFA are responsible for keeping the TG up to date
- Essential housekeeping
- We said we would



What are we consulting on?

1. Changes to the TG, including:

- new fuel chains (2008/9)
- revised default values (2009/10)
- benchmark results & approach to benchmarking

2. Verification guidance

- complementary guidance for verifiers (2008/9)
- separate workshop held 5 December (slides on website)

3. Indirect effects

- methodological development to inform policy makers (future)



1. Changes to default values



High level defaults are set conservatively

Fuel / feedstock / origin default values			
Fuel	Feedstock	Origin	Carbon intensity
Bioethanol	Sugar cane	Brazil	25
		Pakistan	115
	Wheat	United Kingdom	61
		Ukraine	103
Fuel / feedstock default values			
Fuel	Feedstock	Origin	Carbon intensity
Bioethanol	Sugar cane	Unknown	25
	Wheat	Unknown	61
Fuel default values			
Fuel	Feedstock	Origin	Carbon intensity
Bioethanol	Unknown	Unknown	61

Set equal to the highest fuel / feedstock / origin default that provide this fuel, from this feedstock, provided it is likely to supply more than 5% of market

Volume reporting has enabled identification of high level default values which are not sufficiently conservative

Fuel, Feedstock, Country of Origin	Percentage of total biofuel of this type	Percentage of total biofuel of this feedstock type	Default value (grams CO ₂ e / MJ)
Biodiesel <i>Fuel default value:</i>			55
Oilseed rape <i>Fuel / feedstock default value:</i>			55
Canada	7%	22%	56
USA	2%	5%	93
Soy <i>Fuel / feedstock default value:</i>			78
Brazil	2%	6%	78
USA	33%	83%	58
Tallow <i>Fuel / feedstock default value:</i>			13
Denmark	1%	7%	14
USA	13%	85%	17
Bioethanol <i>Fuel default value:</i>			61
Sugar cane <i>Fuel / feedstock default value:</i>			25
Pakistan	2%	2%	115

- ❑ This table shows the fuel chains for which companies have reported fuel, feedstock and origin, that have a carbon intensity worse than the default value
- ❑ The circled values identify the fuel chains which would not be picked up by a 5% threshold.
- ❑ This suggests that a 5% threshold is not sufficiently conservative for the *fuel* default values
- ❑ A revised threshold of 1% is used for the fuel default values only.

Resulting changes to default values

Fuel default values

(i.e. unknown feedstock and origin)

Fuel	Current default value (g CO ₂ e / MJ)	Based on the following fuel chain	Default value for 2009/10 (g CO ₂ e / MJ)	Based on the following fuel chain
Bioethanol (& Bio-ETBE)	61	Wheat - UK	115	Pakistan – Sugar cane
Biodiesel	55	Oilseed rape - UK	93	USA – Oilseed rape

Note: default values not shown remain unchanged

Fuel / feedstock default values

(i.e. unknown origin)

Fuel	Feedstock	Current Default Value (g CO ₂ e / MJ)	Assumed country of origin	Default Value for 2009/10 (g CO ₂ e / MJ)	Assumed country of origin
Biodiesel (ME)	Oilseed rape	55	UK	93	USA
	Tallow	13	UK	17	USA

Note: default values not shown remain unchanged

2. Guidance for verifiers



Guidance covers:

- The RFA's requirements
- Overview of the assurance process
- Key sections of document:
 - criteria
 - testing procedures
 - evidence
 - assurance statements
 - verifiers requirements

Purpose of Verification

The RFA's requirements – dispelling some myths...

- 'best endeavors' meet the RFA's requirements
- It's in the contract, therefore it's true
- Declarations from 'tier 1' suppliers alone provide sufficient evidence of chain of custody

The role of verifiers is to:

- Verify the content of the annual report
- Use the RFA's C&S guidelines as a basis for assurance



Criteria

“ The benchmarks used to evaluate or measure the subject matter” IFAC

The C&S Technical guidance set out the RFA’s requirements:

➤ “.....the C&S data reported by the fuel supplier has to be traceable back to the party or parties who generated the information.”

Verifiers need to use criteria which provide an appropriate basis to evaluate the reporting information, and clearly set out in the assurance statement what criteria have been used.

Criteria 2

Traceability

- Is the reported C&S information traceable back to the party or parties who generated the information?
- Is evidence available to support all reported information?

Completeness

- Has C&S information been provided for each administrative batch?
- Does the annual report reflect the total volume of fuel reported in ROS?

Consistency

- Have consistent methodologies been followed for calculating and reporting actual data?
- Are reported feedstocks for biofuel blends representative of actual feedstocks for fuel supplied?

Accuracy

- Has the reported information been accurately collated?

Evidence 1

➤ Bills of lading

- provide volume, type and feedstock
- traceable through company data systems

➤ Certificates

- TG says = proof of compliance
- Verifiers need only ensure certificates are genuine

➤ First hand evidence

- interviews with managers/suppliers
- physical inspections



Evidence 2

➤ Supplier declarations


➤ must be treated with care, key questions:

- how does the supplier gain assurance over the accuracy of the declaration?
- what does the declaration cover?
- verifiers need to understand the control framework behind the declaration
- * third party verification likely to be important – credibility is key

3. Indirect effects



Work on indirect effects

- Considerable international work underway on ILUC
 - Lack of focus on:
 - indirect effects of using 'wastes and residues'
 - defining sustainable biofuels
 - Two areas of proposed work:
 1. Expanding lifecycle methodology – case studies on wastes & by products
 2. Defining sustainable biofuels – case studies & methodology
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Discussion

TG

- Proposed revisions to the default values?

Verifiers' guidance

- Are the criteria appropriate?
- What additional evidence may be available?

RFA Future work programme

- Agree the RFA should focus on these areas?



Consultation timing

- Document available on website
- Ends Thursday 12 Feb
- Responses to RFA.INFO@dft.gsi.gov.uk
- Guidance will be updated ahead of April
- Envisage more fundamental review next year

(RED)





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