Calculation of 2013 Crude Average CI Value

Posting: Section 95486(b)(2)(A)3 of the Low Carbon Fuel Standard (LCFS) Regulation states that each year the Executive Officer will post the Annual Crude Average carbon intensity calculation at the ARB-LCFS website for public comment. Written comments shall be accepted for 15 calendar days following the date on which the analysis was posted. Only comments related to potential factual or methodological errors in the posted Annual Crude Average carbon intensity value may be considered. The Executive Officer shall evaluate the comments received and, if the Executive Officer deems it necessary, may request in writing additional information or clarification from the commenters. Commenters shall have 10 days to respond to these requests. The Executive Officer shall post the final Annual Crude Average carbon intensity value at the ARB-LCFS website within 15 days of completion of the comment period, if no comments are received. If comments are received, the Executive Officer shall post the final Annual Crude Average carbon intensity value within 15 days of receiving any additional information or clarification requested from the commenters by the Executive Officer.²

Calculation of 2013 Crude Average CI: As described in subsections 95486(b)(2)(A)1 and 3, the 2013 Crude Average CI value is a volume weighted average of carbon intensities for crudes supplied to California during 2012 and 2013. The table below shows a breakdown of the sources of crude oil supplied to California refineries during 2012 and 2013 and the carbon intensity values assigned to these crude sources. All crude oil produced in and offshore of California is assumed to be refined in California. The volume contributions for California produced crudes are based on oil production data obtained from the California Department of Conservation.³ The volume contributions for California federal offshore crudes are based on oil production data obtained from the Bureau of Safety and Environmental Enforcement.⁴ The volume contributions of imported crudes are based on oil supply data submitted by refineries via a survey for 2012 volumes and annual compliance reporting for 2013 volumes. Fiftyseven crude names that do not appear in Table 8 (the Crude Lookup Table in section 95486(b)(1)) were supplied to California refineries during 2012 and 2013. These crudes contributed only 8.5 percent of the total volume of crude supplied to California refineries and are assigned the 2010 Baseline Crude Average CI value of 11.39 gCO₂e/MJ.⁵ The 2013 Crude Average carbon intensity, 11.36 gCO₂e/MJ, is calculated by weighting the

4

¹ The LCFS regulation is found at California Code of Regulations (CCR), title 17, sections 95480-95490. Subsequent section references are to CCR title 17.

² ARB received one comment during the 15 day period. The comment and response are contained in the appendix to this document.

³ California Department of Conservation, Online Production and Injection Query, http://opi.consrv.ca.gov/opi/opi.dll, (accessed May 29, 2014).

⁴ Bureau of Safety and Environmental Enforcement website http://www.data.bsee.gov/homepg/data_center/production/PacificFreeProd.asp, (accessed May 2013 and May 2014).

⁵ In conjunction with the update to OPGEE v1.1, staff intends to calculate carbon intensity values for all crudes supplied to California refineries during 2010, 2011, 2012 and 2013 that are not in the current Crude Lookup Table (Table 8, section 95486(b)(1)). ARB intends to make use of these new carbon intensity values in calculating Annual Crude Average CI values for 2015 and later years.

carbon intensity value for each crude by the volume supplied to California refineries during 2012 and 2013.

2013 Crude Average Carbon Intensity Calculation

| Country/State | Crude Name | CI (g/MJ) | 2012 and 2013 Volume (bbl) |
|---------------|------------------------------|--------------|-------------------------------|
| | 2013 Annual Crude Average CI | 11.36 | |
| Algeria | Saharan | 11.39 | 1,485,985 |
| Angola | Dalia | 7.86 | 5,396,596 |
| | Gimboa | 11.39 | 177,590 |
| | Girassol | 10.43 | 2,815,984 |
| | Greater Plutonio | 8.82 | 4,563,776 |
| | Kissanje | 11.39 | 1,202,327 |
| | Nemba | 11.39 | 603,471 |
| | Pazflor | 11.39 | 11,776,338 |
| Argentina | Escalante | 7.51 | 625,020 |
| | Medanito | 11.39 | 310,000 |
| Australia | Enfield | 11.39 | 527,084 |
| | Pyrenees | 5.96 | 746,771 |
| | Vincent | 11.39 | 764,185 |
| Brazil | Albacora Leste | 7.35 | 772,526 |
| | Frade | 6.62 | 1,304,998 |
| | Jubarte | 11.39 | 525,120 |
| | Lula | 11.39 | 2,473,108 |
| | Marlim | 6.75 | 7,500,371 |
| | Ostra | 5.71 | 1,877,939 |
| | Roncador | 11.39 | 969,337 |
| | Roncador Heavy | 11.39 | 3,110,954 |
| | Sapinhoa | 11.39 | 1,032,516 |
| Canada | Access Western Blend | 11.39 | 228,810 |
| | Albian Muskeg River Heavy | 11.39 | 499,060 |
| | Albian Heavy Synthetic | 21.02 | 7,666,165 |
| | Borealis | 11.39 | 386,249 |
| | Bow River | 11.39 | 270,383 |
| | Cardium | 11.39 | 16,611 |
| | Cold Lake | 18.74 | 11,312,831 |
| | Fosterton | 11.39 | 1,060,536 |
| | Halkirk | 11.39 | 35,728 |
| | Koch Alberta | 7.61 | 140,470 |
| | Light Sweet | 11.39 | 37,148 |
| | Lloydminster | 11.39 | 2,773 |

| | Mixed Sweet | 7.75 | 53,570 |
|-------------------|-------------------------------|-------|-------------|
| | Peace River Sour | 11.39 | 452,915 |
| | Pembina | 11.39 | 201,500 |
| | Shell Synthetic Light | 11.39 | 475,489 |
| | Suncor Synthetic (all grades) | 24.49 | 7,824,657 |
| | Surmont | 11.39 | 953,907 |
| | Wabasca | 11.39 | 385,817 |
| Chad | Doba | 11.39 | 719,359 |
| Colombia | Cano Limon | 11.39 | 1,175,973 |
| | Castilla | 6.45 | 24,792,862 |
| | Cusiana | 11.39 | 69,690 |
| | Magdalena | 11.39 | 10,483,945 |
| | Rubiales | 11.39 | 502,242 |
| | South Blend | 11.39 | 5,765,530 |
| | Vasconia | 6.63 | 22,736,813 |
| Congo | Azurite | 11.39 | 984,378 |
| | Djeno | 11.39 | 324,585 |
| Ecuador | Napo | 7.45 | 44,274,270 |
| | Oriente | 9.34 | 79,695,073 |
| Equatorial Guinea | Ceiba | 11.39 | 4,145,194 |
| | Zafiro | 11.39 | 1,035,612 |
| Iraq | Basra Light | 12.08 | 111,315,276 |
| Kuwait | Kuwait | 11.39 | 8,286,220 |
| Libya | Amna | 11.39 | 513,090 |
| Mauritania | Chinquetti | 11.39 | 625,062 |
| Neutral Zone | Eocene | 5.59 | 291,620 |
| | Ratawi | 5.77 | 530,000 |
| Nigeria | Antan | 11.39 | 1,120,179 |
| Oman | Oman | 12.30 | 2,279,456 |
| Peru | Loreto | 5.82 | 6,105,395 |
| | Mayna | 7.14 | 230,000 |
| Russia | ESPO | 12.09 | 15,478,624 |
| | M100 | 11.39 | 416,874 |
| Saudi Arabia | Arab Extra Light | 6.86 | 37,146,086 |
| | Arab Light | 6.75 | 102,036,845 |
| | Arab Medium | 11.39 | 24,343,374 |
| | Arab Heavy | 11.39 | 813,300 |
| Trinidad | Calypso | 6.95 | 620,210 |
| Venezuela | Bachaquero | 11.39 | 266,800 |
| | Boscan | 12.53 | 245,000 |
| | Hamaca DCO | 11.39 | 662,400 |

| | Laguna | 11.39 | 283,440 |
|-----------------|-------------------------|-------|-------------|
| | Mesa 30 | 11.39 | 357,753 |
| | Petrozuata (all grades) | 23.58 | 1,969,774 |
| | Zuata (all grades) | 23.50 | 1,536,743 |
| US Alaska | ANS | 12.81 | 147,992,805 |
| US Colorado | Niobrara | 11.39 | 987,807 |
| US New Mexico | Four Corners | 11.39 | 604,410 |
| US North Dakota | Bakken | 11.39 | 3,822,020 |
| | North Dakota Sweet | 11.39 | 57,446 |
| US Texas | West Texas Intermediate | 11.39 | 320,310 |
| US Utah | Covenant | 11.39 | 1,339,076 |
| | Utah Sweet | 11.39 | 71,645 |
| US Wyoming | Wyoming | 11.39 | 115,078 |
| US California* | Aliso Canyon | 1.97 | 425,117 |
| | Ant Hill | 26.37 | 88,389 |
| | Antelope Hills | 2.69 | 260,648 |
| | Antelope Hills, North | 13.16 | 587,457 |
| | Arroyo Grande | 27.81 | 727,414 |
| | Asphalto | 7.92 | 585,709 |
| | Bandini | 7.75 | 21,596 |
| | Bardsdale | 5.24 | 178,671 |
| | Barham Ranch | 2.74 | 152,167 |
| | Beer Nose | 2.18 | 140,216 |
| | Belgian Anticline | 3.62 | 91,303 |
| | Bellevue | 8.27 | 49,192 |
| | Bellevue, West | 8.63 | 23,664 |
| | Belmont, Offshore | 3.19 | 1,519,270 |
| | Belridge, North | 5.00 | 5,196,723 |
| | Belridge, South | 14.49 | 47,146,523 |
| | Beverly Hills | 3.33 | 1,503,692 |
| | Big Mountain | 3.15 | 60,136 |
| | Blackwells Corner | 11.05 | 19,836 |
| | Brea-Olinda | 2.97 | 2,245,816 |
| | Buena Vista | 13.61 | 2,341,617 |
| | Burrel | 16.44 | 21,979 |
| | Cabrillo | 2.84 | 36,679 |
| | Canal | 4.04 | 55,137 |
| | Canfield Ranch | 3.58 | 226,342 |
| | Caneros Creek | 2.96 | 44,035 |
| | Cascade | 2.20 | 304,902 |
| | Casmalia | 11.61 | 397,901 |

| Casta | ic Hills | 2.79 | 21,719 |
|---------|-----------------|-------|------------|
| Cat C | anyon | 5.09 | 2,278,760 |
| Chevi | ot Hills | 3.06 | 58,092 |
| Chico | -Martinez | 3.83 | 223,407 |
| Ciena | ga Canyon | 3.89 | 67,270 |
| Coalir | | 25.36 | 11,068,127 |
| Coles | Levee, N | 3.47 | 298,025 |
| | Levee, S | 4.27 | 153,842 |
| Coma | nche | 10.75 | 54,904 |
| Coyot | e, East | 5.59 | 449,259 |
| Cuyar | na, South | 11.86 | 428,146 |
| Cymri | C | 19.91 | 28,143,746 |
| Deer (| Creek | 18.29 | 96,044 |
| Del Va | alle | 4.30 | 109,152 |
| Devils | Den | 3.63 | 39,791 |
| Edisor | า | 9.03 | 1,613,953 |
| El Seg | gundo | 2.98 | 45,616 |
| Elk Hi | ls | 5.36 | 26,070,461 |
| Elwoo | d, S., Offshore | 4.18 | 2,906,531 |
| Fruitva | ale | 10.24 | 849,386 |
| Greele | е у | 8.14 | 225,352 |
| Hasle | y Canyon | 2.07 | 75,525 |
| Helm | | 3.35 | 132,339 |
| Holse | r | 3.01 | 41,729 |
| Honor | Rancho | 2.69 | 165,286 |
| | igton Beach | 7.80 | 4,148,837 |
| Hyper | ion | 1.65 | 20,692 |
| Inglev | /ood | 8.74 | 5,511,514 |
| Jacali | tos | 2.22 | 264,450 |
| Jasmi | n | 17.54 | 258,507 |
| Kern I | | 25.06 | 6,770,131 |
| Kern I | | 9.55 | 51,925,635 |
| Kettle | man Middle Dome | 3.53 | 104,660 |
| | man North Dome | 4.70 | 59,195 |
| Lands | | 10.49 | 70,952 |
| | ienegas | 4.46 | 711,938 |
| Livern | nore | 2.17 | 26,689 |
| Lompo | | 31.05 | 672,731 |
| | Beach | 5.12 | 2,768,405 |
| | Beach Airport | 3.73 | 27,772 |
| Los A | ngeles Downtown | 4.11 | 61,139 |

| Los Angeles, East | 8.28 | 43,664 |
|-----------------------|-------|------------|
| Lost Hills | 11.40 | 21,508,937 |
| Lost Hills, Northwest | 4.35 | 55,293 |
| Lynch Canyon | 7.73 | 305,429 |
| Mahala | 3.57 | 21,526 |
| McCool Ranch | 1.71 | 25,181 |
| McDonald Anticline | 4.92 | 124,325 |
| McKittrick | 15.47 | 4,586,653 |
| Midway-Sunset | 21.18 | 58,083,465 |
| Montalvo, West | 2.63 | 1,402,812 |
| Montebello | 10.29 | 1,164,457 |
| Monument Junction | 3.81 | 249,205 |
| Mount Poso | 20.57 | 1,847,032 |
| Mountain View | 4.42 | 223,758 |
| Newhall-Potrero | 2.83 | 246,961 |
| Newport, West | 4.33 | 181,255 |
| Oak Canyon | 3.81 | 42,062 |
| Oak Park | 2.13 | 32,566 |
| Oakridge | 2.57 | 257,228 |
| Oat Mountain | 1.90 | 188,193 |
| Ojai | 3.27 | 553,838 |
| Olive | 1.93 | 105,381 |
| Orcutt | 12.52 | 2,687,665 |
| Oxnard | 16.89 | 218,303 |
| Paloma | 3.42 | 53,116 |
| Placerita | 31.66 | 1,896,781 |
| Playa Del Rey | 6.04 | 83,549 |
| Pleito | 4.01 | 844,722 |
| Poso Creek | 28.41 | 5,528,357 |
| Pyramid Hills | 2.92 | 119,461 |
| Railroad Gap | 6.56 | 284,316 |
| Raisin City | 7.64 | 248,648 |
| Ramona | 3.37 | 95,279 |
| Richfield | 3.63 | 651,388 |
| Rincon | 2.93 | 671,831 |
| Rio Bravo | 4.85 | 642,488 |
| Rio Viejo | 2.50 | 155,669 |
| Riverdale | 2.99 | 128,055 |
| Rose | 2.10 | 702,945 |
| Rosecrans | 5.18 | 313,783 |
| Rosecrans, South | 3.11 | 18,719 |

| Rosedale | 6.60 | 29,106 |
|--------------------|-------|------------|
| Rosedale Ranch | 8.84 | 340,240 |
| Round Mountain | 28.73 | 8,024,178 |
| Russell Ranch | 6.56 | 128,988 |
| Salt Lake | 2.82 | 94,306 |
| Salt Lake, South | 3.68 | 71,162 |
| San Ardo | 28.82 | 14,501,933 |
| San Miguelito | 4.44 | 966,361 |
| San Vicente | 2.31 | 559,091 |
| Sansinena | 2.54 | 387,308 |
| Santa Clara Avenue | 3.31 | 122,050 |
| Santa Fe Springs | 11.34 | 1,695,991 |
| Santa Maria Valley | 6.48 | 451,141 |
| Santa Susana | 3.14 | 35,243 |
| Sargent | 4.77 | 75,516 |
| Saticoy | 3.26 | 80,536 |
| Sawtelle | 2.83 | 349,972 |
| Seal Beach | 4.07 | 897,071 |
| Semitropic | 3.39 | 81,936 |
| Sespe | 2.91 | 782,751 |
| Shafter, North | 2.54 | 2,034,945 |
| Shiells Canyon | 3.24 | 172,177 |
| South Mountain | 3.10 | 1,191,934 |
| Stockdale | 1.71 | 227,931 |
| Tapia | 6.42 | 85,137 |
| Tapo Canyon, South | 2.87 | 19,442 |
| Tejon | 7.96 | 1,260,280 |
| Tejon Hills | 5.74 | 33,245 |
| Tejon, North | 4.72 | 91,104 |
| Temescal | 3.10 | 123,036 |
| Ten Section | 6.22 | 198,726 |
| Timber Canyon | 3.30 | 76,778 |
| Torrance | 4.45 | 781,375 |
| Torrey Canyon | 2.88 | 244,458 |
| Union Avenue | 1.79 | 27,038 |
| Ventura | 4.35 | 10,219,698 |
| Wayside Canyon | 2.93 | 157,294 |
| West Mountain | 2.89 | 25,574 |
| Wheeler Ridge | 3.34 | 168,867 |
| White Wolf | 1.64 | 21,445 |
| Whittier | 2.51 | 179,000 |

| | Wilmington | 6.36 | 27,123,801 |
|----------------|------------------|-------|---------------|
| | Yowlumne | 11.22 | 531,655 |
| | Zaca | 10.45 | 414,719 |
| US Federal OCS | Beta | 1.74 | 3,109,510 |
| | Carpinteria | 2.62 | 736,052 |
| | Dos Cuadras | 3.83 | 2,041,366 |
| | Hondo | 4.27 | 9,522,715 |
| | Hueneme | 4.33 | 212,897 |
| | Pescado | 3.45 | 4,468,323 |
| | Point Arguello | 8.68 | 2,717,170 |
| | Point Pedernales | 6.00 | 3,208,442 |
| | Sacate | 2.33 | 6,347,903 |
| | Santa Clara | 2.41 | 1,053,925 |
| | Sockeye | 5.82 | 2,124,013 |
| Total | | | 1,182,749,249 |

^{*}All California fields that produced at least 10,000 bbls during 2012 or 2013

Appendix: Comment and Response

<u>Comment:</u> We have reviewed the recently published draft calculation of the California Industry Average Crude Carbon Intensity for 2013. We have noted that GHG intensity of AHS is reported in this document as 21.02 gCO₂e/MJ, a value calculated with OPGEE 1.0.

We believe that this value of 21.02 gCO₂e/MJ contains an error due to higher and lower heating values being confused when coefficients from Canada's GHGenius model (which works in HHV) were used unchanged in California's OPGEE 1.0 model (which works in LHV). My colleague Trevor Stephenson engaged in some communication on this matter with Adam Brandt which resulted in the OPGEE 1.0 model being corrected. The resulting updated value of 19.86 gCO₂e/MJ was published in the minutes of CARB's "LCFS Proposed 2013 Regulatory Amendments" workshop of March 5th, 2013 (see

http://www.arb.ca.gov/fuels/lcfs/regamend13/Draft_Crude_CI_Values_%28OPGEEv1.1 DraftA%29 March 4 2013.pdf).

Please could you confirm that this value will be corrected in the 2013 calculation and in upcoming regulatory updates to adopt the latest "OPGEE" model (v. 1.1) going forward?

Response: The LCFS regulation language specifies "The Annual Crude Average carbon intensity value will be calculated using a volume-weighted average of individual crude carbon intensity values. Volumes for individual crudes will be the total volumes reported by all regulated parties in the Annual Compliance Reports for the calendar year. Individual crude carbon intensity values are those listed in Table 8."

The "updated" carbon intensity (CI) value of 19.86 gCO₂e/MJ discussed by the commenter was presented in a list of draft CI values at the March 2013 workshop. These CI values were not approved and included in Table 8.

The CI value for Albian Heavy Synthetic (AHS) in Table 8 of the LCFS regulation is 21.02 gCO₂e/MJ. This CI value was used in calculating both the 2012 and 2013 Crude Average CI values and will continue to be used for future calculations until revisions to Table 8 are adopted and approved through the Office of Administrative Law (OAL). Therefore, the 2013 Crude Average CI calculation will not be revised as suggested by the commenter.

Staff is in the process of proposing revisions to both OPGEE and Table 8 as part of the LCFS re-adoption scheduled to go to the Board this fall. The OPGEE correction noted by the commenter is part of the revised OPGEE model (OPGEEv1.1 Draft C) and will be reflected in the revised CI value for AHS crude to be considered by the Board.

Once the revisions are adopted by the Board and approved through OAL, the revised CI value for AHS will be used in calculating future Annual Crude Average CI values.