Climate Change (Liquid Fossil Fuels) Regulations 2008

Anand Satyanand, Governor-General

Order in Council

At Wellington this 29th day of September 2008

Present:
His Excellency the Governor-General in Council

Pursuant to section 163 of the Climate Change Response Act 2002, His Excellency the Governor-General, acting on the advice and with the consent of the Executive Council, makes the following regulations.

Contents

Regulations

1 Title

- These regulations are the Climate Change (Liquid Fossil Fuels) Regulations 2008.

2 Commencement

- These regulations come into force on 1 January 2009.

3 Interpretation

- In these regulations, unless the context otherwise requires,—
  Act means the Climate Change Response Act 2002
  biofuel has the same meaning as in section 1B of the Energy (Fuels, Levies, and References) Act 1989

blend, in relation to a fuel specified in regulation 4(1), means a blend of that fuel that contains at least 1% of a biofuel
kl means kilolitre
obligation fuel means an obligation fuel specified in regulation 4(1) or a blend of that fuel
obligation fuel participant means a person who is a participant under section 54(1)(a) of the Act in respect of an activity listed in Part 2 of Schedule 3 of the Act
obligation jet fuel means the jet fuel specified in regulation 4(1)(f) or a blend of that fuel
obligation jet fuel participant means a person who is a participant under section 54(1)(b) of the Act in respect of an activity listed in Part 3 of Schedule 4 of the Act
removed for home consumption has the same meaning as in section 72 of the Customs and Excise Act 1996
Tariff has the same meaning as in section 2(1) of the Tariff Act 1988
tCO_2e means tonnes of carbon dioxide equivalent greenhouse gas
volume, in relation to an obligation fuel or a biofuel, means,—

- (a) at the point of import or removal from a refinery, the quantity of that fuel or biofuel expressed in kilolitres at a temperature of 15ºC; and
- (b) at all other times, the quantity of that fuel or biofuel expressed in kilolitres at the ambient temperature.

4 Obligation fuels

- (1) The following fuels are obligation fuels for the purposes of an activity listed in Part 2 of Schedule 3 of the Act:
    - (a) motor spirit with a research octane number of less than 95 referred to in—
        - (i) excise item number 99.75.15C or 99.75.18H of Part A of Schedule 3 of the Customs and Excise Act 1996; or
        - (ii) item number 2710.19.11 or 2710.19.29 in chapter 27 of the Tariff (regular petrol):
    - (b) motor spirit with a research octane number of 95 or greater referred to in—
        - (i) excise item number 99.75.18H of Part A of Schedule 3 of the Customs and Excise Act 1996; or
        - (ii) item number 2710.19.11 or 2710.19.29 in chapter 27 of the Tariff (premium petrol):
    - (c) automotive diesel referred to in—
        - (i) excise item number 99.75.35H of Part A of Schedule 3 of the Customs and Excise Act 1996; or
        - (ii) item number 2710.19.63 00L in chapter 27 of the Tariff (automotive diesel):
    - (d) marine diesel referred to in item number 2710.19.65 00C in chapter 27 of the Tariff (marine diesel):
    - (e) aviation spirit referred to in item number 2710.19.09 00F in chapter 27 of the Tariff (aviation spirit):
    - (f) jet fuel, kerosene type, referred to in item number 2710.19.45 11H in chapter 27 of the Tariff (jet fuel):
    - (g) light residual fuel oil referred to in item number 2710.19.71 00C or 2710.19.73 00F in chapter 27 of the Tariff and that has a kinematic viscosity of less than 85 centistokes at 50ºC (light fuel oil):
    - (h) heavy residual fuel oil referred to in item number 2710.19.71 00C or 2710.19.73 00F in chapter 27 of the Tariff and that has a kinematic viscosity of 85 centistokes or greater at 50ºC (heavy fuel oil):
    - (i) any other liquid fossil fuel not listed in paragraphs (a) to (h) that is directly combusted when used.

  (2) To avoid doubt, the following substances are not obligation fuels:
    - (a) liquefied petroleum gas referred to in—
        - (i) excise item number 99.75.60J of Part A of Schedule 3 of the Customs and Excise Act 1996; or

        - (ii) item number 2711.12.00, 2711.13.00, or 2711.14.01 in chapter 27 of the Tariff:
    - (b) lighting kerosene referred to in item number 2710.19.47 or 2710.19.55 in chapter 27 of the Tariff:
    - (c) solvents:
    - (d) chemicals:
    - (e) lubricants referred to in item number 2710.19.79 or 2710.19.81 in chapter 27 of the Tariff.

5 Collection of information by obligation fuel participants for purpose of calculating emissions

- An obligation fuel participant must collect the following information in relation to each type of obligation fuel owned by the participant at the time the fuel is removed for home consumption in accordance with the Customs and Excise Act 1996 or otherwise removed from a refinery during a year:
    - (a) the volume of the obligation fuel removed for home consumption less the volume of biofuels in that fuel:
    - (b) the volume of the obligation fuel removed from a refinery other than for home consumption less the volume of biofuels in that fuel:
    - (c) the volume of the obligation fuel sold to any person for use on an international aviation or maritime trip (other than a fishing trip) where the sale is zero-rated under the Goods and Services Tax Act 1985 less the volume of biofuels in that fuel:
    - (d) if the obligation fuel is obligation jet fuel, the volume of the obligation jet fuel sold to each obligation jet fuel participant where the sale is not zero-rated under the Goods and Services Act 1985 less the volume of biofuels in that fuel:
    - (e) the volume of the obligation fuel exported where the related sale is zero-rated under the Goods and Services Tax Act 1985 less the volume of biofuels in that fuel—
        - (i) whether or not the fuel was previously removed for home consumption; and
        - (ii) other than in the circumstances set out in paragraph (c).

6 Method of calculating emissions by obligation fuel participants

- (1) An obligation fuel participant must calculate the emissions for each type of obligation fuel in respect of which the participant carries out an activity listed in Part 2 of Schedule 3 of the Act in a year in accordance with the following formula:

  $$T = L \times E$$

  where—

  T

  is the total emissions for the obligation fuel in tonnes

  L

  is the kilolitres of the obligation fuel in respect of which emissions are required to be calculated

  E

  is the emissions factor for the obligation fuel specified in the table set out in the Schedule.

  (2) For the purposes of subclause (1), L must be calculated as follows:

  $$L = (A + B) - (C + D + E)$$

  where—

  A

  is the net volume of the obligation fuel referred to in regulation 5(a) for the year

  B

  is the net volume of the obligation fuel referred to in regulation 5(b) for the year

  C

  is the net volume of the obligation fuel referred to in regulation 5(c) for the year

  D

  is—

    - (a) the net volume of the obligation fuel referred to in regulation 5(d) for the year if the obligation fuel is obligation jet fuel; or
    - (b) zero if the obligation fuel is not obligation jet fuel

E

is the net volume of the obligation fuel referred in regulation 5(e) for the year.

(3) An annual emissions return submitted by an obligation fuel participant must record the participant’s total emissions from an activity listed in Part 2 of Schedule 3 of the Act in the relevant year, calculated by adding together the emissions for each type of obligation fuel calculated under subclause (1).

(4) If an obligation fuel participant is required to submit an emissions return for a period other than a year, this regulation applies with any necessary modifications.

(5) For the purposes of this regulation, a fraction of a kilolitre must be rounded up to the next whole kilolitre if the fraction is 50% or more of a kilolitre; otherwise the fraction of a kilolitre must be rounded down to the previous whole kilolitre.

7 Collection of information by obligation jet fuel participants for purpose of calculating emissions

- An obligation jet fuel participant must record the volume of obligation jet fuel purchased by that participant from each obligation fuel participant in a year where the sale is not zero-rated under the Goods and Services Tax Act 1985 less the volume of biofuels in that fuel.

8 Method of calculating emissions by obligation jet fuel participants

- (1) An obligation jet fuel participant must calculate the emissions from obligation jet fuel purchased by that participant from obligation fuel participants in a year in accordance with the following formula:

$$T = L \times E$$

where—

T

is the total emissions for the obligation jet fuel in tonnes

L

is the total net kilolitres of the obligation jet fuel referred to in regulation 7

E

is the emissions factor for obligation jet fuel specified in the table set out in the Schedule.

(2) If an obligation jet fuel participant is required to submit an emissions return for a period other than a year, this regulation applies with any necessary modifications.

(3) For the purposes of this regulation, a fraction of a kilolitre must be rounded up to the next whole kilolitre if the fraction is 50% or more of a kilolitre; otherwise the fraction of a kilolitre must be rounded down to the previous whole kilolitre.

Schedule

rr 6(1), 8(1)

Emissions factors for tonnes of carbon dioxide equivalent greenhouse gases per kilolitre

Obligation fuel	**Emissions factor in tCO_2e/kl**
Regular petrol, as per regulation 4(1)(a)	2.310
Premium petrol, as per regulation 4(1)(b)	2.367
Automotive and marine diesel, as per regulation 4(1)(c) and (d)	2.670
Aviation spirit, as per regulation 4(1)(e)	2.201
Jet fuel, as per regulation 4(1)(f)	2.525
Light fuel oil, as per regulation 4(1)(g)	2.908
Heavy fuel oil, as per regulation 4(1)(h)	2.999
Any other fuel referred to in regulation 4(1)(i)	3.299

Rebecca Kitteridge,
Clerk of the Executive Council.

Issued under the authority of the Acts and Regulations Publication Act 1989.
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These regulations are administered by the Ministry of Economic Development.