



What is the Low Carbon Fuel Standard (LCFS) Program?

Since 2009, the California Air Resources Board (CARB) has administered the Low Carbon Fuel Standard, or LCFS, program to help achieve statewide carbon reduction goals by decreasing the transportation sector's carbon intensity 20% by 2030. The LCFS's program is a market-based compliance measure that creates economic value from low-carbon and renewable fuel technologies.

How Do LCFS Credits Work?

The LCFS program works as a market system where users and producers of clean energy, including electric forklift owners, earn credits through their emission reductions, while emitters purchase those credits to offset their carbon footprint.

- 1 Producers and users of clean energy earn credits based on the carbon they displaced
- 2 Credits are earned for every metric ton of emissions avoided
- 3 Those credits are sold to regulated emitters that need carbon reductions to remain in compliance with CARB
- 4 Producers and users of clean energy earn revenue from credits sold

Why Do Forklifts Present a Big Opportunity with the LCFS Program?

Most fuels in the LCFS program give credit generation rights to fuel producers. With electricity as a fuel source for electric forklifts, the charging infrastructure owner has the right to claim LCFS credits.

Warehouses that own and operate chargers to support their material handling equipment can enroll in the LCFS program and generate revenue with LCFS credits.



Total Warehouse Can Be the Partner to Help You Get Started

A key requirement of the LCFS program is that the electricity used to charge electric forklifts must be reported accurately to generate credits, meaning it must be monitored and recorded separately from non-forklift operations.

Total Warehouse Energy Solutions Specialists will assess the extent to which your company qualifies for LCFS credits through the current CARB program and manage your LCFS credit generation process.

LCFS Credit Generation Process



- 1 Electric forklift user registers as Opt-In Entity with CARB
- 2 Electric forklift user registers and maintains list of all charging infrastructure
- 3 Electric forklift user reports electricity used for forklift charging to CARB
- 4 Electric forklift user submits reports every quarter
- 5 CARB verifies reports and issues credits within 90 days of the end of each quarter
- 6 Electric forklift user sells credits to regulated emitters, turning credits into value
- 7 Electric forklift user completes annual report to CARB documenting use of funds



Start Earning Revenue with LCFS

Contact a Total Warehouse Energy Solutions Specialist to see how LCFS can support your electric forklift program at www.totalwarehouse.com