



# Clean Transportation Fuel Program (CTFP) Participant Frequently Asked Questions (FAQ)

New Mexico Environment Department (NMED)

Revision History Table

Revision #	Revision Date	Revised By	Reason for Revision

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## Program Basics

### **What is the Clean Transportation Fuel Program (CTFP)?**

The Clean Transportation Fuel Program (CTFP) is New Mexico's market-based program that reduces greenhouse gas emissions from transportation fuels. It does this by setting a requirement to reduce the average carbon intensity (CI) of transportation fuels over time, also known as Clean Transportation Fuel Standards (CTFS). The overall objective of the program is to reduce the CI of transportation fuels used in New Mexico by 20% below 2018 levels by 2030, and 30% below 2018 levels by 2040.

### **Who is a regulated party and who can be an opt-in participant under the CTFP?**

A regulated party is any person that produces, imports, or dispenses a regulated transportation fuel for use in New Mexico, unless the fuel is exempt from the rule. An opt-in participant is any person or entity that is not otherwise subject to the program (or is engaging in exempt fuel uses) but elects to participate by registering in the CTFP Applications, Reporting, and Compliance System (ARCS), after which the opt-in participant is treated as a regulated party for program purposes. Regulated parties are responsible for registering, paying required program fees, reporting fuel transactions, maintaining records, and demonstrating compliance with the annual carbon intensity standards.

### **When does the CTFP take effect and what is the compliance period?**

The CTFP takes effect on April 1, 2026. The initial compliance period begins on the effective date and runs through December 31, 2027. Regulated parties must submit an initial compliance period report by April 30, 2028 using the CTFP-ARCS. After the initial compliance period, all subsequent compliance periods align with calendar years. Regulated parties are required to submit annual compliance period reports by April 30 of each year for the previous calendar year.

### **What CI reduction targets does the CTFP set for transportation fuels in New Mexico by 2030 and 2040?**

The CTFP sets annual, step-down CI standards for transportation fuels used in New Mexico: it starts with an initial standard 1.8% below the 2018 baseline in 2026, then tightens in intermediate years (e.g. 3.3% in 2027, 6.0% in 2028, and 11.0% in 2029) to reach 20% below 2018 levels by 2030, and continues with 1% additional reduction per year until 30% below 2018 levels by 2040 (and beyond). These reduction targets apply across all regulated transportation fuels and the annual CI standards are shown in 20.2.92.701 NMAC for gasoline and its substitutes (Table 1) and diesel and its substitutes (Table 2). Alternative jet fuel, as an opt-in fuel, has a separate crediting CI benchmark, as

listed in Table 3 of 20.2.92.701 NMAC.

**Table 1 - New Mexico Clean Transportation Fuel Standard for Gasoline and Gasoline Substitutes**

Year	Carbon Intensity (gCO <sub>2</sub> e/MJ)	Percent Reduction
Baseline (2018)	95.61	0.0%
2026	93.89	1.8%
2027	92.45	3.3%
2028	89.87	6.0%
2029	85.09	11.0%
2030	76.49	20.0%
2031	75.53	21.0%
2032	74.58	22.0%
2033	73.62	23.0%
2034	72.66	24.0%
2035	71.71	25.0%
2036	70.75	26.0%
2037	69.80	27.0%
2038	68.84	28.0%
2039	67.88	29.0%
2040 and subsequent years	66.93	30.0%

**Table 2 - New Mexico Clean Transportation Fuel Standard for Diesel and Diesel Substitutes**

Year	Carbon Intensity (gCO <sub>2</sub> e/MJ)	Percent Reduction
Baseline (2018)	95.53	0.0%
2026	93.81	1.8%
2027	92.38	3.3%
2028	89.80	6.0%
2029	85.02	11.0%
2030	76.42	20.0%
2031	75.47	21.0%
2032	74.51	22.0%
2033	73.56	23.0%
2034	72.60	24.0%
2035	71.65	25.0%
2036	70.69	26.0%
2037	69.74	27.0%
2038	68.78	28.0%
2039	67.83	29.0%
2040 and subsequent years	66.87	30.0%

**Table 3 - New Mexico Clean Transportation Fuel Crediting Benchmark for Alternative Jet Fuel Based on the Carbon Intensity of Conventional Jet Fuel**

Carbon Intensity (gCO <sub>2</sub> e/MJ)
88.40

## Which types of transportation fuels are covered under the CTFP, and which fuels can generate credits versus deficits?

The CTFP covers a broad range of regulated and opt-in transportation fuels, as defined in 20.2.92.101 NMAC.

- Regulated fuels include gasoline, diesel, fossil natural gas, fossil LPG, ethanol, hydrogen, biodiesel, renewable diesel, renewable gasoline, renewable naphtha, synthetic fuels, and their blends.
- Opt-in fuels may voluntarily participate to generate credits if their carbon intensity (CI) is lower than the applicable CI standard. These include electricity, biomethane, renewable LPG, alternative jet fuel, and their blends.

Whether a fuel generates credits or deficits depends on its CI relative to the annual CI standard of its corresponding fuel category, as listed in Table 1 in Subsection A of 20.2.92.701 NMAC and Table 2 in Subsection B of 20.2.92.701 NMAC.

- Fuels with a lower CI than the standard generate credits.
- Fuels with a higher CI than the standard incur deficits.

Alternative jet fuel, as an opt-in fuel, has a separate crediting CI benchmark from gasoline and diesel, as listed in Table 3 in Subsection C of 20.2.92.701 NMAC.

## What types of vehicles, fuel uses, or fuel volumes are exempt from generating deficits under the CTFP?

Subsection of 20.2.92.102 NMAC exempts the following fuels from generating deficits under CTFP:

- **Vehicle based exemptions:** fuel for use in aircraft, railroad locomotives, and military tactical vehicles
- **Fuel-type exemption:** dyed fuel is exempt from generating deficits through December 31, 2028.
- **Small volume exemption:** a transportation fuel is exempt from generating deficits if its annual statewide aggregated quantity is less than 42.6 million megajoules (MJ). This threshold is evaluated by fuel type by converting reported volumes to MJ using the energy densities in Table 7, and then aggregating across all parties and transactions statewide for the compliance year. If the statewide

total for that fuel type stays below the threshold, it does not generate deficits for that year.

## Impacts of CTFP

### **How does the CTFP interact with other New Mexico and federal clean transportation policies or incentives, such as electric vehicle (EV) purchase incentives, utility programs, or federal tax credits?**

The CTFP is designed to work alongside existing New Mexico and federal clean transportation policies and incentives. Participation in the CTFP does not replace or waive compliance with any other applicable state, federal, or local regulations.

The program includes clear safeguards to prevent double counting of greenhouse gas benefits. A regulated party may not claim CTFP credits for environmental attributes that are already claimed under another program or jurisdiction.

CTFP credit revenues may be used in ways that complement other incentives, including providing EV rebates that are additional to existing federal, state, or local programs and supporting utility-led or manufacturer-led transportation electrification projects. The program also allows coordination with overlapping federal and regional clean transportation regulations through its project credit provisions.

### **How does the CTFP address environmental justice in New Mexico?**

The CTFP's environmental justice approach is anchored in New Mexico's law, which requires a participating utility's net CTFP revenue to fund transportation decarbonization projects, with at least 50 percent supporting people living in low-income and underserved communities. These investments, together with other transportation policies, can reduce air pollution that often disproportionately affects these communities.

In addition, NMED highlights an ongoing public engagement process to shape the program, including a published public involvement plan, opportunities to request meetings, and rulemaking outreach that includes engagement with Pueblos, Tribes, and Nations.

### **What factors might influence how the CTFP affects retail fuel supply costs?**

Gasoline and diesel prices change due to several factors, including underlying travel demand, crude oil prices, distribution and marketing costs, refining costs, and state excise taxes. [Research using data from states that have had CTFP-like policies in effect](#) shows that the cost of clean fuel credits has not led to a demonstrably significant

increase in prices at the pump.

The overall cost of compliance for fuel suppliers is influenced by several factors, including the carbon intensity of the fuels they supply, the availability and price of credits, the ability to bank credits over time, and access to the credit clearance market when deficits remain. To help contain compliance costs and limit potential price impacts on consumers, the department may open a credit clearance market with a maximum credit price set by the department.

## Responsibility and Ownership

### Who is the credit/deficit generator for each fuel type?

Per 20.2.92.401-403 MNAC, the CTFP generally assigns credit/deficit generation to the “first fuel reporting entity”, which varies by fuel type.

- **Liquid Fuels:** the producer or importer.
- **Gaseous fuels:**
  - For fossil fuels, the owner of the fuel supply equipment (FSE) at the station where the fuel is dispensed.
  - For renewable fuels, the producer or importer.
- **Electricity:** This depends on the charging use case. For **more information, see question 11.**

Parties may also formally designate this role to another party. See question 14 for more information on this process.

### Which entities are eligible to generate credits for electricity used as a transportation fuel, and how is the “first fuel reporting entity” determined for different EV charging use cases?

Under the CTFP, credits for electricity used as a transportation fuel are generated by the “first fuel reporting entity,” and the responsible entity depends on the specific charging or use case, per 20.2.92.403 NMAC.

- **Residential EV charging:** credits may be generated by the EDU and/or eligible vehicle manufacturers, with a backstop aggregator serving as the subsequent fuel reporting entity
- **Non-residential EV charging:** credits can be first claimed by the FSE owner, and the EDU may generate credits if the FSE owner does not.

- **Other electric uses** (e.g. transit, forklifts, eTRUs, eCHE, eGSE), the first fuel reporting entity is typically the FSE owner or the fleet owner, and the EDU often serves as a fallback when the primary eligible party does not claim credits.

## **What is base credit, and what is incremental credit for EV charging?**

Base credits: The standard credits a fuel reporting entity may generate for electricity used for EV charging by using EDU-specific CI.

Incremental credits: Additional credits a party may generate for the same charging activities by supplying electricity with a lower CI than the EDU-specific CI.

## **For residential EV charging, how is the base credit determined for EDUs and vehicle manufacturers, respectively?**

Base credits for residential charging are determined using the quantity of electricity dispensed for residential EV charging.

For metered residential charging, the EDU reports the electricity dispensed for each FSE as measured by a meter.

For nonmetered residential charging, the Department applies a standardized calculation method to estimate electricity dispensed and places the base credits in the EDU account.

Base credits for vehicle manufactured are determined using vehicle telematics data submitted to the Department for each charging session. This data must include, at a minimum, the location, amount of electricity dispensed, and vehicle identification number (VIN).

## **When can an entity designate another party to generate credits on its behalf? What documentation is required for designation?**

An entity can designate another party, such as an aggregator, to generate credits on its behalf after the entity has registered in the CTFP-ARCS. The designation is usually established through a written contract that specifies data sharing requirements and transfers the program responsibilities to the designated party. The aggregator can claim credits only after the designation is recorded in the CTFP-ARCS and the executed contract or written agreement is uploaded as supporting documentation. Aggregators and designators are both required to register within the CTFP-ARCS.

## **Registration and Reporting**

### **What are the registration requirements for parties that need to participate in the CTFP, and how do they obtain access to the CTFP-ARCS?**

Any regulated parties and any entities that opt in must register in the CTFP by submitting a registration application to the CTFP-ARCS.

The Department reviews the application and once approved, establishes the party's CTFP-ARCS account. The Department also invoices the required program registration fee, and it will not approve the registration or establish the CTFP-ARCS account until the invoiced fee is paid.

Each organization obtains a single registration, and additional user accounts within CTFP-ARCS are managed by the party's CTFP-ARCS administrator, who has full access and can assign additional user roles

### **What kinds of fees are required by CTFP? If an AFP application is rejected, would the applicant be required to make a new payment for resubmission?**

Per 20.2.92.502 NMAC, CTFP program fees include a one-time registration fee, an annual program fee, pathway application fees, possible project credit cost-recovery fees, and late-payment charges. Fixed fees are adjusted annually for inflation. Particularly:

**One-time registration fee:** it varies by party type (deficit generator, credit generator, or other registered party), and NMED will not approve registration or set up the CTFP-ARCS account until the invoiced fee is paid.

**Annual program fee:** it is billed each year and is based either on a flat amount for non-generators or on cost recovery tied to the credits and deficits a party generates.

**Pathway application fee:** If an AFP application is denied or withdrawn, the rule does not provide fee waivers, refunds, or fee carryover. This means a re-submitted AFP application would require a new application fee.

### **What periodic reports must regulated parties submit, and what information must those reports contain?**

Regulated parties submit reports through the CTFP-ARCS on the following schedule, with the following key contents:

**Quarterly reports:** Due within 45 days after each quarter ends. They report transaction level fuel data, including the fuel pathway code, fuel quantity, EER (if applicable), counterparties and transaction details, and the credits and deficits generated.

**Annual compliance reports:** Due April 30 for the prior compliance year. It summarizes annual totals, including credits and deficits generated and the year-

end credit position

**Additional annual report for residential EV charging credits:** Beginning January 1, 2028, EDU and vehicle manufacturers that receive residential EV credits must submit a separate annual report by July 1 describing how credit revenue and how it was used.

All reports must be submitted through the CTFP-ARCS and must be signed with an attestation that the information is correct and that the signer is authorized to submit reports on behalf of the reporting party.

## Compliance

### **How does the CTFP-ARCS process credit transactions and retire credits to meet a regulated party's compliance obligation?**

Processing credit transactions: All credit transactions must occur within the CTFP-ARCS. Regulated parties use the system to initiate, accept, and complete credit transfers with other registered parties. The CTFP-ARCS processes transactions in a first-in, first-out manner, based on the order in which credits were generated. Pending transactions must be completed before submission of the compliance period report; otherwise, those credits cannot be counted toward compliance for that period.

Retiring credits to meet compliance: When a regulated party files its compliance period report, the CTFP-ARCS automatically retires credits to meet the party's compliance obligation. Credits are retired in the order they were generated (oldest credits first), and up to the amount needed to meet the regulated party's compliance obligation. If a regulated party has fewer credits than required, the system retires all available credits, and the remaining balance is recorded as a deficit.

### **Can credits be banked for future years? Are there limits?**

Yes. Credits can be banked and carried over for use in future compliance periods, and they are tracked as "credits carried over" in a regulated party's credit balance and annual compliance period report (see 20.2.92.507 NMAC and 20.2.92.505 NMAC).

The rule does not set a simple credit expiration date, but it does create practical limits in the event that the department calls for a credit clearance market, including required pledging of non-retired credits older than five years and required pledging of any credits above a 10% share of total unretired credits (see Subsection I of 20.2.92.507 NMAC)

### **What happens if an entity has a net deficit at year-end?**

If a regulated party ends the compliance period with a net deficit, it must still try to meet its compliance obligation by acquiring and retiring credits (20.2.92.507 NMAC).

- Between January 1 and April 30 of the following year, the party may acquire carryback credits and apply them to satisfy the prior year's deficit before the annual compliance report is finalized
- If the remaining deficit is a small deficit (defined as 5% or less of the deficits generated for that compliance period), it may be carried forward without penalty.
- If it is not a small deficit, the party may need to use the credit clearance market (if opened), and any deficits still unmet after the amended report process are increased by 5% and carried into the next compliance period.

## Credits and Deficits Calculation

### How are credits/deficits calculated and tracked?

Under the CTFP, credits and deficits, expressed as metric tons of carbon dioxide equivalency (CO<sub>2</sub>e), are determined by comparing a fuel's Energy Economy Ratio (EER) adjusted CI to the annual CI standard and multiplying the difference by the energy content of the fuel supplied, adjusted by its EER. See question 24 for more information about the EER.

$$\text{Credits or Deficits (MT CO}_2\text{e)} = \left( CI_{\text{standard}} - \frac{CI_{\text{fuel}}}{EER} \right) \times EER \times \frac{\text{Energy (MJ)}}{C}$$

Where:

- $CI_{\text{standard}}$  = the annual CI standard for the fuel category (e.g., gasoline, diesel)
- $CI_{\text{fuel}}$  = the CI of the supplied fuel (gCO<sub>2</sub>e/MJ).
- EER = reflects how efficiently the fuel delivers transportation service relative to gasoline, or diesel. The default EER values are listed in Table 8 in Subsection H of 20.2.92.701 NMAC.
- Energy (MJ) = total energy content of the fuel supplied (megajoules); it is calculated based on fuel volume and energy density.
- C = 1,000,000 by converting grams of CO<sub>2</sub>e to metric tons.

All credits and deficits are calculated and recorded electronically in the CTFP-ARCS, where regulated and opt-in entities can manage fuel transaction data, monitor balances,

and retire credits for compliance.

### What energy density values are used, and where do they come from?

The CTFP uses the energy density (MJ/unit) conversion factors in Table 7 in Subsection G of 20.2.92.701NMAC (also shown below). Regulated and opt-in parties report fuel volumes in the units listed in Table 7, and the CTFP converts those quantities to megajoules (MJ) by multiplying the reported quantity by the applicable MJ/Unit value when calculating credits and deficits.

**Table 7 - New Mexico Energy Densities of Transportation Fuel Types**

Transportation fuel (unit)	MJ/Unit
Clear Gasoline (gallon)	122.48 (MJ/gallon)
Clear Diesel (gallon)	134.48 (MJ/gallon)
Compressed natural gas (therm)	105.50 (MJ/therm)
Electricity (kilowatt-hour)	3.60 (MJ/kilowatt-hour)
Denatured ethanol (gallon)	81.51 (MJ/gallon)
Clear biodiesel (gallon)	126.13 (MJ/gallon)
Liquefied natural gas (gallon)	78.83 (MJ/gallon)
Hydrogen (kilogram)	120.00 (MJ/kilogram)
Liquefied petroleum gas (gallon)	89.63 (MJ/gallon)
Renewable diesel (gallon)	129.65 (MJ/gallon)
Undenatured anhydrous ethanol (gallon)	80.53 (MJ/gallon)
Conventional jet fuel (gallon)	126.37 (MJ/gallon)
Renewable naphtha (gallon)	117.66 (MJ/gallon)

### What is EER, when is it applied, and where does it come from?

An Energy Economy Ratio (EER) is a dimensionless value that represents how efficiently a transportation fuel performs in a given powertrain compared to a reference fuel. In the CTFP credit and deficit calculations, the EER is applied by (1) multiplying the fuel's energy by the EER to get EER-adjusted energy, and (2) dividing the fuel's approved CI by the EER to get an EER-adjusted CI, which is then compared to the applicable annual CI standard to determine credits or deficits.

In most cases, the program uses the default EERs listed for the relevant fuel/vehicle application in Table 8 in Subsection H of 20.2.92.701 NMAC (also listed below). If a default EER is not appropriate, eligible parties may seek approval of new EER via an alternative fuel pathway and then use that approved EER when reporting fuel use in the CTFP-ARCS.

**Table 8 - New Mexico Energy Economy Ratio Values**

Light-Medium-Duty Vehicle Applications		Medium-Heavy-Duty Vehicle or Off-Road Applications		Aviation Applications	
Transportation Fuel/Vehicle Combination	EER Value Relative to Gasoline	Transportation Fuel/Vehicle Combination	EER Value Relative to Diesel	Transportation Fuel/Vehicle Combination	EER Value Relative to Conventional Jet
Gasoline or any gasoline-ethanol blend	1	Diesel or any blend of diesel, biodiesel and renewable diesel	1	Alternative jet fuel	1
CNG/Internal Combustion Engine Vehicle	1	CNG, LNG or LPG/Spark-Ignition Engines	0.9		
Electricity/Battery EV or Plug-In Hybrid EV	3.4	CNG, LNG or LPG/Compression-Ignition Engines	1		
Electricity/On-Road Electric Motorcycle	4.4	Electricity/Battery EV or Plug-In Hybrid EV	5		
Hydrogen/Fuel Cell Vehicle	2.5	Electricity/Fixed Guideway Light Rail	3.3		
		Electricity/Fixed Guideway Streetcar	2.1		
		Electricity/Fixed Guideway Aerial Tram	2.6		
		Electricity/Electric Forklift	3.8		
		Electricity/eTRU	3.4		
		Hydrogen/Fuel Cell Vehicle	1.9		
		Hydrogen/Fuel Cell Forklift	2.1		
		Electricity/Cargo Handling Equipment	2.7		
		Electricity/Ground Support Equipment	3.2		

## Carbon Intensity for Alternative Fuel Pathways

### What CI values can be used for credits/deficits calculation?

Under the CTFP, credits and deficits are calculated using approved CI values, either from Lookup Table fuel pathways (Table 4 in 20.2.92.701 NMAC) and electricity fuel pathways (such as the EDU specific mix), or from a Department-approved Alternative Fuel Pathway (Tier 1 or Tier 2) that assigns a certified CI to the specific fuel and production method. If a certified CI is not yet available, the CTFP allows use of a CI from Temporary fuel pathways (Table 5 in 20.2.92.701 NMAC).

The CTFP also allows a regulated party to seek approval to use a certified CI from an approved alternative fuel pathway in a similar program in another jurisdiction, per Subsection B of 20.2.92.201 NMAC.

### How to apply for an alternative fuel pathway (AFP)? What is the certification process?

The AFP application could vary:

- **Pathway already certified in another similar program (20.2.92.204 NMAC):** Submit the out-of-state pathway package plus the New Mexico Tier 1 or Tier 2 calculator inputs and the other program's review and verification materials. In some cases, New Mexico may accept prior third-party verification.
- **New pathway in New Mexico (20.2.92.205 NMAC):** Apply under Tier 1 or Tier 2 based on fuel type and submit the required calculator(s) and support documents.

The AFP certification steps include

- **Applications open:** The Department begins accepting AFP applications July 1, 2026, and may stagger reviews.
- **Completeness process:** If the application is incomplete, the Department requests more information and the applicant generally has 30 days to respond; repeated incompleteness can lead to denial.
- **After approval:** If approved (including with conditions), the Department announces the decision within 7 days and issues the AFP code in the CTFP-ARCS within 30 days.

As part of certification, the AFP package is generally subject to third-party verification, and the verifier's statement and report supports the Department's decision on whether to approve (or approve with conditions) the pathway and its certified CI.

## **If a CI of an AFP was previously certified by in a similar program by another jurisdiction, would NMED require any CI adjustments?**

Yes, if an AFP CI was previously certified under a similar program in another jurisdiction, NMED will require the same inputs used to calculate that CI, but the application must adjust inputs as needed for New Mexico, including adjustments for transportation distance, indirect land use change, and any differences between the other program's calculator requirements and the New Mexico Tier 1 or Tier 2 calculators. As a result, the CI used in New Mexico may be recalculated and differ from the CI value used in the other jurisdiction.

## **Next Steps and Contact Info**

### **How will NMED update guidance, FAQs, and CTFP-ARCS instructions as the program matures, and where can participants find the most current information?**

NMED will update guidance, FAQs, and CTFP-ARCS instructions on an ongoing basis as the CTFP is implemented. The department will announce updates through official postings in the CTFP-ARCS, email notifications, and information published on NMED's website. Participants should rely on these announcements and the CTFP-ARCS as the authoritative sources for the most current program guidance, reporting instructions, and compliance information.

### **Who should stakeholders contact at NMED if they have program questions, technical issues with the CTFP-ARCS?**

The CTFP-ARCS website lists dedicated NMED contact emails depending on the type of inquiry:

- CTFP-ARCS reporting, account, or system issues (Fuel Reporting System / Credit Bank & Transfer System):  
[CTFP.ARCS@env.nm.gov](mailto:CTFP.ARCS@env.nm.gov)
- Alternative Fuels Portal (AFP), fuel pathway registration, fuel pathway evaluation, or fuel production facility questions:  
[CTFP.AFP@env.nm.gov](mailto:CTFP.AFP@env.nm.gov)

## Getting Started with ARCS

### What is ARCS?

ARCS stands for Applications, Reporting, and Compliance System. It is the online system used by the New Mexico Environment Department (NMED) for administering the [Clean Transportation Fuel Program \(CTFP\)](#), which establishes a carbon intensity standard to reduce greenhouse gas emissions from transportation fuels used in New Mexico.

ARCS is used by program participants to:

- Register their organization and users
- Register fuel supply equipment (FSE), where applicable
- Submit fuel transaction reports
- Track credits and deficits
- Manage credit transfers and compliance
- Receive and resolve program invoices and fees

### Who needs to use ARCS?

Any entity that is required to participate in the CTFP and entities that voluntarily opt in to generate credits must use ARCS. At a high level, ARCS users fall into the groups below:

#### **Fuel suppliers required to participate (regulated parties)**

Organizations are required to participate if they produce, import, or dispense transportation fuels in New Mexico, including:

- Gasoline
- Diesel
- Natural gas (compressed or liquefied)
- Propane and other liquefied petroleum gases
- Ethanol
- Hydrogen

- Biodiesel, renewable diesel, renewable gasoline, renewable naphtha
- Synthetic fuels
- Any other transportation fuel designated by NMED

### **Voluntary participants that may opt in (opt-in parties)**

Some organizations are not required to participate but may choose to register in order to generate credits. These include:

- Electric utilities
- Electric vehicle manufacturers
- Producers or distributors of fuels that are not otherwise regulated
- Organizations that report on behalf of credit generators
- Backstop aggregators (single, designated non-profit entity for residential EV charging credits)
- Entities that hold approved fuel pathways

Owners of fuel supply equipment (FSE), including electric vehicle charging stations and hydrogen stations, which may also be eligible to apply for FSE credits

### **Aggregators (reporting on behalf of others)**

Some organizations may register as aggregators to report in ARCS on behalf of one or more credit generators and or deficit generators, as authorized through written designation and contract. Aggregators use ARCS to submit required reporting and manage credit generation/transactions for the parties they represent.

### **Backstop aggregator (special case)**

A backstop aggregator is a single, NMED-designated entity that aggregates and claims residential EV charging credits when those credits would not otherwise be generated (e.g., if not claimed by the electric distribution utility).

For more information on regulated parties, opt-in participants and transportation fuels, see:

- [CTFP Regulation](#)
- [CTFP Regulation FAQ \[link TBD\]](#)

## Where should I start?

You may start with the following steps:

- Start by confirming your role in the program, and identify whether you are a regulated party, an opt in credit generator, or an aggregator.
- Complete registration so you can access the ARCS and review the main workflows in the system.
  - Use Fuel Reporting System and Credit Bank & Transfer System (FRS CBTS) to submit quarterly fuel reports, submit compliance period reports, and manage credit transfers and your credit ledger.
  - Use Alternative Fuels Portal (AFP) to manage alternative fuel pathways. For more details, refer to the Alternative Fuel Pathway Guidance: [link TBD]

If you report on behalf of others, confirm your aggregator designation is in place and documented. If you plan to claim equipment-related credits, register fuel supply equipment early so you have the required IDs before reporting.



Regulated parties are required to register in ARCS within 45 days of the effective date of the CTFP regulation. Other parties may register at any time if they choose to opt in to the program. To register:

- Open a web browser and go to: <https://ctfp-uat.azurewebsites.net/#/>
- Follow the step-by-step organization registration process outlined in the CTFP – ARCS User Registration Guide: [link TBD]

## ARCS Modules

### What does a typical ARCS workflow look like?

CTFP ARCS is a secure, web-based system made up of multiple modules. Most users will only use the modules that match their role and reporting needs. A typical workflow focuses on two core areas:

- FRS CBTS supports fuel reporting, compliance reporting, and credit transactions.
- AFP supports alternative fuel pathway applications and pathway management. Once fuel pathway approved, pathway codes may be used in FRS-CBTS for reporting and credit calculations.

## Fuel Reporting System and Credit Bank & Transfer System (FRS CBTS)

### 1. Participant Registration

An organization designates an administrator to create an account, register the organization, and assign user roles and permissions. After a registration application is submitted, the registrant receives an invoice for the program registration fee. NMED will not approve the registration application until the invoiced fee is paid.

See CTFP - ARCS User Registration Guide [\[link TBD\]](#)

### 2. Fuel Supply Equipment (FSE) Registration

After registration is approved, organizations that dispense non-liquid fuels, such as electricity, hydrogen, or natural gas, must register FSE before reporting associated fuel transactions. Each approved FSE receives a unique identifier used for reporting.

See *Fuel Supply Equipment (FSE) Registration User Guide* [\[link TBD\]](#)

### 3. Quarterly Fuel Reporting

Registered parties are required to report their fuel transactions on a quarterly basis. The reported transaction data determines the number of credits or deficits generated by the organization. Reports may be submitted through manual entry or spreadsheet upload.

See *Quarterly Fuel Reporting User Guide* [\[link TBD\]](#)

### 4. Credit Banking and Trading

After reports are processed, participants can view credit and deficit balances in ARCS. Credits may be transferred to other participants, banked for future use (subject to program rules) or retired to meet compliance obligations.

See *Credit Banking and Trading User Guide* [\[link TBD\]](#)

### 5. Annual Compliance Reporting

At the end of each compliance period, regulated parties submit an annual compliance report demonstrating how any deficits were satisfied using credits or other compliance mechanisms allowed under the program.

See *Annual Compliance Reporting User Guide* [link TBD]

## Alternative Fuels Portal (AFP)

### 6. Alternative Fuel Pathway Registration Module

Some participants may apply for approval of alternative fuel pathways through AFP for pathway review and certification, as well as annual fuel pathway reporting (AFPR). Approved pathways are reflected in ARCS and may then be used for reporting and credit calculations.

See *Alternative Fuel Pathway Guidance* [link TBD]

## Reporting and Compliance

### How often do I report and what information is required?

Regulated parties submit reports through CTFP-ARCS on the following schedule, with the following key contents:

- **Quarterly reports:** Due within 45 days after each quarter ends (see below). They report transaction level fuel data, including the fuel pathway code, fuel quantity, Energy Economy Ratio (EER) (if applicable), counterparties and other required transaction details. ARCS calculates the resulting credits or deficits based on the reported data.
- **Annual compliance reports:** Due by April 30 for the prior compliance year, Annual reports summarize credits and deficits generated during the year and demonstrate compliance with the applicable carbon intensity standard.
- **Additional annual report for residential EV charging credits:** Beginning January 1, 2028, electricity distribution utilities and eligible vehicle manufacturers that receive residential EV charging credits must submit a separate annual report by July 1 describing how credit revenue was used.

All reports must be submitted through CTFP-ARCS and must be signed with an attestation that the information is correct and that the signer is authorized to submit reports on behalf of the reporting party.

Participants with approved alternative fuel pathways may also be required to submit Annual Fuel Pathway Reports (AFPR) through AFP. See *Alternative Fuel Pathway Guidance* [link TBD]

### What types of fees are required?

Participants are required to pay program fees through ARCS, depending on their role and activities. At a high level, fees include:

- **One-time registration fee:** It varies by party type (deficit generator, credit generator or other registered party).
- **Annual program fee:** It is billed each year and is based either on a flat amount for non-generators or on cost recovery tied to the credits and deficits a party generates.
- **Other program-related fees,** such as cost-recovery or late-payment charges, if applicable
- **Application fees for activities** such as alternative fuel pathway applications

ARCS is used to issue invoices and track payments. Required fees must be paid before certain actions, such as registration approval or reporting, can be completed.

Fee type	Who pays	When	Basis or Amount*
<b>One-time program registration fee</b>	Any person who is required or wishes to opt into CTFP	Assessed as a part of the registration process; paid before the Department approves an ARCS account.	\$3,000 for credit and deficit generators \$500 for all other registered parties
<b>Annual CTFP fee</b>	All regulated parties	The announcement of the final CTFP budget will be on October 31, 2026, and then on July 1 each subsequent year.  Fee invoices will be sent to participants within 30 days of the announcement.	CTFP is a self-funded program and is not reliant on the legislature’s general fund. Annual fees are paid by all CTFP participants. Each participant’s share of the fees is prorated twice, based on the budget:  1. NMED determines the program's total CTFP budget based on the activities

		<p>Payment is due within 30 calendar days of the date of the department's invoice.</p> <p><i>For example, the initial annual fee payment will be due no later than December 30, 2026.</i></p>	<p>involved in administering the CTFP.</p> <p>2. The total budget is split so that deficit generators cover 95 percent of the cost and credit generators cover the remaining 5 percent.</p> <p>3. Third, each participant's annual fee is prorated within the 95% and 5% categories, based on the number of credits or deficits generated.</p>
<p><b>Application fees, including for:</b></p> <p><b>1. Alternative Fuel Pathway Applications,</b></p> <p><b>2. EER Pathway Applications,</b></p> <p><b>3. FSE Pathway Applications, and</b></p> <p><b>4. Project Credit Applications.</b></p>	Applicants	<p>Invoiced to applicant by NMED at time of application; payment due within 30 days and no later than the time of NMED's approval of the application.</p>	<p>\$5,500 for a Tier 1 alternative fuel pathway application, EER pathway application, and FSE pathway application</p> <p>\$15,000 for a Tier 2 alternative fuel pathway application.</p> <p>Project credit fees shall be calculated for each project and assessed on a full cost-recovery basis.</p>

See CTFP - ARCS User Registration Guide [\[link TBD\]](#)

## Next Steps and Contact Info

### **How will NMED update guidance and where can participants find current information?**

NMED will update guidance, FAQs, and CTFP-ARCS instructions on an ongoing basis as the CTFP is implemented. The department will announce updates through official postings in CTFP-ARCS, email notifications, and information published on NMED's website.

Participants should rely on these announcements and CTFP-ARCS as the authoritative sources for the most current program guidance, reporting instructions, and compliance information.

### **How do I close an ARCS account?**

Important: Only an opt-in party or a party that no longer produces, imports, or dispenses fuel in New Mexico can close its ARCS account. To close an account, complete and sign this form [link TBD], log in the ARCS account you want to close, click on the Correspondence tab in the lefthand menu, click on "New Post," enter the required information, click "Choose File and upload the signed Account Closure form and click "Submit."

### **Who should stakeholders contact with questions?**

The CTFP-ARCS website lists dedicated NMED contact emails depending on the type of inquiry:

- CTFP-ARCS reporting, account, or system issues (Fuel Reporting System / Credit Bank & Transfer System):  
[CTFP.ARCS@env.nm.gov](mailto:CTFP.ARCS@env.nm.gov)
- Alternative Fuels Portal (AFP), fuel pathway registration, fuel pathway evaluation, or fuel production facility questions:  
[AFPMgmt@env.nm.gov](mailto:AFPMgmt@env.nm.gov)

Stakeholders should use these contacts for program-related questions and technical assistance and refer to the CTFP-ARCS website for any updates to contact information.

Question about other non-ARCS CTFP topics should be emailed to:  
[cleanfuel.standard@state.nm.us](mailto:cleanfuel.standard@state.nm.us).

## Forms and Guidance

### CTFP - ARCS User Guides

[CTFP - ARCS User Registration Guidance](#)

[CTFP - ARCS FSE Registration Guidance](#)

CTFP - ARCS Designator/Aggregator User Guide [link TBD]

[CTFP - ARCS Organization Invoice Payments Guide](#)

### CTFP Frequently Asked Questions

CTFP - ARCS Troubleshooting FAQ [link TBD]

### CTFP - ARCS Forms

[CTFP - ARCS Administrator Designation Form](#)

[CTFP - ARCS Aggregator Designation Form](#)

CTFP - ARCS Fuel Supply Equipment (FSE) Registration Bulk Upload Template [link TBD]

CTFP - ARCS Temporary Fuel Pathway Application [link TBD]

CTFP - ARCS Alternative Fuel Portal (AFP) Administrator Designation Form [link TBD]

CTFP - ARCS Alternative Fuel Portal (AFP) Attestation Letter [link TBD]

CTFP - ARCS Biomethane Attestation Letter [link TBD]

CTFP - ARCS Account Closure Form [link TBD]