



## Regulation for the Mandatory Reporting of Greenhouse Gas Emissions

GHG Reporting & Verification for 2018 Data  
*Electric Power Entities*



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## Outline

- Overview
- Updates to MRR
- General Reporting and Verification Information
- Updates to Guidance, Cal e-GGRT & Workbook 1 Updates
- Questions



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## Overview



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## 2017 EPE Data Reporting Recap

- 130 Electric Power Entity (EPE) reports submitted
- 85 verifications, 23 site visits
  - 100% received positive or qualified positive emissions verification statements
  - CARB conducted 12 verification audits (5 included site visits)
- 2017 summary data posted for all reports:  
<http://www.arb.ca.gov/cc/reporting/ghg-rep/reported-data/ghgreports.htm>



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## Reporting & Verification Schedule 2019

June 3:	EPE & Retail Sales Reporting Deadline §95103(e)
July 18:	REC Retirement Deadline for Eligible RPS Adjustments EPEs must certify RECs as retired in the workbook 45 days after the reporting deadline per this date §95111(g), so verifiers may need to unlock report
August 12:	Final verification statements and reports due §95103(f)
July 27	Latest 14-day deadline for notification of possible adverse verification statement (CARB recommends much earlier notification)
August 12-26	Verification documents for CARB audits due, if selected for audit (within 14 days)

\*SITE VISITS REQUIRED FOR ALL THIS YEAR\*

<https://ww2.arb.ca.gov/mrr-key-dates>



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## Verification Overview & Best Practices

- ❑ Site visit required for all entities this year §95131(b)(3)
  - ❑ Prepare documentation and schedule site visits in advance
- ❑ Verifier keeps a detailed sampling plan §95131(b)(7)
  - ❑ Prepare sampling plan in advance to guide site visit
  - ❑ Plan to allocate time for reviewing documents on-site
    - ❑ Pay special attention to documents that cannot be provided off-site; ensure that your review is well-documented
- ❑ Document cross-checks, raw data sampling and query review, and your own calculations §95131(b)(6),(8)
  - ❑ Multi-pronged approach to mitigate risk of misstatement often works best
- ❑ 2016 MRR requires all issues communicated by CARB to be included in the issues log §95131(b)(11), as well as all modifications to the report made after the initial certification



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## Enforcement Summary

- ❑ Issues that could lead to enforcement include:
  - ❑ Incorrect data submitted
  - ❑ Errors leading to a material misstatement (includes errors present at the reporting or the verification deadline)
  - ❑ Failure to fix correctable errors
  - ❑ Late reports or failure to report
  - ❑ Late verification or no verification
- ❑ CARB has completed enforcement actions related to reporting, and continues enforcement activities
- ❑ As completed, case settlements are posted here:  
<http://www.arb.ca.gov/enf/casesett/casesett.htm>



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## Updates to MRR



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## 2016 MRR

- ❑ All EPE provisions from 2016 MRR now effective for CY2018 data reporting 2018 emissions by June 3, 2019
- ❑ EPE related revisions
  1. Qualified Export (QE) Adjustment provisions removed
  2. CAISO Sales clarifications and emission factors, §95111(a)(12)
  3. EIM subject to Lesser of Analysis
  4. Cessation
  5. Wheels only reportable with imports and/or exports per §95111(a)(8)
  6. Generation Providing Entity (GPE) language clarified in §95111(a)(4)
- ❑ MRR regulation page: <https://ww2.arb.ca.gov/mrr-regulation>
  - ❑ 2016 MRR: <https://www.arb.ca.gov/cc/reporting/ghg-rep/regulation/mrr-2016-unofficial-2017-10-10.pdf>



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## CAISO Sales clarifications and emission factors

- ❑ **FAQ 5.7 addresses which emission factors an EDU should use to report CAISO sales under section 95111(a)(12)**
  - ❑ Out-of-State Specified Sources
    - ❑ Use emissions factors calculated by CARB pursuant to §95111(b)(2)
  - ❑ In-State Specified Sources
    - ❑ If the electrical distribution utility (EDU) is a GPE, or has verifiable in-state data for the resource, the EDU must calculate an emission factor for the resource, which is subject to verifier review
    - ❑ If the EDU does not know the emissions and MWh production, the EDU must use the default emission factor for unspecified electricity from §95111(b)(1)
  - ❑ Unknown or Unspecified Sources
    - ❑ Default emission factor of 0.428 MT CO<sub>2</sub>e/MWh for unspecified MWh §95111(b)(1)



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## EIM – Lesser of Analysis now required

- ❑ EIM Imports are subject to the Lesser of Analysis (LOA)
  - ❑ **EIM awards in excess of the metered output of the source must be reported as unspecified imports**
  - ❑ Part of the Meter Data requirement in §95111(b)(2)(E) applicable to zero emission and RPS resources
- ❑ For Tagged Imports
  - ❑ Only the Lesser of (1) Hourly Metered Output of the source, or (2) Hourly Tagged Quantity (MW) scheduled on the tag, may be claimed as a specified import
- ❑ For EIM Imports
  - ❑ See EPE FAQ guidance document
    - ❑ <https://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep-power/epe-faqs.pdf>



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## Cessation of Reporting and Verification

- ❑ EPEs that qualify for cessation based on 2017 data reported in 2018 are still under 2014 MRR, and must notify CARB by March 31, 2019
- ❑ Imports
  - ❑ EPE must report and verify until no imports, and must report for an entire subsequent compliance period per §95101(h)(1)(B) per MRR 2018
- ❑ Exports Only
  - ❑ EPE must report until no exports, and for a consecutive compliance period; verification not required for first full year of zero exports §95101(h)(2)(C)

**\*Contact CARB if you think you're eligible for cessation of reporting OR verification\***



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## Other Clarifications

- ❑ EPEs with wheels only are not required to report under MRR
  - ❑ Not reportable per 2016 MRR §95111(a)(8)
    - ❑ *Only an electric power entity, as defined in section 95102(a), must report wheeled electricity through California.* (importers and/or exporters)
- ❑ GPE language added to §95111(a)(4)
  - ❑ New text: *A GPE must report imported electricity as from a specified source when the importer is a GPE of that facility.*
  - ❑ Note that the GPE definition is unchanged
    - ❑ "GPE means a facility or generating unit operator, full or partial owner, party to a contract for a fixed percentage of net generation," etc.



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## General Reporting & Verification Information



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## Cal e-GGRT Tool Availability

- ❑ Tool available NOW
  - ❑ 2018 data reporting activated
  - ❑ Workbook 1 (forthcoming)
  - ❑ Workbooks 2, 3, and 4 (forthcoming)
  - ❑ <https://www.ccdsupport.com/confluence/display/calhelp/Reporting+Form+Instructions>
- ❑ Electric Power Entity module has been activated



<https://ssl.arb.ca.gov/Cal-eGGRT/login.do>



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## Reporting Tips

- ❑ Start early, finish early, and involve Verifiers as soon as possible
  - ❑ Include enough time to revise data based on verification
  - ❑ Some reporters are reaching the 6-year time limit with the same verification body and must hire a new verifier. Contact CARB if unsure.
  - ❑ Complete and accurate data must be submitted by the reporting deadline
- ❑ Update DR, ADR, Agents as needed
  - ❑ Old employees, etc., have access to system until you remove them
  - ❑ Suggest at least DR and one other as primary points of contact for CARB
- ❑ Check CARB guidance, <https://ww2.arb.ca.gov/mrr-epe>
- ❑ Save and file any CARB responses in GHG Inventory Program
- ❑ Contact CARB for any questions at [ghgreport@arb.ca.gov](mailto:ghgreport@arb.ca.gov)



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## Verification Tips for Reporters

- ❑ Associate your un-certified report with your chosen verifier at any time (NEW!)
- ❑ Correctable errors must be fixed
  - ❑ If not, the verifier must submit an adverse statement for errors that affect covered emissions
- ❑ If the verifier and reporter disagree on requirements, always contact CARB for assistance
- ❑ Ensure the GHG inventory program meets the requirements of section 95105(d) and includes helpful information
  - ❑ Robust description of key personnel and procedures
  - ❑ Provide copy to verifier as soon as possible
- ❑ Provide all CARB written clarifications for reporting to verifier
- ❑ Reporters can improve the process:
  - ❑ Ensure a contract is in place prior to report submission
  - ❑ Provide data to verifiers ASAP after report submission
  - ❑ Schedule site visits, or remote desktop (webinar) review in June or earlier
- ❑ Ask questions of CARB early to ensure sufficient time to address issues



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## Updates to Guidance, Cal e-GGRT, and Workbook 1



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## Updates to Guidance

- ❑ Guidance now based on 2016 MRR
  - ❑ Posted here, <https://ww2.arb.ca.gov/mrr-epe>
- ❑ EPE FAQ – Updates include:
  1. Added content to FAQ 1.1.1: directly delivered power meeting all specified source requirements may not “voluntarily” be reported as unspecified
  2. Tagging and specified source requirements (New FAQ 1.1.8)
  3. Meter data/lesser of requirement now applicable to Energy Imbalance Market (EIM) imports per in §95111(b)(2)(E) (New FAQ 2.1.6)
  4. Reminder: Qualified Export Adjustment provisions removed from regulation (FAQ 3)
  7. How to determine California renewable energy resource under MRR (New FAQ 4.1.4)
  8. What constitutes “retail sales of electricity” under MRR (New FAQ 7.2)
  9. Cessation of reporting and verification (New FAQ 8)



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## Updates to Cal e-GGRT

- ❑ Updates for “Retail Sales Only” reporters
  - ❑ Link to the EPE Overview webpage, [https://ssl.arb.ca.gov/Cal-eGGRT/datareporting/facility\\_overview.do?](https://ssl.arb.ca.gov/Cal-eGGRT/datareporting/facility_overview.do?)
  - ❑ Minor clarification to first CAISO Sales question to conform with workbook
  - ❑ Improved auto-fill specific to each EPE



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## Preliminary Emission Factor List

- ❑ CARB provided draft specified source emission factors based on February 1 Specified Source Registration workbooks
  - ❑ Allows EPEs to ensure all of their registered sources are included in the workbooks and the emission factors are reasonable based on publicly available data
  - ❑ Staff found that providing Preliminary EFs is very helpful to ensure workbooks are complete before posting
- ❑ Based on your feedback, CARB plans to release Preliminary EFs again next year



## Workbook 1 – Functionality Updates

- ❑ **Reporter Info tab**
  - ❑ **CAISO Sales Screening Fields**
    - ❑ “EPE Type” revised to auto-populate based on EPE name
  - ❑ **Added voluntary Renewable Energy Credit (REC) info sharing**
    - ❑ To assist reporters with RPS Adjustment claims
- ❑ **CAISO Sales tab**
  - ❑ First Threshold Question (POU or CO-OP) improved auto-fill
  - ❑ Added check field between manual and calculated EF fields
- ❑ **Specified Imports tab**
  - ❑ Added XML validation to the Direct Delivery field in Column BR
- ❑ **REC Serial tab**
  - ❑ Revised Field Name (Col. M) “Are you the PSE...?” for Spec Imports only
- ❑ **QE Adjustment tab has been removed**



## Questions??

Please contact CARB at any time if you have questions



## CARB EPE Contacts

GHG EPE Reporting & Verification Assistance Team 2019	Staff	Phone
General Reporting Requirements, Cal e-GGRT Reporting	<a href="mailto:ghgreport@arb.ca.gov">ghgreport@arb.ca.gov</a>	
Manager – Climate Change Reporting Section	<a href="#">Syd Partridge</a>	(916) 445-4292
Manager – Emissions Data Quality Assurance Section (Verification)	<a href="#">Ryan Schauland</a>	(916) 324-1847
Electricity Retail Providers and Electricity Marketers	<a href="#">Wade McCartney</a>	(916) 327-0822
Verification of Electricity Retail Providers and Electricity Marketers	<a href="#">Abajh Singh</a>	(916) 322-8276
Reporting Tool Registration and General Questions	<a href="#">Karen Lutter</a>	(916) 322-8620



## Resources

- ▣ Reporting Guidance for EPEs  
<https://ww2.arb.ca.gov/mrr-epe>
- ▣ Cal e-GGRT Tool Training  
<https://ww2.arb.ca.gov/mrr-tool>
- ▣ Cal e-GGRT Main Help Page  
<http://www.ccdsupport.com/confluence/display/calhelp/Home>
- ▣ Accredited Verification Bodies  
<https://ww2.arb.ca.gov/verification>