

Regulation for the Mandatory Reporting  
of Greenhouse Gas Emissions

## GHG Reporting For 2015 Data

Electric Power Entities

April 19, 2016

Presentation slides available here:  
<http://www.arb.ca.gov/cc/reporting/ghg-rep/guidance/guidance-training.htm>

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## Outline

- ▣ Overview
- ▣ General Reporting and Verification Information
- ▣ Updates to Guidance Documents
- ▣ Cal e-GGRT Reporting Tool and Workbook Updates
- ▣ Questions

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## Overview

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## 2014 Data Reporting Recap

- ▣ 775 reports submitted
- ▣ 528 verified
  - ▣ 99% received positive or qualified positive emissions verification statements
  - ▣ Other reports not subject to verification (abbreviated or retail provider with no imports/exports)
- ▣ 2014 summary data posted for all reports
  - ▣ <http://www.arb.ca.gov/cc/reporting/ghg-rep/reported-data/ghg-reports.htm>

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## Reporting Schedule

- June 1, 2016
  - Reports due for EPEs and electricity retail providers
  - **No time extensions**
- Failure to submit a report by the required deadline is a violation of the regulation for each day the report is late
- Key Dates Reference Page:
  - <http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep-dates.htm>

## Verification Schedule

- Must be completed by September 1, 2016
  - Verification statements due
  - Full verification this year – site visit required
  - **No time extensions**
- Begin verification process as soon as possible (e.g., contracting and scheduling). Do not wait until reporting is completed
- Verifiers must submit an adverse statement if verification not completed on time
- Failure to have a verification statement submitted by the verification deadline is a violation of the regulation for each day the verification statement is late

## 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
- ARB 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>

## Regulation Updates

- Mandatory Reporting Regulation
  - No 2015 MRR updates
  - No new provisions take effect for 2015 data
  - Current regulation, <http://www.arb.ca.gov/cc/reporting/ghg-rep/regulation/mrr-2014-unofficial-02042015.pdf>
- Cap-and-Trade Regulation
  - For EPEs, no changes to Covered Emissions calculations
  - Current regulation, [http://www.arb.ca.gov/cc/capandtrade/capandtrade/unofficial\\_ct\\_030116.pdf](http://www.arb.ca.gov/cc/capandtrade/capandtrade/unofficial_ct_030116.pdf)

## General Reporting and Verification Information

## Cal e-GGRT Tool Availability



- Tool available NOW
  - 2015 data reporting activated
- Existing 2014 data configurations were migrated to 2015 reports
  - Reduces setup workload
- Electric Power Entity module has been activated

## Reporting Tips

- Start early, finish early
- Involve verifier 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
  - Reminder: 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
- Contact ARB for any questions about requirements ([ghgreport@arb.ca.gov](mailto:ghgreport@arb.ca.gov))
  - Save and file any ARB responses as part of your GHG Inventory Program
- Check ARB guidance related to EPEs: <http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep-power/ghg-rep-power.htm>

## Verification Tips for Reporters

- Correctable errors must be fixed
  - If not, verifier must submit adverse statement
- “Covered emissions” data must meet accuracy requirements and be reasonably assured of no material misstatement
- If verifier and reporter disagree on requirements, always contact ARB for assistance
- Ensure GHG inventory program meets the requirements of section 95105(d) and includes any additional helpful information for your verifier
  - Robust GHG inventory programs facilitate verification
- Provide all ARB written clarifications for reporting to verifier

## Verification Process Timing

- Reporters can improve process by:
  - Ensuring contracting is in place and COI is submitted to ARB prior to report submission
  - Providing data to verifiers ASAP after report submission
  - Scheduling site visits in June for EPEs
- Ask questions of ARB early to ensure sufficient time to address issues
- Reporters and verifiers should work together to facilitate earlier site visits and submission of verification statements

## Updates to Guidance Documents

## Guidance Document Updates

- Electric Power Entity (EPE) FAQ
  - Clarified CAISO sales reporting requirements
  - RPS Adjustment moved to separate document
- Energy Imbalance Market (EIM) FAQ
  - Temporarily removed for revision and will be reposted soon
- RPS Adjustment Guidance Document (new)
  - Explains regulatory requirements and implementation of RPS adjustment and specified source reporting
- Documents available here:  
<http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep-power/ghg-rep-power.htm>

## CAISO Sales Reporting (1)

- Applicable to POUs and co-ops that sold power into CAISO markets. Only applies to:
  - Power for which the entity has a compliance obligation
  - Power which was used to serve non-native load
- POUs/co-ops cannot use allocated allowance value to cover sales into CAISO markets, per §95892(d)(5) of the Cap-and-Trade Regulation
- Verifiers must contact ARB directly to confirm that a specific entity is not subject to this requirement
  - Please contact: Mary Jane Coombs, Manager,  
[mcoombs@arb.ca.gov](mailto:mcoombs@arb.ca.gov)

## CAISO Sales Reporting (2)

- Electricity sold into CAISO markets means excess electricity that does not serve the utility's native load, even if the generation resource causing the excess electricity is funded by municipal tax-exempt debt
  - Determination of excess electricity not serving native load is made on an hourly basis
  - Netting across or within hours is not allowed

## CAISO Sales Reporting (3)

- Emission factors for reporting sales into CAISO markets
  - Out-of-State specified sources: Use specified source emission factor assigned by ARB in Workbook 1
  - In-State specified sources: EDU may calculate an emission factor – calculation and methodology subject to verifier review for reasonableness
  - Unknown or unspecified sources
    - Imported electricity that meets the requirements of unspecified power chose "Unspecified – CAISO Sales"
    - Generation source unknown use "Unknown – CAISO Sales"
  - System emission factor: EDU may calculate a system emission factor – calculation and methodology subject to verifier review for reasonableness

## RPS Adjustment Reporting (1)

- ARB identified a number of issues with RPS adjustment claims for 2013 and 2014 data
  - RPS adjustment must meet the requirements in section 95852(b)(4) of the Cap-and-Trade Regulation
    - **RPS adjustment must not be claimed for electricity that was directly delivered, or where the EPE could not demonstrate it was not directly delivered (§95852(b)(4)(D))**
  - RECs must be retired within 45 days of reporting deadline to claim the RPS adjustment
- Reporting RPS adjustment is *optional*; if any requirement is not met, the entity must remove RPS adjustment or receive an adverse verification statement

## RPS Adjustment Reporting (2)

- EPEs claiming an RPS Adjustment **must** be prepared to provide evidence of no direct delivery **by any entity** to verifier
  - Consider discussing with verifier early in process to anticipate any data needs
  - Verifiers have been told RPS adjustment is high risk, and to review carefully
- EPEs may work with counterparties on RPS adjustment and specified source delivery transaction to obtain evidence that electricity associated with RPS adjustment claims was not directly delivered

## Specified Source Reporting

- ▣ Imports **must be** reported as from a specified source in cases in which the importer is a generation-providing entity or the importer has a written power contract and power is directly delivered (section 95111(b)(4))
  - ▣ This is the case regardless of any contracts dictating sale or ownership status of RECs, and regardless of contracts that seek to convey GHG benefits of zero emission power to other counterparties
  - ▣ Importers directly delivering power from specified sources **may not** "voluntarily" report the power as unspecified, regardless of REC ownership or ability to obtain REC serial number data

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## REC Serial Number Reporting

- ▣ RECs do not need to be retired for specified source claims
- ▣ REC serial numbers must still be reported for any California RPS-eligible resources
- ▣ No under/over Reporting of RECs
  - ▣ Must meet requirement to report RECs "associated with electricity generated, directly delivered, and reported as specified imported electricity" per section 95111(g)(1)(M)(3)
- ▣ RECs must match MWh of imported power
  - ▣ Specified source claim still valid if RECs do not match MWh
- ▣ Failure to report REC serial numbers by the verification deadline = nonconformance = qualified positive verification statement

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## Cal e-GGRT Reporting Tool and Workbook Updates

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## CAISO Sales Reporting in Cal e-GGRT

- ▣ For EPEs that report retail sales only via Cal e-GGRT, they can now declare no reportable CAISO Sales under section 95111(a)(12) without using Workbook 1
- ▣ If EPE has reportable CAISO sales then Workbook 1 must be used to report

**1) INDICATE WHETHER OR NOT YOU ARE REPORTING RETAIL SALES ONLY**

Note that if you have any reportable CAISO Sales under Section 95111(a)(12) as determined by your responses to the questions below, you cannot report retail sales only using this webpage. Instead, you must report using Workbook 1.

Are you reporting retail sales only?  Yes  No

If you have any reportable imports, exports, or wheels under Section 95111, then answer "No" and report retail sales using Workbook 1.

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**2) CAISO SALES UNDER SECTION 95111(A)(12)**

1. POI or CO-OP: Are you a POI or Co-op? If answering No, you are not required to report CAISO sales.  Yes  No

2. ALLOWANCES ALLOCATED TO COMPLIANCE ACCOUNT: Did you direct ABE to deposit any allocated allowances into your compliance account or the compliance account of an electrical generating facility?

3. CAISO SALES: Did you sell any power into any CAISO markets during the last calendar year?  Yes  No

4. COMPLIANCE OBLIGATION: Did you have, or did you direct ABE to deposit, allocated allowances into the compliance account of an electrical generating facility that has a compliance obligation under the Cap-and-Trade Regulation for emissions from electricity sold into CAISO?  Yes  No

5. EXCESS ELECTRICITY SOLD INTO CAISO FOR NON-ACTIVE LOAD: Have you voluntarily, from any sources in your portfolio, sold into CAISO markets that ultimately served non-utility load?  Yes  No

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## CAISO Sales Reporting in Workbook

- Threshold questions help determine whether an EPE has reportable CAISO Sales
- If "Yes" on all questions, CAISO Sales must be reported
- One "No" on any question, no additional reporting is required

Threshold questions to determine whether you must report CAISO sales under 95111(a)(12). All EPEs must answer "Yes" or "No" to the first question ("POU or CO-OP") below. Any EPE answering "Yes" to the second question ("ALLOWANCES ALLOCATED TO COMPLIANCE ACCOUNT") must answer all subsequent questions.					REPORTABLE CAISO SALES?
<b>POU or CO-OP</b> Are you a POU or Co-op? (Yes/No) If answering "No," you are not required to report CAISO sales and no additional information is required on this tab.	<b>ALLOWANCES ALLOCATED TO COMPLIANCE ACCOUNT</b> Did you direct ARE to deposit any allocated allowances into your compliance account or the compliance account of an electrical generating facility? If answering "No," you are not required to report CAISO sales and no...	<b>CAISO SALES</b> Did you sell any power into any CAISO markets during the last calendar year? (Yes/No)	<b>COMPLIANCE OBLIGATION</b> Did you have, or did you direct ARE to deposit allocated allowances into the compliance account of an electrical generating facility that has a compliance obligation under the Cap-and-Trade Regulation for emissions from electricity sold into CAISO. (Yes/No)	<b>EXCESS ELECTRICITY SOLD INTO CAISO FOR NON-NATIVE LOAD</b> Was any electricity from any resource in your portfolio sold into CAISO markets that ultimately served any non-native load? (Yes/No)	Are you required to report electricity sales into CAISO pursuant to section 95111(a)(12)?  If "Yes", report detailed CAISO Sales information below.
Yes	Yes	Yes	Yes	Yes	Yes

## REC Serial Tab Updates (1)

- Added functionality to ensure REC serial numbers are reported in correct format and are parsed correctly
- Acceptable format (Column O): 123-AB-45678-91011 to 91045
  - Addresses data validation issues and conforms with WREGIS data
- New functionality automatically parses out MWh quantity from REC serial range in Column O, and includes values in Columns E – G
  - Compares RECs from serial range to total quantity in Column P
  - Ensures reported MWh values match REC serial number range
- Only one REC serial number range by claim type, chosen in Column H: RPS Adjustment, Withdrawn RPS Adjustment, or Specified Source
  - See screenshot, next slide

## REC Serial Tab Updates (2)

- Key elements are shown, some columns/rows hidden

RENEWABLE ENERGY CREDIT ("REC") SERIAL NUMBERS, section 95111(g)(1)(M)				
REC Serial Number Reporting and Reconciliation				
Description	Total RECs	RPS Adjustment	Withdrawn RPS Adjustment	Specified Source
Reported on this "REC Serial" tab	175,000	175,000	0	100,000
Reported in the RPS Adjust & Spec Imports tabs	175,000	175,000	0	100,000
Difference	0	0	0	0
Defining an Error	0	0	0	0

  

Tabulation of REC Quantities										
Facility and their RPS Name (and their "Other" RPS Name)	AFM Facility and their RPS Name	Facility to use RPS, Facility Name	Total RECs	RPS Adjustment RECs per Section 95111(g)(1)(M)(5)	Previously Reported But Subsequently Withdrawn RECs Used For A Plus RPS Adjustment per Section 95111(g)(1)(M)(5)	Specified Source RECs per Section 95111(g)(1)(M)(5)	MWh Tabulation for Each Line Item	Weighted Year/Hours	Certificate Serial Numbers (Must conform to WREGIS format as follows: [Serial] [State or province postal abbreviation] [serial number] [Serial block size] All other formats will result in processing errors)	Quantity
Algonquin Valley (and Project AFM) AZ 30000	30000		175,000.00	175,000.00	0.00	0.00	RPS Adjustment		4200.AZ.NEEDS.111.175000	175,000
Big Horn Wind AFM CO 00000	00000		100,000.00	0.00	0.00	100,000.00	Specified Source		4200.CO.NEEDS.111.000000	100,000

## Other Workbook Updates (1)

- Added Searchable Drop Down List for Specified Sources, in tabs: Retail Provider, CAISO Sales, Spec Imports, RPS Adjust, REC Serial, and Wheeled
  - Allows EPEs to quickly locate a resource(s) among the many EFs, (e.g., find all plants with "wind" or "solar" in the title)
  - Avoids reporting of emissions from same source under different names (e.g., "River Road generating plant" and "Clark River Road") by multiple EPEs
    - Provides data validation and increases reporting accuracy
    - Reduces need to report manual emission factors
    - Feb 1 Registration list and drop down list in Workbook 1 from same master list

## Other Workbook Updates (2)

- Note added as flag to request approval from ARB before using manual emission factors
- Simplified Generation Providing Entity (GPE) determination in Spec Imports tab in Column AR
  - Removed old column AM which had GPE in drop down to increase reporting accuracy by providing one GPE field
- Deleted the "Facility Reg Info" tab
- Added Searchable Drop Down List for Grid Points in tabs: Unspec Imports, Spec Imports, Unspec Exports, and Wheeled
  - Search for any text string and select, speeds data entry

## Questions

## Resources

- Email reporting questions to: [ghgreport@arb.ca.gov](mailto:ghgreport@arb.ca.gov)
- Reporting Guidance for EPEs  
<http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep-power/ghg-rep-power.htm>
- Cal e-GGRT Tool Training  
<http://www.arb.ca.gov/cc/reporting/ghg-rep/tool/ghg-tool.htm>
- Cal e-GGRT Main Help Page  
<http://www.ccdsupport.com/confluence/display/calhelp/Home>
- Accredited Verification Bodies  
<http://www.arb.ca.gov/cc/reporting/ghg-ver/ghg-ver-accreditation.htm>

## Key Reporting Dates

Date	Activity
April 14	Public release of Cal e-GGRT module for EPEs
<b>June 1</b>	Regulatory deadline: Reporting deadline for electric power entities and those subject to abbreviated reporting
<b>September 1</b>	Regulatory deadline: Verification statements due (emissions data and product data)



## GHG Reporting Contacts

Subject Matter	Contact
Manager – Climate Change Reporting Section	<a href="#">Brieanne Aquila</a> , Manager 916.324.0919
General Reporting Requirements, Stationary Combustion, Electricity Generation and Cogen, Miscellaneous Sectors, Cal e-GGRT Reporting	<a href="#">Patrick Gaffney</a> 916.322.7303
Reporting Tool Registration and General Questions	<a href="#">Karen Lutter</a> 916.322.8620
Electricity Retail Providers and Electricity Marketers	<a href="#">Wade McCartney</a> 916.327.0822
Manager – Greenhouse Gas Verification Section	<a href="#">Renee Lawver</a> , Manager 916.322.7062
Verification of Electricity Retail Providers and Electricity Marketers	<a href="#">Ryan Schauland</a> 916.324.1847
Chief – Program Planning and Monitoring Branch	<a href="#">Jim Aquila</a> , Chief 916.322.8283