California Environmental Protection Agency

Regulation for the Mandatory Reporting of Greenhouse Gas Emissions

GHG Reporting for 2014 Data

Electric Power Entities

Electricity Retail Providers and Marketers under Section 95111

April 27, 2015 Presentation Slides Available Here: <u>http://www.arb.ca.gov/cc/reporting/ghg-</u> <u>rep/guidance/guidance-training.htm</u>

Outline

- Overview
- Regulation Updates
- Preparing for 2014 Data Reporting
- Cal e-GGRT Reporting Tool Updates
- Guidance
- Other topics
- Questions

2013 Data Reporting Recap

All Reporting Entities

- 750 reports submitted
- 519 verified
 - 100% received positive emissions verification statements (includes 12 qualified positive)

Electric Power Entities

- 110 reports submitted; 76 verified
- 34 reports retail sales only with no imports/exports
- Summary data posted for all reports
 - http://www.arb.ca.gov/cc/reporting/ghg-rep/reported-data/ghg-reports.htm

Reporting Schedule

• June 1, 2015

Reports due for EPEs and electricity retail providers
 No time extensions

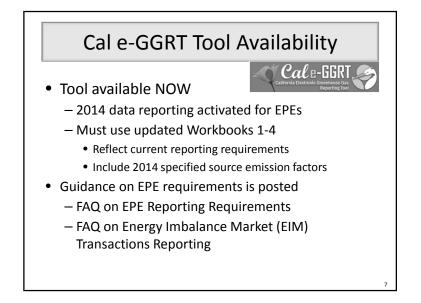
- July 15, 2015
 - Deadline for corrections to RPS Adjustment data
- Failure to submit a report by the required deadline is a violation of the regulation for each day the report remains unsubmitted
- Key Dates Reference Page: http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep-dates.htm

Verification Schedule

- September 1, 2015
 - Final Verification Statements due for all EPEs
 No time extensions
- Start early to ensure on-time completion and to correct any issues identified during verification
- Verifiers must submit Adverse statement if verification not completed on time
- Failure to have a verification statement(s) submitted by the verification deadline is a violation of the regulation for each day the verification statement remains unsubmitted

Enforcement Summary

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



2014 Regulation Updates

- Revisions went into effect January 1, 2015
- Regulation available here: <u>http://www.arb.ca.gov/cc/reporting/ghg-rep/regulation/mrr-regulation.htm</u>
- All updates are effective for 2014 data reporting

 No exceptions were specified in section 95103(h) for EPEs
- No plans for regulation updates in 2015

Key Regulation Updates

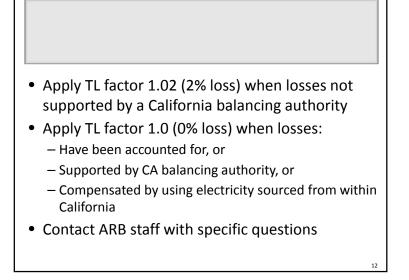
- <u>CAISO Sales</u>: Publicly owned utilities (POU) and electrical cooperatives (co-op) must report MWhs sold into CAISO markets (section 95111(a)(12))
- <u>Transmission Loss Factor (TLF)</u>: Specifies when TLF of 1.02 or 1.0 must be used (section 95111(b)(2))
- <u>Meter Data Requirement</u>: Requires meter data and Lesser of Analysis for some imports (section 95111(b)(2)(E))
- <u>REC Serial Numbers for Imports</u>: Requires renewable energy credit (REC) serial numbers to be reported for certain imports (section 95111(g)(1)(M)(3))

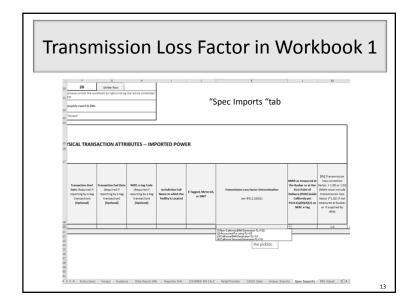
CAISO Sales (section 95111(a)(12))

- New MRR requirement for POUs and co-ops

 Must report the annual MWhs of all electricity sold into the CAISO markets for which the entity has a compliance obligation
- Verifiers must contact ARB directly to confirm that a specific entity is not subject to this requirement

CAISO SALES BY ELECTRIC	CAL DISTRIBUTION U	TILITIES (EDU) THAT	o ARE NOT IOUs (95111	L(a)(12))	,
Are you required to report electricit sales into CAISO pursuant to section 95111[a](12)? Select (Yes/No)		"(CAISO Sales" t	ab	
If "Yes," complete the	table below.	1			
		1			
TO ADD ROW(s) TO THE TABLE USING MAD Row(s) button.	ROS, enter the number of rows to	be added and click the Add	Rov	ws to Add to the table below	1
TO DELETE EXTRANEOUS ROWS USING MA	CRO5, specify the row number to I	be deleted and click the "Delete	ete Row to Delete from the table below:		
NOTE: You will need to enable macros for the sheet and then subsequently use th	r either button to work. If you do	o not wish to enable macros, or an	e an expert user, please unlock the w	orkbook by right-clicking the a	tive worksheet and selection
TO ADD ROW(s) TO THE TABLE WITHOUT 0 1. Insert a row or rows into the middle 2. Drag the blue marker in the far right	of the table, above the last row. I		e table, it will not properly export to XM	ι.	
TO DELETE ROW(5) TO THE TABLE WITHOU	FUSING MACROS, select the row(s	s) that you wish to delete, right cli	tk on and select "Delete"		
Facility and Unit ID Name Note: Select "Other" if facility is not listed or select "Unknown" if the source of electricity is not known	A88 Facility and Unit ID8	If facility is not listed, enter Facility Name (if known) If unknown, leave blank	Year	Megewett-Hours (MWh) for all electricity sold into the CAISO markets for which an EDU has a compliance obligation	Emission Factor (if known) Facility-specific or unit- specific emission factor (f CO2e/MWh)
	-				





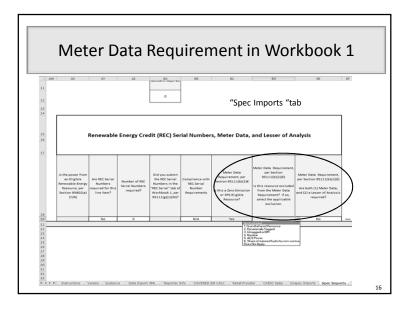
Meter Data Requirement and Lesser of Analysis (section 95111(b)(2)(E))

- Applies to zero emission and RPS resources except:
 - Grandfathered RPS, dynamically tagged power, untagged power including EIM, nuclear, ACS power, hydro resources where hourly output is not established by contract
- Clarifies requirement to retain meter generation data
- For applicable imports, reporter is required to compare imports listed on e-tag with actual generation from the resource

Meter Data Requirement and Lesser of Analysis (section 95111(b)(2)(E)) (cont.)

- If e-tag value is greater, the generated value can be claimed as a specified import, with the balance claimed as "substitute power" (unspecified import)
- If generation exceeds tagged imports, the e-tag value is the specified import; the excess generation may be claimed as RPS adjustment, subject to applicable requirements
- Verifier will review sample tags, meter generation data, and the EPE hourly comparison spreadsheet

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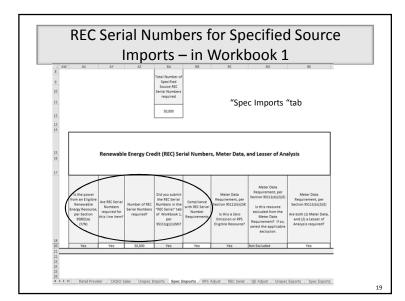
Lesser of Analysis Example

Description		Example 1 Under- Generation (MW or MWh)	Example 2 Over- Generation (MW or MWh)	
1	Metered Generation at Source A	85	115	
2	Scheduled on e-Tag	100	100	
3	Lesser Of Meter or Scheduled	85	100	
4	Zero Emission Specified Source Claim	85	100	
5	Substitute Power	15	0	
6	Potential RPS Adjustment Claim	0	15	

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REC Serial Numbers for Specified Source Imports (section 95111(g)(1)(M)(3))

- RECs do not need to be retired
- REC serial numbers must still be reported for any California RPS-eligible resources
 - Failure to report REC serial numbers by the verification deadline = nonconformance = qualified positive verification statement
- Implemented for 2014 data reported in 2015, and future years



REC Retirement for RPS Adjustments (section 95111(g)(1)(M)(1))

- No RPS adjustment can be claimed without retired REC reported in "REC serial" tab
- RECs must be retired in the subaccount by July 15th
- RECs retired must be used to comply with California RPS requirements during the same year the RPS adjustment was claimed (section 95852(b)(4) of Capand-Trade)
- RPS adjustment can only be claimed for electricity procured for RPS compliance but not delivered to California by the reporting entity

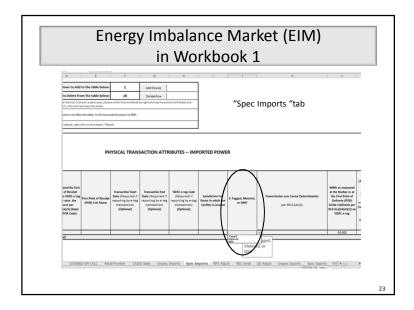
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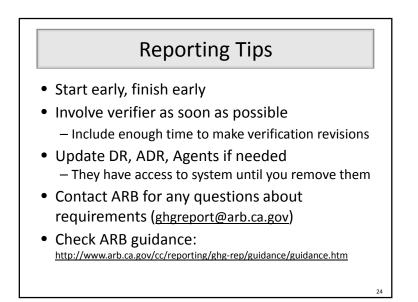
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REC Retirement for RPS Adjustments in Workbook 1

9 10											
					RPS /	ADJUSTMEN	T REQUIREN	IENTS			
11											
				REC STATUS		DELIVERY			REC STATUS	DELIVERY	
		RESOURCE	RIGHTS	RECs must be used			RESOURCE	RIGHTS	RECs must be used	No RPS adjustment	
				to comply with	REC DATE	No RPS adjustment may be claimed			to comply with	may be claimed	ELIGIBLE RPS
		is the power from an Eligible	Electricity Importer Must	California RPS requirements	Date RECs Retired	for an eligible renewable energy	Is the power from an Eligible	Electricity Importer Must	California RPS requirements	for an eligible renewable energy	ADJUSTMENT
		Renewable Energy Resource, per	Have Either of the following, per	during the same year in which the	in WREGIS Subaccount?	resource when its	Renewable Energy Resource, per	Have Either of the following, per	during the same year in which the	resource when its electricity is	Eligible for RPS Adjustment?
		Section 95802(a)	95852(b)(4)(A)	RPS adjustment is	subaccountr	electricity is directly delivered,	Section 95802(a)	95852(b)(4)(A)	RPS adjustment is	directly delivered,	
		(Y/N)		claimed, per 95852(b)(4)(8)		per 95852(b)(4)(0)	(Y/N)		claimed, per 95852(b)(4)(8)	per 95852(b)(4)(D).	
12				5101100					55654(6)(-)(6)	22224 (a) (- / a)	
14		Yes	Ownership or Contract Rights	Retired in WREGIS	5/1/15	Not Directly Delivered to CA	0	0	0	0	Eligible
15											
16											
			Ownership or	Retired in WREGIS	1	1st POR is CA BAA	1				
18		Yes	Contract Rights On Behalf of				-				
			Owner or	Will Be Retired Later		1st POR via Distribution Grid					
19		No	Contracted Entity			Spec Source to	-				
20			Neither	Did Not Buy RECs		POD in CA					
21				Sold the RECs]	Dynamic Transfer Not Directly	-				
22						Delivered to CA	J				
14.	0.0	CAISO Sales	Unspec Imports	Spec Imports	RPS Adjust / RE	C Seral / QE Adjur	it / Unspec Export	ts / Spec Exports	/Wheeled / Fac	ity Reg Info / PO	R.P00 /] 4 🔳

California ISO Energy Imbalance Market (EIM) California ISO Energy Imbalance Market began operation on November 1, 2014 Electricity imports/exports documented via CAISO Market Results Interface (CMRI) See EIM FAQ, <u>www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep-power/eim-faqs.pdf</u> EIM market participants subject to same reporting and verification requirements as other EPEs





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Verification Tips

- EPE must demonstrate to verifier that "covered emissions" have no material misstatement and no correctable errors to avoid adverse verification statement
 - Verifier uses risk-based sampling and professional judgement as to whether standard of reasonable assurance is met
 - If verifier and reporter disagree on requirements, <u>always</u> contact ARB for assistance
- GHG Inventory Program documentation must clearly describe or reference how EPE ensures:
 - <u>All</u> electricity imports, exports, and wheels <u>are included</u> and appropriately accounted
 - All RPS adjustments and qualified export adjustments meet eligibility criteria
 - All REC serial numbers are reported for California-eligible renewable energy resources claimed in specified imports or RPS adjustments
- GHG Inventory Program documentation must include all ARB written interpretations provided to EPE

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Resource Web Sites

- Email reporting questions to: ghgreport@arb.ca.gov
- EPE Reporting Guidance <u>http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep-power/ghg-rep-power.htm</u>
- Cal e-GGRT Tool Training http://www.arb.ca.gov/cc/reporting/ghg-rep/tool/ghg-tool.htm
- Cal e-GGRT Main Help Page
 <u>http://www.ccdsupport.com/confluence/display/calhelp/Home</u>

Date	Activity
February 2	Regulatory deadline: Due date for electric power entities to register specified facilities outside California
February 18	Public release of Cal e-GGRT
April 10	Regulatory deadline: Reporting deadline for facilities and suppliers of fuels and carbon dioxide, except when subject to abbreviated reporting
June 1	Regulatory deadline: Reporting deadline for electric power entities and those subject to abbreviated reporting
July 15	Regulatory deadline: Deadline for corrections to RPS Adjustment data required for electric power entity data reports
September 1	Regulatory deadline: Final verification statements due (emissions data and product data)

GHG Reporting Contacts

Subject Matter	Contact	
Manager – Climate Change Reporting Section	<u>Brieanne Aguila</u> , Manager 916.324.0919	
General Reporting Requirements, Stationary Combustion, Miscellaneous Sectors (cement, glass, pulp and paper, etc.), Cal e-GGRT Reporting	Patrick Gaffney 916.322.7303	
Reporting Tool Registration and General Questions	Karen Lutter 916.322.8620	
Electricity Generation and Cogeneration Facilities	Karen Lutter 916.322.8620	
Electricity Retail Providers and Electricity Marketers	Wade McCartney 916.327.0822	
Fuel and CO_2 Suppliers - Transportation Fuels, Natural Gas, LPG, CO_2	Syd Partridge 916.445.4292	
Petroleum Refineries, Hydrogen Plants, Oil & Gas Production, and Associated Product Data	Byard Mosher 916.323.1185	
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