California Environmental Protection Agency

lifornia Air Resources Board

California Regulation for the Mandatory Reporting of Greenhouse Gas Emissions

Electric Power Entities

Reporting for Electricity Retail Providers and Marketers under Section 95111

March 26, 2013

10:00 am to 12:00 pm Webinar Registration: <u>https://www1.gotomeeting.com/register/436129808</u> Presentation Slides Available Here: <u>http://www.arb.ca.gov/cc/reporting/ghg-rep/guidance/guidance-training.htm</u>

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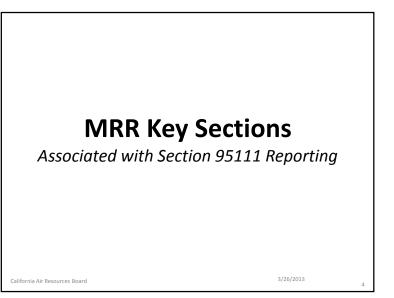
Outline Mandatory Reporting Regulation (MRR) Key Sections Regulatory Updates Guidance (ACS, Specified Source) Cal e-GGRT Reporting Tool & Workbook Q&A

• Info Resources

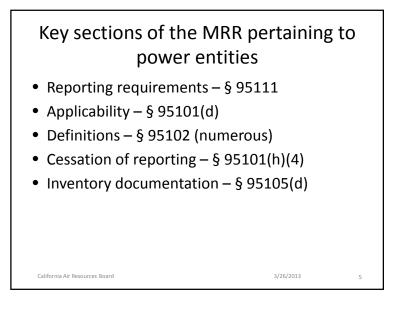
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About This Presentation

- Assumes Electric Power Entities are familiar with:
 - The 2011 reporting process
 - Use of Cal e-GGRT
 - MRR Requirements
- 2012 regulatory updates effective 1/1/2013 are addressed, as well as updates to Workbook 1
- This Webinar will include brief walk-throughs of portions of the updated CY 2012 Workbook 1



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Key sections of the power entities requirements

- General requirements -§ 95111(a)
- Calculating GHG emissions -§ 95111(b)
- Requirements for claims of specified sources of electricity and for eligible renewable energy resources in the Renewable Portfolio Standard (RPS) adjustment –§ 95111(g)
- Additional requirements:

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- Retail providers-§ 95111(c)
- Multi-jurisdictional retail providers § 95111(d)

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- WAPA and DWR § 95111(e)
- Asset-controlling suppliers § 95111(f)

Key sections of the emissions calculations

- Unspecified sources -§ 95111(b)(1)
- Specified sources -§ 95111(b)(2)
- Asset-controlling suppliers § 95111(b)(3)
- Multi-jurisdictional retail providers § 95111(b)(4)
- Emission covered under Cap-and-Trade § 95111(b)(5)

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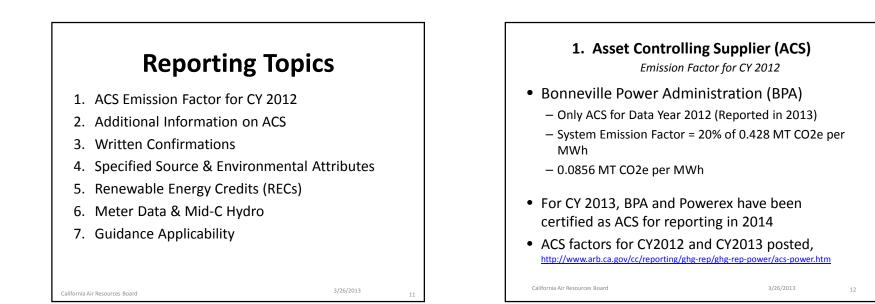
Major §95111 Updates

Regulation Amendment	Regulation Section	Guidance on Reporting 2012 Data in 2013
Specified Emission Factors One Year Lag	95111(b)(2)	Clarified that there is a year lag in the use of the specified source emission factor
ACS Calculations Two Year Lag	95111(b)(3)	Clarified that there is a two year lag in the use of the ACS system emission factor
Registration of Specified Sources	95111(g)(1)(M)	Detailed additional information that must be reported for specified sources
Meter Data Retention Requirement	95111(g)(1)(N)	Must retain meter generation data for claimed power for verification purposes

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- Sortable spreadsheet sort on "95111"
- Clarifications to MRR



2. Additional Information on ACS

- Tagging Physical Path table on e-tag is specific to ACS: generation control area (GCA), purchasing-selling entity (PSE), and source of generation and first point of receipt/point of delivery shown as POR/POD
- BPA Path Outs ACS power may originate in BPA service territory (which extends beyond the BPA control area) where BPA has additional resources. Excess power originally procured under BPA federal mandate but no longer needed due to changed conditions
- **Transmission Loss Factor** ARB will require that all ACS power claimed as a specified source must utilize the transmission loss factor, in order to reflect delivery from the ACS system to California

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3a. Written Confirmations Must Follow Verbal or Electronic Deals

- Written Confirmations (for all transactions) provide greater certainty for market participants when reporting transactions, §95102(a)(351), §95131(b)(6)
 - Contract agreements (WSPP, EEI, or ISDA) can be used for this purpose
- 2. Following a given trade day, written confirms are developed and sent, not by traders during the trading process, but by middle office/trade record staff
 - This does not inhibit or restrict transactions on real time desks or short-term trading desks

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3b. Written Confirmations Must Follow Verbal or Electronic Deals

- Written confirmations for specified power are a subset of a seller's total volume of verbally confirmed transactions
 - Can opt to claim power as unspecified
- Market participants are expected to work out the details of the exact form of any written confirmations consistent with the enabling agreements
 - No further ARB guidance expected at this level of detail

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4a. Specified Source Guidance Facilities & Units

Guidance Posted to all EPEs on 2/8/2013, http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep-power/specified_source_guidance.pdf

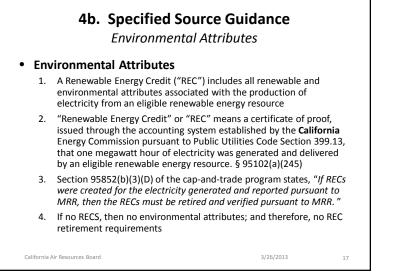
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- One facility with one or more units within that facility
- May not include more than one facility
- Designation of multiple facilities as one [under one name] does not meet the definition, unless the facilities are considered one project for FERC hydroelectric licensing purposes
- However, a power contract that includes multiple specified sources is acceptable to use when claiming a specified source
- Must be able to verify that the power is from the identified specified source

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5a. Renewable Energy Credits (RECs) From Eligible Resources

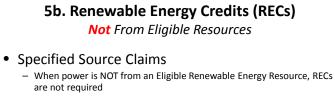
- Specified Source Claims
 - Conformance: Serial #'s submitted, Retire RECs.
 - Non-Conformance: Serial #'s submitted, RECs not retired. However, emission factor still valid
- RPS Adjustment

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- 2012 data reported in 2013: Serial #'s submitted, indicate intent to retire, and verify
- 2013 data reported in 2014: 2013 RECs must be retired by July 15, 2014 in order to claim the RPS adjustment

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RPS Adjustment

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- Power from a Non-Eligible Renewable Energy Resource does not have RECs, and no RPS adjustment is allowed
- California's Renewables Portfolio Standard (RPS) Participating Facilities – aka, Eligible Renewable Energy Resources, http://www.energy.ca.gov/portfolio/documents/list_RPS_certified.html

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6a. Generation Meter Data

Implementation, Reporting, & Verification

- **Requirements** §95111(g)(1)(N) For verification purposes, retain meter generation data to document that the power claimed by the reporting entity was generated by the facility or unit at the time the power was directly delivered.
- Implementation Specified Source: Lessor of Generation or Scheduled Imports within an Hour. ACS Power: Meter data not required as ACS power is not tied to a particular source
- **Reporting** For each specified import line item in Workbook 1, "Have you retained the meter data, and verified that the reported imported imports were generated by this resource." Yes/No. EPEs are not required to submit meter data with annual June 1 GHG filings
- **Verification** Verifiers (and ARB) may request meter data or other verification data on an audit basis, or if anomalies are identified

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6b. Generation Meter Data Mid-Columbia Hourly Coordination Agreement (MCHCA)
Coordinates Mid-C Hydro – Optimizes operation of seven dams among Chelan, Douglas, and Grant PUDs and BPA

http://www.wpuda.org/publications/connections/hydro/River%20Riders.pdf

- **Dams** Grand Coulee and Chief Joseph, the two federal BPA dams, along with Wells (Douglas PUD), Rocky Reach and Rock Island (Chelan PUD), and Wanapum and Priest Rapids (Grant PUD)
- Allocation Sum of all <u>allocated</u> generation cannot be greater than <u>actual</u> generation
- Delivery Matching of generation with delivery may not always occur due to MCHCA project optimization. ARB accepts MCHCA as a means to tie allocation to meter data to meet 95111(g)(1)(N) and specified source requirements

7. Guidance Applicability ACS Contract Provisions Because the regulatory provisions became effective on January 1, 2013, BPA unspecified can be claimed as ACS power for 2012 data reported in 2013, consistent with 2011 data reporting requirements.

- Written Confirmations for ACS and Specified Source Power
 - January 1, 2013 forward

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Verification Applicability

- 95103(f)--Verification is required if either applies:
 - EPE is an electricity importer or exporter in the current reporting year (95102(a)(140) and 95102(a)(141))
 - EPE was electricity importer/exporter and does not meet cessation of reporting requirements (95101(h)(4))
- Wheels are not considered an import or export (separate category)
- Retail providers that are not importers/exporter do not require verification if retail sales are listed as non-confidential
- Section 95111(c)(3) or (4) reporting does not solely trigger the verification requirement for retail providers

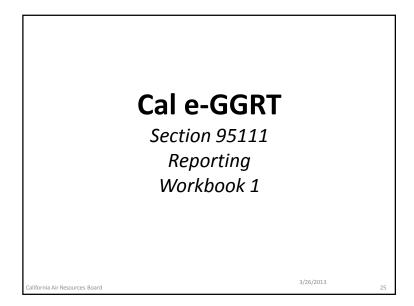
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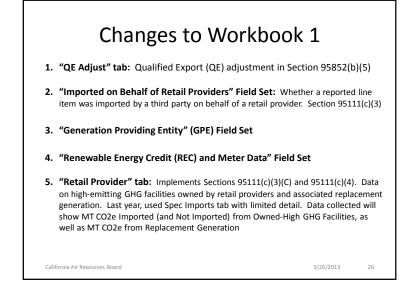
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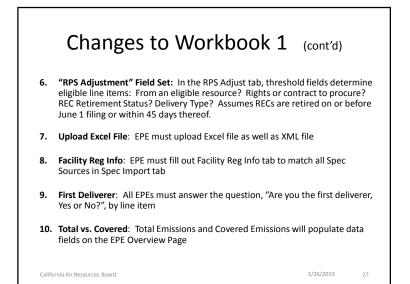
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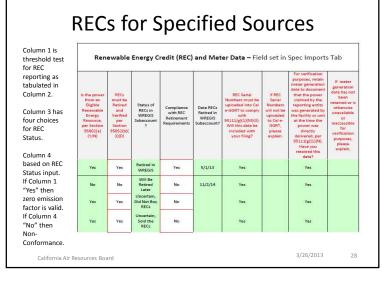
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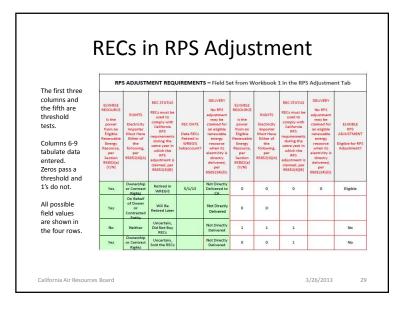
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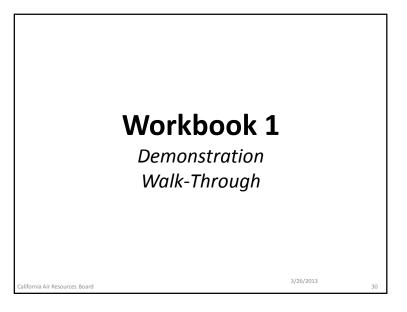


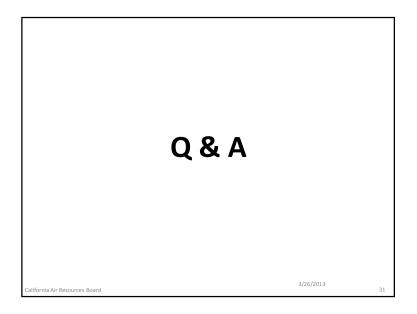


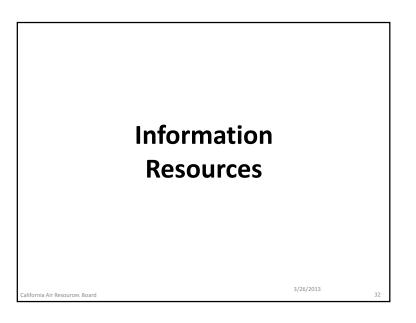


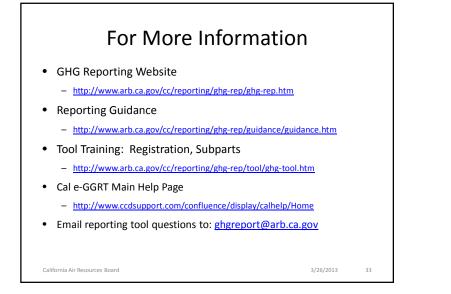








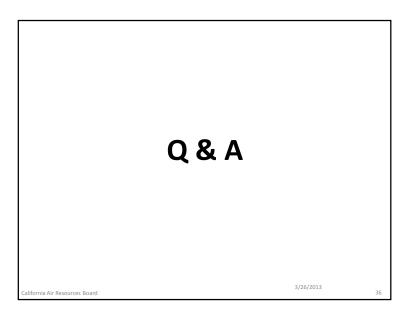




Key Reporting Dates

Date	Activity	
February 1	Regulatory deadline: Due date for electric power entities to register specified facilities outside California	
February 12	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 3	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 3	Regulatory deadline: Final verification statements due (emissions data and product data)	

Subject Matter	Contact		
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