

October 17, 2014

By Electronic Transmission

Richard W. Corey
Executive Officer
California Air Resources Board
1001 I St.
Sacramento, CA 95814

Powerex Comments on the Proposed 15-Day Changes to the MRR

Dear Mr. Corey:

I write on behalf of Powerex Corp. (“Powerex”)¹ regarding the Air Resources Board’s (“ARB’s”) proposed 15-day changes to the Mandatory Reporting Regulation (the “MRR”). Specifically, I write concerning ARB’s proposed 15-day change to MRR section 95111(b)(2), concerning the registration of specified units. ARB proposed to add the following language to that section:

In order to register a specified *unit(s)* source of power pursuant to section 95111(g)(1), the reporting entity must provide to ARB unit level GHG emissions consistent with the data source requirements of this section and net generation data as reported to the EIA, along with contracts for delivery of power from the specified *unit(s)* to the reporting entity, and proof of direct delivery of power by the reporting entity as an import to California.

¹ Powerex is a corporation organized under the Business Corporations Act of British Columbia, with its principal place of business in Vancouver, British Columbia, Canada. Powerex is the wholly-owned energy marketing subsidiary of the British Columbia Hydro and Power Authority (“BC Hydro”), a provincial Crown Corporation owned by the Government of British Columbia. Powerex sells power wholesale in the United States, pursuant to market-based rate authority granted by the Federal Energy Regulatory Commission in October 1997, renewed most recently effective January 1, 2009. Powerex sells power from a portfolio of resources in the United States and Canada, including Canadian Entitlement resources made available under the Columbia River Treaty, BC Hydro system capability, and various other power resources acquired from other sellers within the United States and Canada. Powerex also buys and sells power in Canadian provinces other than British Columbia and in Mexico. Powerex has been delivering power to California since shortly after receiving its market-based rate authority and is currently registered with ARB as an Asset Controlling Supplier (“ACS”).


Powerex Comments on the Proposed 15-Day MRR Changes
October 17, 2014
Page 2

Proposed MRR § 95111(b)(2) (Oct. 2, 2014). Powerex understands that this new requirement is intended to apply only in the case that an importer of electricity wishes to register and apply for an emission factor for a particular “electricity generating unit” within a larger facility, as that term is defined in MRR section 95102(a)(138). Powerex understands that this new language is not intended to apply to the application for “electricity generating facilities” as defined by section 95102(a)(137).

It appears that the newly proposed requirement for contracts and proof of delivery is to establish that an EF for the unit is needed for the upcoming import filing, and thus that ARB won't need to go through the process of establishing an EF that won't actually be used. If this interpretation is correct, Powerex recommends that CARB limit the magnitude of the data request to the minimum required to establish that the EF will be used in the upcoming import report: namely, a redacted contract identifying both the unit and documenting that the EPE has rights during the reporting year, as well as a single NERC e-tag demonstrating direct delivery.

Powerex respectfully requests that ARB confirm the above interpretations of the language proposed for addition to MRR section 95111(b)(2) in its Final Statement of Reasons for these amendments. Thank you very much for your consideration of Powerex's comments.

Sincerely yours,



Nicholas W. van Aelstyn