

California Environmental Protection Agency  
**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

April 30, 2014  
10:00 am to 12:00 pm

Webinar Registration: <https://www1.gotomeeting.com/register/843831201>  
Presentation Slides Available Here:  
<http://www.arb.ca.gov/cc/reporting/ghg-rep/guidance/guidance-training.htm>

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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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**Overview of Electric Power  
Entity Reporting**  
(Section 95111)

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**MRR Updates**

- 2013 regulatory updates effective 1/1/2014 for reporting, and updates to Workbook 1
- This Webinar will include brief walk-throughs of portions of the updated CY 2013 Workbook 1

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## Reporting Requirements

### Electric Power Entities

1. Reporting requirements – § 95111
2. Applicability – § 95101(d)
3. Cessation of reporting – § 95101(h)(3)
4. Cessation of verification §95101(i)
5. Definitions – § 95102 (numerous)
6. Inventory documentation – § 95105(d)

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## Section 95111 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(a),(g) and § 95852(b)(3),(4)
- Additional requirements:
  - Retail providers–§ 95111(c)
  - Multi-jurisdictional retail providers – § 95111(d)
  - WAPA and DWR – § 95111(e)
  - Asset-controlling suppliers – § 95111(f)

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## 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)
- Covered Emissions under Cap-and-Trade – § 95111(b)(5)

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## Specified and Unspecified Sources

- Specified source in §95102(a)(435) means:
  - A single facility or one or more units within that facility
  - An asset-controlling supplier (ACS)
  - Multiple dams, as long as they are considered as one project for FERC hydroelectric licensing purposes
  - Power is delivered under contract or generation-providing entity (GPE, defined in 95102(a))
- Unspecified source in §95102(a)(477) is a source that is NOT specified at the time of entry into transaction to procure electricity

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## Specified and Unspecified Source Emission Factors

- Each specified source has an emission factor calculated by ARB based on the most recent data published by the EPA or EIA, per §95111(b)(2)
- Unspecified source emission factor in §95111(b)(2) = 0.428 MTCO<sub>2</sub>e/MWh
  - Modeled to approximate the marginal generation that would be needed for an additional MWh of electricity imported to California

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## Determining First Deliverer Electricity Importer

- Importer is first deliverer when it is the purchasing-selling entity (PSE) on NERC e-tag for last California border crossing in physical path table
  - If so, EPE must identify as first deliverer in the workbook; otherwise, emissions are not counted for that transaction
- For EIM, determined by CAISO EIM model
- Retail providers that report imports, exports, or wheels must also report imports made on their behalf

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## Directly Delivered Electricity

- Specified Source power must be “directly delivered”, i.e., actual power that flowed is what is reported, per § 95102(a)(123)
- Directly delivered electricity claims must meet one of the following :
  1. Facility has first point of interconnection with a CA balancing authority
  2. Facility has first point of interconnection with distribution facilities used to serve end users within a CA balancing authority area
  3. Electricity scheduled for delivery from specified source into a CA balancing authority areas via continuous transmission path from interconnection of the facility in balancing authority area in which the facility is located to final point of delivery located in CA
  4. Agreement to dynamically transfer electricity from facility to a CA balancing authority

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## Direct Delivery Continuous Physical Transmission to California

- Transactions among balancing authorities are generally tracked via e-Tags
- Most common type of transaction

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### Imported Electricity Example NERC e-tag

Physical Point of Delivery (POD)									
CA	TP	PSE	POR	POD	"Source" or "first point of receipt". Transactions are aggregated based on this location				
BPAT		PSE A	KFallsGen						
	BPAT	PSE B	KFallsGen	Main500	BPAT				
	CISO	PSE C	Malin500	NP15	CISO	CAISO Product	ENGY	PCG2_MalIn500_L_F	
						CAISO Res ID	PPM_02		
CISO			NP15			RPS ID			

Electricity is delivered to California and the sink is in California. "PSE C" is the PSE at the border crossing into California, and is therefore the first deliverer and must report this transaction.

Sink or "final point of delivery"

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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)(3))
- 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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## Specific Reporting Guidance and Regulatory Updates for Electric Power Entities (Section 95111)

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### MRR 2013 Update Documents

- MRR effective January 1, 2014 clean copy, <http://www.arb.ca.gov/cc/reporting/ghg-rep/regulation/mrr-2013-clean.pdf>
- MRR Update Rulemaking -- Mandatory Reporting, Fee Regulation and Cap And Trade <http://www.arb.ca.gov/regact/2013/ghg2013/ghg2013.htm>
- Final Regulation Order (showing underline/strikeout) <http://www.arb.ca.gov/regact/2013/ghg2013/ghgfro.pdf>

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## §95111 Reporting Updates

- Reporting Only Retail Sales in Cal e-GGRT
- Asset Controlling Supplier (ACS) Power
- Specified Source Claims
- Short-Transactions
- REC Retirement ‘Moratorium’ Lifted by CEC in 2013
- Meter Data Requirements in § 95111(g)(1)(N)

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## Reporting Only Retail Sales Modified Cal e-GGRT Webpage

- Retail Providers with no reportable imports, exports, or wheels can now report Annual Retail Sales without using Workbook 1
- The “Electric Power Entity Overview” webpage in Cal e-GGRT has been modified to accept the Annual Retail Sales figure, only if there are no reportable imports, exports, or wheels
- This will expedite reporting for certain retail providers

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## Asset-Controlling Supplier (ACS)

- **2013 Data Year: BPA and Powerex only registered ACS entities.** For BPA, source listed as BPA Power or BPA Slice. For Powerex, source is BCHA (BC Hydro) followed by Powerex as the exclusive marketer.
- **2013 Data Reported in 2014:** Report as specified source when ACS is identified on physical path of e-Tag as the PSE at first point of receipt, or when ACS is the source for an exclusive marketer (§95111(a)(5)(E) and §95103(h)(8)). A specified source contract is not required to claim ACS power for 2013 data.
- **2014 and later data:** The imported power must be conveyed as specified, just like a specified facility §95111(a)(5)(B). A specified source contract will be required to claim ACS power for 2014 data reported in 2015 and beyond

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## Specified Source Claim Requirements

- § 95852(b)(3)(A) of Cap-and-Trade Regulation (C&T) says EPEs must report imported power pursuant to MRR §95111
- Operator, Ownership or Contract Rights § 95852(b)(3)(B) of C&T
- Directly Delivered § 95852(b)(3)(C) of C&T
- Retire and Verify RECs § 95852(b)(3)(C) of C&T
- Substitute Power is reported separately pursuant to §95111(a)(2)

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### Short-Term Transactions for Specified Source Claims

- Short-term transactions are for “Less Than One Week in Duration”
- Typically for Day-Ahead and Real-Time power
- Written confirmations and associated documentation are not required between buyer and seller
- Verbal confirmations of a specified source are acceptable
- Comply with § 95852(b)(3) of C&T by transacting under a standard agreement (e.g. WSPP, EEI, ISDA)
- Must comply with the Seller Warranty requirements in §95111(a)(4)

### Short-Term Transactions Seller Warranty Requirements in 95111(a)(4)

- **Section 95111(a)(4)** states: “the sale or resale of specified source electricity is permitted among entities on the e-tag market path insofar as each sale or resale is for specified source electricity in which sellers have purchased and sold specified source electricity, such that each seller warrants the sale of specified source electricity from the source through the market path.”
- Unspecified power cannot be bought and then resold as Specified
- **Demonstration of Buyer Knowledge.** Because the buyer submits the emissions data report to ARB, the compliance criteria will be assessed in the first instance on the buyer’s knowledge of the degree to which the source was specified in the transaction.
- **Examination of Seller Warranty.** Verification review and spot checks to examine seller warranty in upstream documentation obtained via buyer audit rights under the provisions of the operative enabling agreement, e.g., WSPP Agreement, Section 9.6.

### Short-Term Transactions Evidence of Seller Warranty

	DID BUYER ESTABLISH EVIDENCE OF SELLER WARRANTY?	BUYER DID NOT ESTABLISH EVIDENCE OF SELLER WARRANTY
<b>SPECIFIED SOURCE CLAIM</b>	Yes. At a minimum, voice tape indicates buyer agreed to buy specified power. Supplemental documentation, such as trade logs and/or aggregate daily, weekly, or monthly confirmations can strengthen the claim.	No. Buyer did not know source was specified prior to contract transaction execution.
<b>MUST BE CLAIMED AS UNSPECIFIED</b>	Voice tape indicates buyer agreed to buy unspecified power.	Voice tape has no indication buyer agreed to transact specified source power, including ACS power, prior to execution.

Note: This table assumes valid contract rights, and direct delivery with appropriate source information. See Table 2 for BPA transactions.

### Short-Term Transactions for BPA Power Specified Source Claims

	BUYER PURCHASE SCENARIOS		
	Transacted Directly with BPA	Transacted with Intermediate Seller	Unspecified Power Via Exchange or Broker*
<b>SPECIFIED SOURCE CLAIM AT THE BPA ACS EMISSION RATE</b>	Yes. Regardless of contracted amount, tags that show source as “BPA Power” or “BPA Slice” and were transacted directly with BPA may be claimed as specified	See Table 1 guidance for seller warranty	No. A specified source claim is not allowed, because the transacted power was by definition unspecified, as the source was unknown prior to contract execution
<b>MUST BE CLAIMED AS UNSPECIFIED</b>	Path out power received from BPA via e-tag (does not list “BPA Power” or “BPA Slice” as source on e-tag must be claimed as unspecified	See Table 1 guidance for seller warranty.	Yes. Must be claimed as unspecified, because buyer did not know source prior to contract execution

Note: This table assumes valid contract rights, and showing direct delivery with appropriate source information. \* Power can be transacted via broker as specified, and ARB regulations and guidance in no way prohibit brokered specified source sales, so long as all applicable specified source requirements are met.

## Renewable Energy Credits (RECs) From Eligible Resources

- Specified Source Claims
  - 2013 data reported in 2014: RECs must be retired by July 17, 2014. If not, emission factor still valid but will be a nonconformance. Report REC serial numbers.
  - 2014 data reported in 2015: REC retirement would not be required under proposed C&T amendments. Report REC serial numbers.
- RPS Adjustment
  - 2013 data reported in 2014 and beyond: RECs must be retired by July 17, 2014 in order to claim the RPS adjustment
  - 2013 data reported in 2014 only: The 'Will Be Retired Later' REC status is not an RPS Adjustment eligible answer, as it was in 2012, due to the lifted CEC moratorium on REC retirement

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## REC Retirement for Specified Sources 2013 Reported Data

Column 1 is threshold test for REC reporting as tabulated in Column 2.

Column 3 has four choices for REC Status.

Column 4 based on REC Status input. If Column 1 "Yes" then zero emission factor is valid. If Column 4 "No" then Non-Conformance.

Is the power from an Eligible Renewable Energy Resource, per Section 95802(a)(7)(N)	RECs must be Retired and Verified per Section 95852(a)(3)(D)	Status of RECs in WREGIS Subaccount 7	Compliance with REC Retirement Requirements	Data RECs Retired in WREGIS Subaccount?	REC Serial Numbers must be uploaded into Cal-e-GHG? To comply with 95111(g)(1)(M)(3). Will this data be included with your filing?	If REC Serial Numbers will not be uploaded to Cal-e-GHG?, please explain.	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, per 95111(g)(1)(N). Have you retained this data?	If meter generation data has not been retained or is otherwise unavailable or inaccessible for verification purposes, please explain.
Yes	Yes	Retired in WREGIS	Yes	5/1/13	Yes		Yes	
No	No	Will Be Retired Later	No	11/2/14	Yes		Yes	
Yes	Yes	Uncertain, Did Not Buy RECs	No		Yes		Yes	
Yes	Yes	Uncertain, Sold the RECs	No		Yes		Yes	

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## REC Retirement for RPS Adjustment 2013 Reported Data

The first three columns and the fifth are threshold tests.

Columns 6-9 tabulate data entered. Zeros pass a threshold and 1's do not.

All possible field values are shown in the four rows.

ELIGIBLE RESOURCE	RIGHTS	REC STATUS	REC DATE	DELIVERY	ELIGIBLE RESOURCE	RIGHTS	REC STATUS	DELIVERY	ELIGIBLE ADJUSTMENT
Is the power from an Eligible Renewable Energy Resource, per Section 95802(a)(7)(N)	Electricity Importer Must Have Either of the following: RPS adjustment is claimed, per 95852(a)(A)	RECs must be used to comply with California RPS requirements during the same year in which the RPS adjustment is claimed, per 95852(a)(B)	Data REC Retired in WREGIS Subaccount?	RECs must be used to comply with California RPS requirements during the same year in which the electricity is directly delivered, per 95852(a)(D)	Is the power from an Eligible Renewable Energy Resource, per Section 95802(a)(7)(N)	Electricity Importer Must Have Either of the following: RPS requirements during the same year in which the RPS adjustment is claimed, per 95852(a)(A)	RECs must be used to comply with California RPS requirements during the same year in which the electricity is directly delivered, per 95852(a)(B)	No RPS adjustment may be claimed for an eligible renewable energy resource when its electricity is directly delivered, per 95852(a)(D)	Eligible for RPS Adjustment?
Yes	Ownership or Contract Rights	Retired in WREGIS	5/1/13	Not Directly Delivered to CA	0	0	0	0	Eligible
Yes	On Behalf of Owner or Contracted Entity	Will Be Retired Later		Set PDR via Distribution Grid	0	0	1	1	No
No	Neither	Uncertain, Did Not Buy RECs		Not Directly Delivered	1	1	1	1	No
Yes	Ownership or Contract Rights	Uncertain, Sold the RECs		Not Directly Delivered	0	0	1	1	No

Change from 2012 Reporting

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## 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** –
  - 2013 data reported in 2014: Retain Meter Data
  - 2014 data reported in 2015: Lesser of Analysis likely to be required for RPS resources as it is currently required by CEC or CPUC
- **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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# Cal e-GGRT Reporting Workbook 1 (Section 95111)

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## Changes to Workbook 1

1. Various minor updates noted in the Version tab
2. New REC Serial Number Template in separate tab
3. Minor edits to some drop-down lists and field names
4. Version 7 is now the only version of Workbook 1 that can be uploaded in Cal e-GGRT
5. RPS Adjustment tab, REC Retirement Status field – The drop-down answer “Will Be Retired Later” no longer accepted as an eligible answer, because CEC moratorium lifted.

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# Workbook 1 Demonstration Walk-Through

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## For More Information

- GHG Reporting Website
  - <http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep.htm>
- Reporting Guidance
  - <http://www.arb.ca.gov/cc/reporting/ghg-rep/guidance/guidance.htm>
- Tool Training: Registration, Subparts
  - <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>
- Email reporting tool questions to: [ghgreport@arb.ca.gov](mailto:ghgreport@arb.ca.gov)

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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
April 10	Regulatory deadline: Reporting deadline for facilities and suppliers of fuels and carbon dioxide, except when subject to abbreviated reporting
June 2	Regulatory deadline: Reporting deadline for electric power entities and those subject to abbreviated reporting
July 17	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
GHG Mandatory Reporting Climate Change Program Data Section Stationary Source Division	Brianne Aguila, Manager 916.323.4887 <a href="mailto:baguila@arb.ca.gov">baguila@arb.ca.gov</a>
Electric Power Entities (Importers, Exporters, Retail Providers, Electricity Marketers) under Section 95111 Climate Change Program Data Section	Wade McCartney 916.327.0822 <a href="mailto:wmccartn@arb.ca.gov">wmccartn@arb.ca.gov</a>
Greenhouse Gas Report Verification Emissions Quality Assurance and Verification Section Climate Change Program Planning and Management Branch	Renee Lawver, Manager 916.322.7062 <a href="mailto:rlawver@arb.ca.gov">rlawver@arb.ca.gov</a>
Climate Change Program Evaluation Branch Stationary Source Division	Miss Rajinder Sahota, Chief 916.323-8503 <a href="mailto:rsahota@arb.ca.gov">rsahota@arb.ca.gov</a>

## Q & A