Introduction

§95101(c):
- Contains rule applicability requirements for suppliers of transportation fuels, natural gas, NGLs, LPG, CNG, and LNG

§95121:
- Contains reporting requirements for transportation fuel suppliers including refineries producing LPG
- References 40 CFR Part 98, Subpart MM

§95122:
- Contains reporting requirements for suppliers of natural gas and NGL fractionators, and Consignees
- References 40 CFR Part 98, Subpart NN

Outline

- Introduction
- Suppliers of Transportation Fuel
  - 2013 Revisions
  - Summary of Applicability and Reporting
- Suppliers of Natural Gas, NGLs, LPG, CNG, and LNG
  - 2013 Revisions
  - Applicability
  - NG Supplier Reporting
  - NGL Fractionator Reporting
    - Cal e-GGRT Changes
  - Consignee Reporting
- Q&A
2013 MRR Revisions – Transportation Fuels

• §95113 – added requirement that “petroleum refinery operators” and “refiners” are separate reporting entities
  • Refinery emissions (Subpart Y) must be reported under separate ARB ID than fuel supplier emissions (Subpart MM)
  • Reports require separate verification, so plan ahead
• §95121 (no substantive changes)
  • Clarified that aviation and marine fuels are not reportable fuels

Applicability Thresholds

• **Reporting Threshold:** Fuel suppliers delivering an annual quantity of transportation fuel that, if completely oxidized, would result in the release of greater than or equal to 10,000 MT CO$_2$e in California
  • RBOB: ~1.14 M gallons
  • Diesel #2: ~975 k gallons
• **Verification and Cap and Trade threshold:** 25,000 MT CO$_2$e
  • RBOB: ~2.85 M gallons
  • Diesel #2: ~2.45 M gallons

Transportation Fuel Suppliers are:

• **Position holders** delivering fuel across terminal racks
• **Refiners** delivering fuel across racks at refineries and downstream pipeline terminals as the position holder
• **Enterers** (importers) importing fuel outside the bulk transfer/terminal system
  • Example: an importer delivering finished E85 blended in Nevada directly to California service stations

Point of Regulation

• The entity who has ownership of the fuel immediately upstream of the terminal or refinery rack must report the fuel removed from the rack

Refiner A sells fuel in bulk to Company B

Company B delivers fuel across the terminal rack to Company C for distribution

Company B is the position holder that must report the fuel
The position holder or refiner must report annual volume of fuel delivered across terminal or refinery racks in units of barrels (bbls)
- 1 Barrel = 42 U.S. Gallons
- Reported by fuel type
- All gasoline blendstocks must be reported by component
  - Example: 100 barrels (bbls) of E10 motor gasoline would be reported as 90 bbl RBOB, 10 bbl ethanol

Refiners commonly trade (buy/sell) transportation fuel products in bulk with other fuel suppliers
Refiners do not report fuel delivered in bulk to other fuel suppliers (typically via pipeline)
- Refiner must confirm that the purchaser is a licensed fuel supplier with the California Board of Equalization (BOE).
- If this cannot be confirmed, the refiner must report the fuel delivered in bulk to the unlicensed entity
- Contact ARB staff for assistance determining BOE status if it is unclear

Liquefied Petroleum Gas
Refiners must report emissions from LPG produced and delivered in California
Refiners should only report LPG components that are produced and delivered in mixtures that could be used as a fuel by an end-user
- Bulk Butanes/Pentanes etc. sold to other refineries for use as feedstock or blendstock do not fit the definition of LPG and are not reported in MM
Cal e-GGRT

- **Step 1:** Download Excel Spreadsheet, enter fuel volume data in BBLs and follow directions for ‘exporting data to ‘XML format’
- **Step 2:** Upload the saved XML file into Cal-eGGRT

Suppliers of Natural Gas, Natural Gas Liquids, and Liquefied Petroleum Gas (Section 95122)

2013 MRR Revisions –NG Suppliers, Fractionators and Consignees

- **§95101(c)**
  - Added LNG Production Facilities that liquefy NG from interstate pipelines - Effective for 2014 data reported in 2015

- **§95122**
  - Clarified that intrastate pipelines delivering gas to end-users are considered Local Distribution Companies (LDCs)
  - Clarified that consignees of imported CNG/LNG are required to report similar to consignees of LPG
  - Added reporting requirements for LNG production facilities - Effective for 2014 data reported in 2015

2013 MRR Revisions –NG Suppliers, Fractionators and Consignees

- **§95122** (effective for 2013 data reported in 2014)
  - (d)(2)(D): Added requirement for LDCs to report list of downstream pipelines and/or LDCs to which gas is “re-delivered”
  - (d)(2)(E): Changed threshold for reporting end-user delivery and customer data from 460,000 Mscf (~25,000 MT CO$_2$e) to 188,500 MMBtu (~10,000 MT CO$_2$e)
    - Supplier must also report ARB ID of each end-user if available
  - (d)(4): Revised data reporting requirements for intrastate pipelines for consistency with other LDC requirements
  - (d)(6): Added specific biomass reporting requirements for LDCs that purchase biomass on behalf of customers
Cal-eGGRT Changes for NG Suppliers

- Added two uploadable spreadsheets for reporting:
  - Delivery data for re-deliveries to downstream LDCs and pipelines
  - End-User Customer and Delivery Data

Applicability

- NG suppliers and consignees that supply an annual quantity of fuel that, if completely combusted, would result in ≥10,000 MT CO₂e, including:
  - Local Distribution Companies:
    - Public Utility Gas Corporations (PUGCs)
    - Publicly Owned Gas Utilities (POGUs)
    - Operators of intrastate pipelines delivering gas to end-users
  - Operators of interstate pipelines
  - Consignees of LPG/CNG/LNG
  - Operators of LNG Production Facilities that liquefy gas received from interstate pipelines (starting with 2014 data reported in 2015)
  - Natural gas liquid (NGL) fractionators, regardless of quantity

Natural Gas Suppliers

- Local Distribution Companies
  - Public Utility Gas Corporations (PUGCs)
  - Publicly Owned Natural Gas Utilities (PONGUs)
  - Intrastate Pipelines delivering fuel to end-users*
- Interstate Pipelines**

* Intrastate pipelines have different reporting requirements than other LDCs.
** Interstate pipelines are not required to report emissions data, only volume and customer data

Emissions Reporting – NG Suppliers

- PUGCs and POGUs must report total CO₂ as:
  - \( CO_2i \): Gas received at city gate (or state border), minus
  - \( CO_2j \): Net sum of gas re-delivered to or received from other gas utilities or pipelines, minus
  - \( CO_2l \): Net sum of gas in/out of storage and or received from local production
**Emissions Reporting – Intrastate Pipelines**

- *Intrastate* Pipelines report using the same equation as other LDCs, with a few differences:
  - $CO_{2i}$: The total amount of gas delivered by the pipeline to all entities (LDCs, other pipelines, or end-users) **minus**
  - $CO_{2j}$: Net gas re-delivered to other gas utilities or pipelines
  - $CO_{2l}$: Must be set to Zero

**Interstate Pipelines**

- *Interstate* Pipelines must report only:
  - Gas volume and customer data as specified in section 95122(d)(3)
  - No emissions data is reported; therefore, verification is not required for *interstate* pipelines

**Customer Data - All LDCs**

- All LDCs must report delivery and customer data for each end-user registering supply equal to or greater than 188,500 MMBtu (~10,000 MT CO$_2$e)
  - Customer data includes ARB ID **if available**
- This information is used by ARB to calculate each NG suppliers ‘covered emissions’

**NG Supplier Covered Emissions Calculation**

- Covered emissions for each NG supplier are equal to:
  - Total emissions from all fuel delivered to end users, as calculated in §95122(b)(6), **minus**
  - The emissions from all fuel that is delivered to covered facilities in California (as determined by ARB staff)
- The calculation relies on supplier reported customer data and facility reported data
  - Final covered emissions values are finalized 30 days after the annual verification deadline
  - See Section 95852(c) of the cap and trade regulation
Biomethane Reporting

- Natural gas suppliers can supply biomethane, which is biomass-derived natural gas meeting pipeline quality standards
- Only biomethane purchased by the supplier on behalf of the end user is reported as biomethane
- If biomethane is purchased directly by the end user, it is reported as fossil NG by the supplier (and reported as biomethane by the end user)
- If reporting biomethane, must include name and address of biomethane vendor and production facility, and annual MMBtu received for each contracted delivery (§95103(j)(3))

Emissions Reporting – NGL Fractionators

- NGL fractionators report two sets of emissions data:
  1. Per 40 CFR 98.402(a): CO₂ emissions from all NGL Products (LPG and non-LPG) listed below that are produced and delivered (irrespective of destination). These are your Total Emissions
  2. In addition: CO₂e from all LPG products produced and delivered, unless destination outside of California can be demonstrated. These are your Covered Emissions

LPG vs non-LPG NGLs: Covered Emissions

- Natural gas liquids are any liquids from natural gas processing, including LPG, bulk products, blends, feedstocks
  - Not all covered emissions
- Liquefied petroleum gas (LPG), aka “propane,” is a commercial fuel that meets specifications laid out in definition; used for heating, transportation, BBQ grills, etc.
  - This is a subset of total NGL production
  - These are the COVERED emissions
  - Why? Because they are used downstream as fuels for heating and transportation; other NGLs likely to be used as feedstocks for processes (plastics and other petrochemicals)

Cal e-GGRT Changes for Fractionators

- Report all NGLs produced and delivered (including LPG components) in the top portion. Data entered into the top section should be identical to data reported to EPA using e-GGRT. Note that NGL produced is calculated as NGL supplied (CO₂i) minus NGL received (CO₂m). CO₂m is set to zero for LPG products.
**NGL Fractionator Product Data Reporting**

- All NGL fractionators are required to separately report NGL product data
  - Reported per section 95156(d) of the MRR in subpart W of the Cal-eGGRT reporting tool
  - Data used for allocation purposes
- All NGL and LPG products are considered 'covered product data'
- Only NGLs produced at the facility are counted

**Emissions Reporting – LPG Consignees**

- A California consignee is the entity to whom the imported product is to be delivered
- Consignees of LPG must report:
  - LPG volumes by individual LPG component if the composition is provided by the producer
  - 'LPG' using default the emissions factor if the LPG composition is not provided
- Consignees of CNG/LNG must report:
  - Total CNG and LNG energy (MMBtu) delivered into California

**Questions?**

**Additional Training Sessions**

- ARB sector-specific training (check link for times)
  [http://www.arb.ca.gov/cc/reporting/ghg-rep/guidance/guidance-training.htm](http://www.arb.ca.gov/cc/reporting/ghg-rep/guidance/guidance-training.htm)
  - March 13 - General Information and Updates
  - March 13 - Petroleum and Natural Gas Systems
  - March 20 - Petroleum Refineries: Complexity Weighted Barrel
  - March 20 - Hydrogen Production: Product Data Reporting
  - March 20 - Fuel Suppliers: Transportation Fuels, Natural Gas, Others
  - Mid-April – Electricity Providers
- Contact ARB staff as needed for questions
### Key Reporting Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1</td>
<td>Regulatory deadline: Due date for electric power entities to register specified facilities outside California</td>
</tr>
<tr>
<td>February 13</td>
<td>Public release of Cal e-GGRT</td>
</tr>
<tr>
<td>April 10</td>
<td>Regulatory deadline: Reporting deadline for facilities and suppliers of fuels and carbon dioxide, except when subject to abbreviated reporting</td>
</tr>
<tr>
<td>June 2</td>
<td>Regulatory deadline: Reporting deadline for electric power entities and those subject to abbreviated reporting</td>
</tr>
<tr>
<td>July 15</td>
<td>Regulatory deadline: Deadline for corrections to RPS Adjustment data required for electric power entity data reports</td>
</tr>
<tr>
<td>September 2</td>
<td>Regulatory deadline: Final verification statements due (emissions data and product data)</td>
</tr>
</tbody>
</table>

### GHG Reporting Contacts

<table>
<thead>
<tr>
<th>Subject Matter</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>GHG Mandatory Reporting (General)</td>
<td>Brieanne Aguila, Manager 916.324.0919</td>
</tr>
<tr>
<td>Reporting Requirements, Stationary Combustion, Other Sectors (cement, glass, pulp and paper, etc.)</td>
<td>Patrick Gaffney 916.322.7503</td>
</tr>
<tr>
<td>Reporting Tool Registration and General Questions</td>
<td>Karen Lutter, 916.322.8620</td>
</tr>
<tr>
<td>Electricity Generation and Cogeneration Facilities</td>
<td>Patrick Gaffney 916.322.7503</td>
</tr>
<tr>
<td>Electricity Retail Providers and Electricity Marketers</td>
<td>Wade McCartney 916.327.0822</td>
</tr>
<tr>
<td>Fuel and CO₂ Suppliers - Transportation Fuels, Natural Gas, LPG, CO₂</td>
<td>Syd Partridge 916.445.4292</td>
</tr>
<tr>
<td>Petroleum Refineries, Hydrogen Plants, Oil &amp; Gas Production</td>
<td>Byard Mosher 916.323.1185</td>
</tr>
<tr>
<td>Product Data – Refineries, and Oil &amp; Gas</td>
<td>Byard Mosher 916.323.1185</td>
</tr>
<tr>
<td>Greenhouse Gas Report Verification</td>
<td>Renee Lawver, Manager 916.322.7062</td>
</tr>
<tr>
<td>Chief – Climate Change Program Evaluation Branch</td>
<td>Rajinder Sahota, Chief 916.323.8503</td>
</tr>
</tbody>
</table>

### Resources

- Reporting Guidance: Applicability, Metering, Fuel Supplier Reporting  
  [http://www.arb.ca.gov/cc/reporting/ghg-rep/guidance/guidance.htm](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](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](http://www.ccdsupport.com/confluence/display/calhelp/Home)

- U.S. EPA Detailed Sector Training Slides  
  [http://www.epa.gov/climatechange/emissions/training.html](http://www.epa.gov/climatechange/emissions/training.html)  
  (use as a supplement to ARB summary slides)