

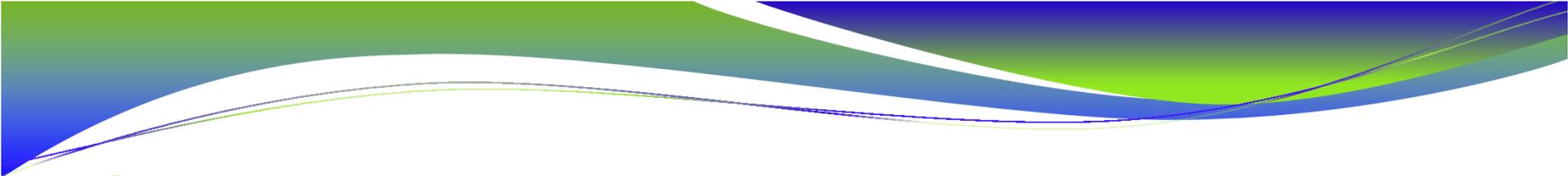
Mandatory Reporting Workshop

**Potential Updates to the California Regulation for the
Mandatory Reporting of Greenhouse Gas Emissions**

Electric Power Entities, Section 95111

Tuesday, July 23, 2013
10am to Noon

Slides available: <http://www.arb.ca.gov/cc/reporting/ghg-rep/revision-2013/revision-2013.htm>



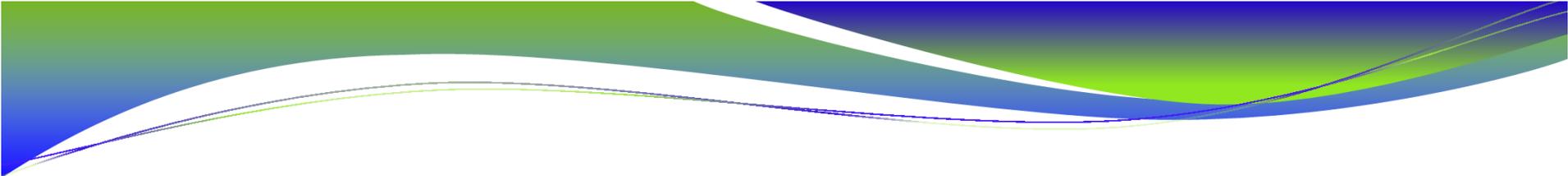
Overview

- Regulatory Timeline
- Proposed Updates
 1. Sale or resale of specified source electricity
 2. Busbar claims for specified power
 3. Asset controlling supplier (ACS) power not always specified, and must originate in ACS System
 4. ACS power must use transmission loss factor
 5. ARB to calculate emission rates for System Power above default emission factor
 6. Actual Ownership for High-GHG Facility Output
 7. Revised Meter Generation Requirement

Note: RECs, RPS Adjustment, and Resource Shuffling are not on the agenda

Regulatory Timeline

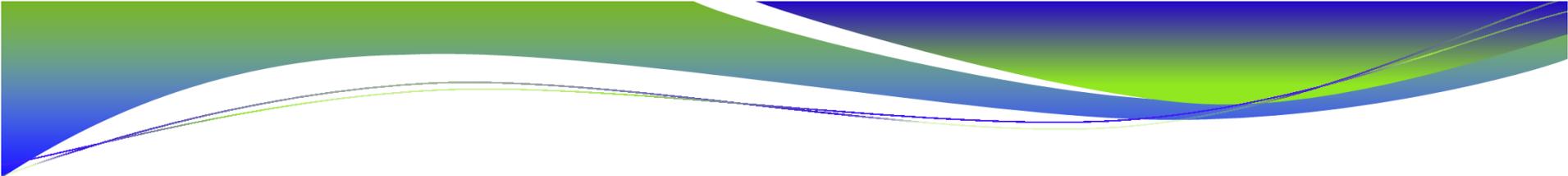




1. Sale or resale of specified power

Potential Language: For addition to 95111(a)(4) as shown:

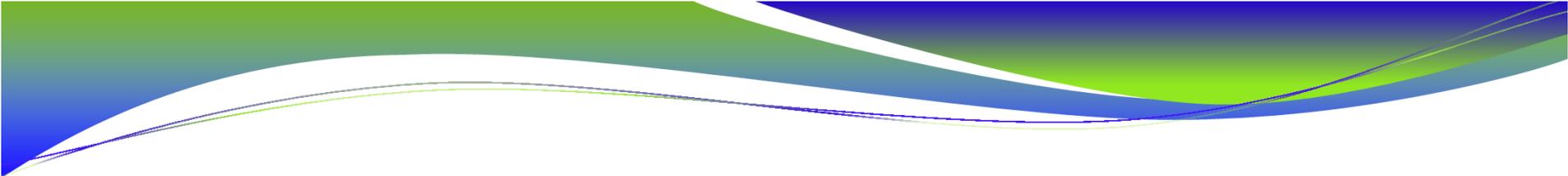
- *The sale or resale of specified source electricity is permitted among entities on the e-tag market path insofar as each sale or resale is for specified source electricity in which sellers have purchased and sold specified source electricity, such that each seller warrants the sale of specified source electricity from the source through the market path.*
- Clarifies that sellers must warrant the sale of specified source electricity to ensure integrity of the claim
- Addresses concerns particularly with Short-Term Transactions which are transactions that are less than one week in duration



2. Busbar claims for specified power

Potential Language: Add new subsection 95111(a)(4)(A)(3) to read:

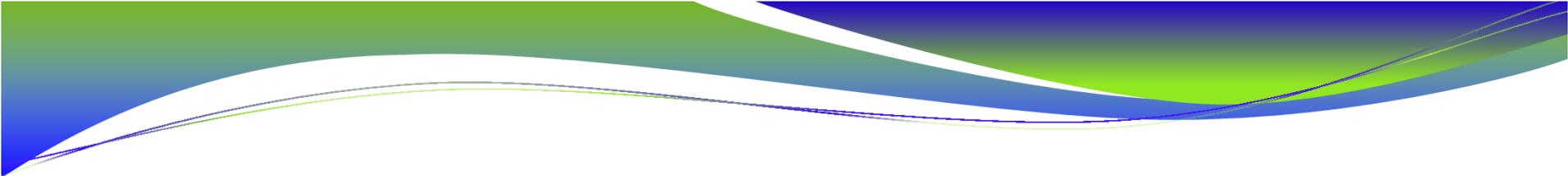
- *Supporting documentation must be provided for busbar claims.*
- Imports measured at the busbar, no transmission loss factor (TLF)
- Imports not measured at the busbar, TLF is required
- Revision necessary to establish a verifiable basis for busbar claims, given that busbar claims allow an electric power entity to claim a slightly smaller amount of power because the transmission loss factor is not required



3. ACS Power not always specified, and must originate in ACS System

Potential Language: Revised subsection 95111(a)(5) to include:

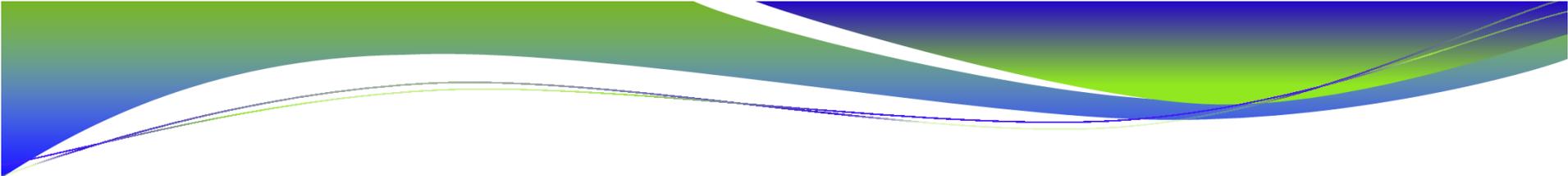
- **ACS Power Claims.** 95111(a)(5)(B) *Report Asset-Controlling Supplier power that was not properly acquired as specified power, as unspecified power;*
- **ACS Power Tags & Path Outs.** 95111(a)(5) *To claim power from an asset-controlling supplier, power must originate from the asset-controlling supplier system, as evidenced by the first line of the physical path table in the NERC e-tag which must specify the generation control area of the asset-controlling supplier, with the exception of path outs. Path outs are excess power, originally procured as part of a U.S. federal mandate to serve the operational or reliability needs of a U.S. federal system but which are no longer required due to changes in demand or system conditions.*
- Establishes, in 95111(a)(5)(B), that ACS power, not acquired as specified, must be reported as unspecified
- Clarifies ACS power tagging in 95111(a)(5) and describes ACS path out power



4. Transmission Loss Factor must be used for ACS Power claims

Potential Language: Revise subsection 95111(a)(5)(D) to read:

- Report GHG emissions calculated pursuant to section 95111(b), using the transmission loss factor of 1.02 in all instances;
- Neither of the two registered ACS entities have balancing area authority (BAA) or transmission provider (TP) control points in CA
- BPA service territory does extend into California, but only at the distribution level to one electric cooperative
- No other electric power entities take delivery of BPA power from that portion of its service territory that extends into California
- Delete language in 95111(b)(3)(C) consistent with 95111(a)(5)(D)



5. ARB to calculate emission rates for System Power above default rate

Potential Language: New subsection 95111(b)(5) to read:

- *For system power imports above the default emission factor for unspecified electricity imports, electricity that is not tagged as originating from unique specified sources of generation but is instead tagged as system power cannot be claimed as an unspecified source. ARB shall calculate system power emission factors and publish them on the ARB Mandatory Reporting website using the following equation:*

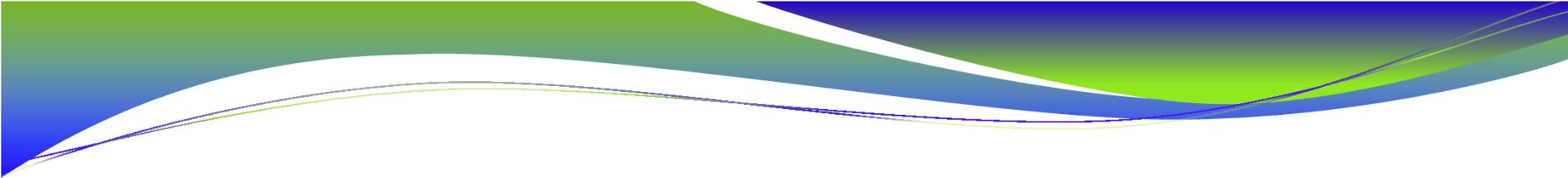
$$EF_{sy} = E_{sy} / EG_{sy}$$

Where:

EF_{sy} = CO₂e emission factor for system power recognized by ARB for the report year (MT of CO₂e/MWh).

E_{sy} = CO₂e emissions for a system for the report year (MT of CO₂e).

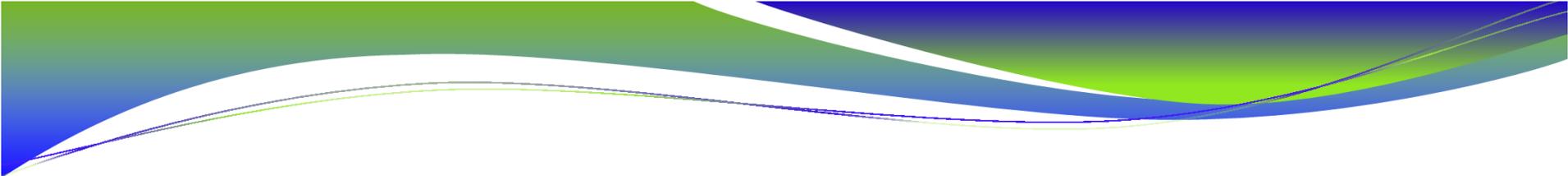
EG_{sy} = Net generation from a system for the report year (MWh).



6. Actual Ownership for reporting of high-GHG facility output

Potential Language: New text 95111(c)(3)(C) in underline here:

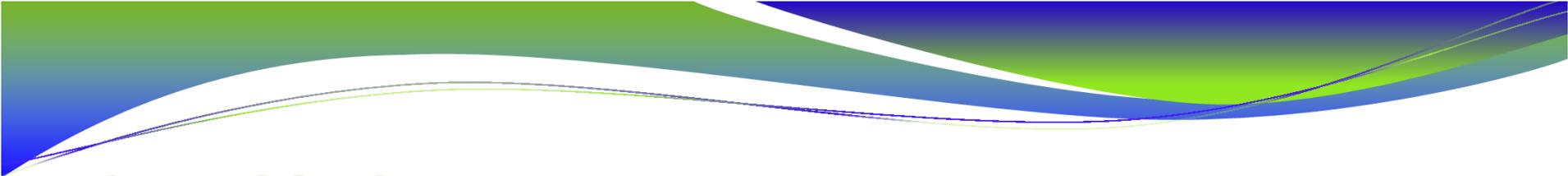
- *High GHG-Emitting Facilities or Units.* For facilities or units that are operated by a retail provider or fully or partially owned by a retail provider through actual as opposed to implied ownership, ...
- Clarifies that full or partial ownership as used in this section, is based on an actual ownership interest
- The generation providing entity (GPE) concept of implied ownership does not apply in 95111(c)(3)(C).
- An electric power entity either has an actual full or partial ownership interest High GHG-Emitting Facilities or Units located outside California or it does not



7. Revised meter generation requirement

Potential Language: Strike text in 95111(g)(1)(N) in underline here:

- 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.~~
- Removal of the strike-through language would still provide for reconciliation of e-tags and meter data
- Common practice in the industry to perform monthly true-ups between generated and scheduled power.



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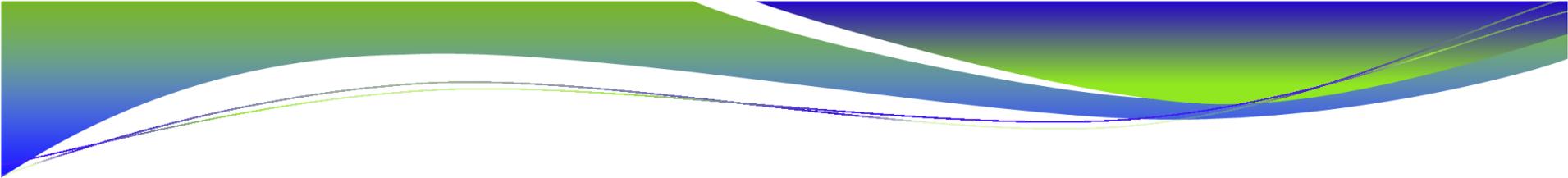
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Comments

- Please send your comments by August 1, 2013
- jhowe@arb.ca.gov
- Next Milestone:
Prepare materials
for 45-day Comment
Period starting on Sept 9th





Thank You

