

Comments of the Western Power Trading Forum
to the California Air Resources Board on the 15 day Proposed Changes to the
Mandatory Reporting Regulation

October 17, 2014

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The Western Power Trading Forum (WPTF) offers comments to the California Air Resources Board (CARB) on its 15-day proposed amendments to the Mandatory Reporting Regulation.

WPTF supports most of CARB's proposed changes to the regulation. However we believe that additional guidance is needed in two areas: the new requirements for registration of specified imports and the use of mid-c hourly allocations in lieu of meter data in the lesser of metered/scheduled calculation. We provide detailed comment on each of these issues below.

Requirements for registration of specified sources

New language introduced in the 15 day proposed amendments in section 95111(b)(2) states "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 the power by the reporting entity as an import to California."

WPTF understands from conversations with CARB staff that these new requirements are intended to apply only in the case that an importer wishes to register, and have an emission factor calculated for, a particular generating unit within a larger facility, rather than the facility as a whole. This is not clear from the newly introduced language, due to the fact the elsewhere the regulation defines and refers to specified sources, rather than specified *unit* sources. We therefore request that CARB provide clarification in guidance that explains that these new requirements apply only in the case that a unit-specific emission factor is requested. Additionally, it would be helpful for CARB staff to articulate the problem that the new requirements are intended to address (e.g. a difficulty in disentangling unit-specific data from the Environmental Protection Agency's facility emissions data).

We also request CARB to address in guidance several complications that arise from these new requirements:

- An importer who is not the facility owner or operator will not have access to emissions and generation data for the unit in question unless provision of that data has been expressly required by the terms of the contract. As this is a new requirement, it would not be fair to apply it retroactively to 2014 imports. CARB should therefore explain how a unit-specific emission factor will be calculated in the event that the importer is unable to provide emissions and generation data.
- We are concerned about the need for an importer to provide full contracts containing confidential information to CARB. We therefore urge CARB to clarify that the importer may redact confidential information, and submit

- only the minimum documentation of contract terms necessary to demonstrate that the specific unit was identified as a specified source.
- Similarly, an importer should be required to submit only the minimum documentation necessary to demonstrate direct delivery during the previous calendar year. For example, a single e-tag showing delivery from the unit to California, or if the delivery is not tagged, revenue meter data reflecting generation for a single day from a California balancing authority, should suffice.

The “lesser of metered/scheduled” calculation

New language in 95111(e) clarifies the conditions when calculation of the lesser of metered generation and tagged or transmitted energy must be performed. This language explicitly excludes “imports from hydroelectric facilities for which an entity’s share of metered output on an hourly basis is not established by power contract.” However, it provides no guidance regarding imports from hydroelectric facilities, such as the Mid-Columbia resources where each entity’s share is established by contract.

WPTF understands that CARB intends to release additional guidance on the lesser of analyses, and that this guidance will confirm previous CARB guidance provided in March 2013¹ that allocated generation under the Mid-C Hourly Coordination Agreement to be used in lieu of meter data for these resources. WPTF requests that this guidance be released as quickly as possible to avoid possible confusion regarding requirements for the Mid-C resources.

Lastly, WPTF offers a comment on the exemption of ‘dynamically tagged power deliveries’ from the requirement to perform the lesser of analysis. WPTF does not object to this exemption because it is currently consistent with RPS program requirements. However, we understand that the California Energy Commission² may revisit RPS program rules for dynamically transferred renewable energy because of the fact that the quantity of power transferred could exceed the quantity of renewable energy (and hence RECs) generated in each hour. We therefore urge CARB to monitor RPS program develops and modify the MRR as needed in the future to ensure consistency of the MRR’s ‘lesser of’ analysis requirement with RPS program requirements.

¹ http://www.arb.ca.gov/cc/reporting/ghg-rep/guidance/epe_1pg.pdf

² See slide 14 at http://www.energy.ca.gov/portfolio/pou_rulemaking/2014-RPS-01/2014-07-11_workshop/2014-07-11_workshop_presentation.pdf