



# Greenhouse Gas Reporting Protocols

## Natural Gas Suppliers

### Instructions for reporting greenhouse gas emissions

#### Overview

Natural Gas Suppliers and in-state producers must report the greenhouse gas emissions resulting from the complete combustion or oxidation of all natural gas and biomass-derived fuel they supply to and within Oregon, as prescribed by [OAR 340-215-0115](#). This document provides additional guidance on reporting requirements for this sector, including applicability, reporting deadlines, and methodology. Entities required to report should review the greenhouse gas reporting rules to identify additional elements of the reporting program.

#### Applicability

Any entity that produces natural gas, compressed natural gas, or liquefied natural gas in Oregon, or who imports, sells, or distributes natural gas to end users in Oregon is subject to Oregon’s greenhouse gas reporting rules ([OAR Chapter 340 Division 215](#)). This includes, but is not limited to, in-state natural gas producers, local distribution companies, interstate pipelines, and importers of natural gas.

*In-State producers:* Any entity that refines, treats, or otherwise processes biogas into biomethane in Oregon, or is responsible for the production, extraction, recovery, lifting, stabilization, separation, or treating of natural gas from natural formations. This segment does not include removal of natural gas from underground storage facilities.

*Local Distribution Company (LDC):* A legal entity, including natural gas utilities, engaged in the retail sale and/or delivery of natural gas through a distribution system that they own or operate and that physically delivers gas to end users in Oregon.

*Interstate pipelines:* An entity that owns or operates a pipeline that delivers natural gas to Oregon across the state border. An interstate pipeline is not considered a local distribution company.

*Importers of natural gas:* For reporting purposes, this category includes any entity that imports natural gas into Oregon by any means other than a pipeline distribution system. This category includes, but is not limited to, gas imported into the state by rail or truck.

## Reporting deadlines

The reporting deadline is **March 31** for reporting emissions from the previous calendar year (January 1 to December 31).

## Reporting protocols

All natural gas suppliers and in-state producers must report:

- Total volume of natural gas delivered (Mscf)
- Total energy of natural gas delivered (MMBtu)
- Types of natural gas delivered
- Emissions associated with complete combustion or oxidation of all delivered natural gas (MT CO<sub>2</sub>e)
- Volume of natural gas delivered to each large end user, including customer information required in 40 C.F.R. 98.406(b)(12)
- Identifying information for each natural gas marketer who contracts use of their distribution system and the volume of natural gas transported for each marketer

For the purposes of this reporting, “large natural gas end users” means end users receiving equal to or greater than 460,000 scf of natural gas during the year.

LDCs must report greenhouse gas emissions using methodologies described in [40 C.F.R. part 98 subpart NN](#) for suppliers of natural gas and natural gas liquids. A full and complete copy of their annual EPA Greenhouse Gas Report filed for compliance with 40 C.F.R. part 98 subpart NN may be submitted to meet this requirement. All other natural gas suppliers may use calculation methodology 1 as specified in 40 C.F.R. 98.403(a)(1) to report their emissions. CH<sub>4</sub> and N<sub>2</sub>O emissions should also be calculated, using equation C-8 and table C-2 as required in 40 C.F.R. 98.33(c)(1).

To prevent double counting, volumes of gas delivered to a local distribution company in Oregon should not be reported. Emissions from gas that is exported to users outside of Oregon should also not be reported.

## Reporting biomethane

Biomethane (also known as renewable natural gas) is biogas, or synthetic methane made from renewable resources, that meets pipeline quality natural gas standards. It may be injected into existing natural gas infrastructure to displace fossil natural gas and delivered by LDCs, interstate pipelines, or other natural gas suppliers through pipelines or distribution systems. Carbon dioxide emissions from biomass-derived fuels, such as biomethane, are considered biogenic.

## Biomethane reporting protocols

For biomethane purchased from a production facility, natural gas suppliers must report:

- Biomethane production facility contact information
- Biomethane production facility name, address, and facility type
- Amount of biomethane (MMBtu) purchased and delivered to end users in Oregon.
- Emissions associated with the complete combustion or oxidation of all biomass gas delivered (MT CO<sub>2</sub>e)

For biomethane purchased from a vendor that is not the producer, natural gas suppliers must report:

- Vendor name
- Vendor contact information
- Amount of biomethane (MMBtu) purchased and delivered to end users in Oregon.
- Biomethane production facility name, address, and facility type from which the biomethane was sourced

### **Biomethane contract requirements**

To report delivery of biomethane, a natural gas supplier must clearly demonstrate sole ownership of an equivalent volume of biomethane and exclusive ownership of any associated environmental attributes and benefits through procurement contracts from the biomethane producer or chain of custody contractual arrangements that show the transfer of ownership from the producer to the supplier reporting to DEQ pursuant to OAR 340-215-0115.

### **Accounting for biomethane ownership**

Since biomethane is physically identical to fossil natural gas, natural gas suppliers are not required to physically track biomethane molecules from the point of injection into a pipeline through to physical delivery at an end user location in Oregon. Under the book-and-claim accounting model, the biomethane is assumed to displace an equivalent amount of fossil natural gas (measured in MMBtu). There is no requirement to provide evidence that the purchased biomethane was physically delivered to a specific end user; rather, the chain of custody contracts and documentation represent the ownership and transfer of the biomethane through the supply chain.

### **Reporting biomethane for multiple programs**

Biomethane reported within an annual greenhouse gas emissions report cannot also be claimed at any other delivery location or for any other end uses. Where a specific volume of biomethane delivered for a specific end use is also eligible for compliance with other overlapping regulatory programs, the biomethane may be eligible to be claimed under more than one program without being double counted. For example, a volume of biomethane delivered by an LDC to a natural gas vehicle fueling station could be claimed under the GHG RP, and under both the federal Renewable Fuel Standard and Oregon Clean Fuels Program. In this case, the three regulatory programs all consider the same volume of biomethane, used at the same point and time, and for the same end use.

### **Additional requirements**

All new Natural Gas Suppliers must register with the Greenhouse gas Reporting Program in advance of the March 31 reporting deadline by submitting a completed Natural Gas Supplier Registration Form via e-mail to [GHGReport@deq.oregon.gov](mailto:GHGReport@deq.oregon.gov).

### **Online reporting**

Natural gas suppliers must report and certify emissions data using the [Your DEQ Online](#) reporting tool.

A user guide to reporting greenhouse gas emissions as a natural gas supplier is available on the [Greenhouse Gas Reporting Resources and Forms](#) page.

## Supporting documentation

If an entity chooses to substitute its own reporter-specific emission factors or high-heating values in place of default values, it must provide DEQ with these values and all information used to develop the reporter-specific emission factor(s) or heating value.

Suppliers claiming delivery of biomethane must retain documentation that authenticates the purchase of biomethane between parties and demonstrates that the entity reporting the biomethane has the exclusive right to claim the biomethane and all environmental attributes and benefits. Natural gas suppliers should ensure they are able to produce documentation that can show the quantity of biomethane purchased from each vendor/producer and that the reported biomethane met pipeline quality natural gas standards. Additional documentation may be requested by DEQ or verifiers during auditing or third-party verification.

## Recordkeeping requirements

Natural Gas Suppliers must retain DEQ greenhouse gas emission reporting records and any applicable materials as required by EPA's 40 C.F.R part 98 for a period of at least five years. Records retained must be sufficient to document and allow for verification of emissions data reported to DEQ and any later revisions. Note that natural gas suppliers that are subject to the requirements of [OAR 340-272-0120](#) (third party verification) will be required to retain records for at least seven years, beginning with data for the 2021 reporting year. Interstate pipelines are exempt from third party verification requirements.

In addition, records authenticating the purchase of any biomass-derived natural gas and documentation of any exported natural gas must be kept for the minimum five year recordkeeping period.

## Circumstances under which a source can stop reporting

Natural Gas Suppliers that cease to supply natural gas in Oregon are no longer required to report to DEQ if they complete all of the following: (1) submit an emissions report for the year in which they ceased to supply natural gas in Oregon, (2) retain the records required under [OAR 340-215-0042](#) for a period of five years following the last year that they were subject to reporting, and (3) notify DEQ in writing of their reason(s) for ceasing to report no later than the reporting deadline for the applicable year (March 31).

If a regulated entity undergoes a change of ownership or operational control that results in a cessation of their status as a Natural Gas Supplier, the following must be completed to comply with DEQ rule: (1) the new owner or operator must notify DEQ in writing of the ownership or operational control change with information as specified in OAR 340-215-0034(3)(a), (2) the person that owns or operates the regulated entity at the time of a reporting deadline (March 31) has the responsibility for complying with reporting requirements, and (3) if an ownership change takes place during the year, reported data must not be subdivided for the year. A single annual emissions data report must be submitted by the current owner or operator.

## Program name and contacts

For assistance with reporting please email the program at [GHGReport@deq.oregon.gov](mailto:GHGReport@deq.oregon.gov). Sector specific program contact information and phone numbers are available on our program contacts [website](#).

## Alternate formats

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email [deqinfo@deq.oregon.gov](mailto:deqinfo@deq.oregon.gov).