Greenhouse Gas Greenhouse Gas Reporting

Asset-Controlling Suppliers (ACS)

Instructions for applying for designation

Overview

Electricity entities seeking asset-controlling supplier designation must be approved through DEQ, as prescribed by <u>OAR 340-215-0120</u>. This document provides additional guidance on requirements for entities that are seeking ACS designation by DEQ or renewing designation. Entities applying for ACS designation should review the greenhouse gas reporting rules to identify additional applicable elements of the reporting program.

Applicability

An ACS is an entity who owns or operates inter-connected electricity generating facilities, or has exclusive rights to claim electricity from these facilities even though they do not own them, and who has been designated by DEQ as an asset-controlling supplier.

Note that all electricity suppliers that import, sell, allocate or distribute electricity to end users in Oregon are subject to Oregon's greenhouse gas reporting rules (OAR Chapter 340 Division 215), and, if applicable, greenhouse gas emission data are additionally required to be reported using the relevant reporting rules and protocols.

Deadlines

Annually, electricity entities seeking ACS designation, or renewing designation, must submit an ACS application with required data elements, including emission data from the previous calendar year (Jan. 1 to Dec. 31), by June 1 of the following year.

Application protocols

Oregon rules require entities seeking ACS designation to annually report the megawatt-hours (MWh) and greenhouse gas emissions from electricity generated, purchased, and sold across their power system, both within and outside of Oregon, for the previous emissions year (Jan. 1 to Dec. 31). This includes information on power generated at facilities owned by the asset-controlling supplier, wholesale electricity purchased and taken from specified sources, purchases from unspecified sources, and sales from specified sources.

To apply to be an Asset-Controlling Supplier, request an application form by emailing GHGReport@deq.state.or.us.

Reporting requirements

Reporting of purchased, generated or sold power should comply with the following protocols:

Emissions from specified sources: "Specified source of electricity" means a facility or unit which is allowed to be claimed as the source of electricity delivered.

- Generated power: Report generated power as a specified source when the electricity supplier is (1) a full or partial owner or operator of the generating facility or unit, (2) party to a power contract for a fixed percentage of generation from the facility or unit, or (3) party to a tolling agreement and rents a facility or unit from the owner, or is an exclusive power deliverer that is not a retail provider and that has prevailing rights to claim electricity from the specified source.
- **Purchased specified power:** Report power as purchased from a specified source when the electricity supplier can provide documentation that a power contract designated



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purchases from a specific generating power facility, unit, or DEQ-approved ACS at the time the transaction was executed. A power source cannot be retroactively designated after a transaction occurs.

Reporting requirements for specified power purchases, sales and generation:

- If power is purchased, sold or generated from specified sources, report the MWh of electricity disaggregated by facility or unit, and by fuel type or ACS, as measured at the busbar. Utilities must use a 2 percent transmission loss correction factor when reporting electricity not measured at the busbar of the generating facility.
- Annually, DEQ will assign facility-specific or unit-specific emission factors for all registered specified sources by dividing the emissions (MTCO2e) by the net generation (MWh) from a specified facility or unit for the most recent year data is available. See "Specified Source Registration" for specified facility or unit registration details.
- Emissions from specified sources are calculated by multiplying the MWh served to end users in Oregon by the DEQ assigned facility or unit specific emission factor, and by transmission loss factor, where applicable.

Emissions from unspecified purchases: "Unspecified source of electricity" means a source of electricity that is not a specified source at the time of entry into the transaction to procure the electricity.

Reporting requirements for unspecified power:

- Utilities must report the MWhs provided to end users in Oregon from any unspecified power source.
- Electricity imported, sold, allocated, or distributed to end users in this state through an
 energy imbalance market or other centralized market administered by a market operator
 is considered to be an unspecified source. Separately identify the MWh for power
 purchased from these markets from other unspecified sources.
- The default emission factor for calculating emissions from unspecified power is 0.428 MT CO2e/MWh.
- Emissions from unspecified sources are calculated by multiplying the MWh served to end users in Oregon by default emission factor for unspecified power, and by transmission loss factor, where applicable.

ACS system emission factors

The ACS factor is equal to the sum of total system emissions (MT CO2e) divided by the sum of total system net generation (MWh) for the prior emissions year. This calculation includes electricity served both within and outside of Oregon. ACS system emission factors are calculated using equation 340-215-0120(6)(b).

DEQ annually publishes approved ACS emission factors for use by electricity suppliers reporting greenhouse gas emissions from specified sources. To accommodate reporting and verification requirements, the published ACS emission factor is based on data reported two years prior. That is, an emission factor reported by an ACS for emissions data year 2021 would be available for use in data year 2023 (reported in 2024).

How to submit materials

Entities applying for ACS designation should notify DEQ via email at GHGReport@deq.state.or.us at least thirty days in advance of the reporting deadline. This ensures sufficient time to register and receive access to Your DEQ Online and to complete the application form.



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Applicants must complete and upload the ACS application form and required supplemental attachments to <u>Your DEQ Online</u> by the deadline. In the event that you cannot submit your application through Your DEQ Online, notify DEQ 30 days in advance of the reporting deadline to request a paper submittal form.

Revision requirements

If an ACS entity identifies an error in a submission, or is notified of such an error, the entity must submit a revision to correct the error within 45 days of discovery via email to GHGReport@deq.state.or.us.

Recordkeeping requirements

An entity designated by DEQ as an ACS must retain documentation to confirm that the power sold by the supplier originated from the supplier's fleet of facilities and either that the fleet is under the supplier's operational control or that the supplier has exclusive rights to market electricity for the fleet or facility. Documentation must be made available for verification upon request.

All electricity 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 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 electricity 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.

Third-party verification

Third-party verification of ACS applications begins in 2022 for 2021 emissions data. ACS may submit their California Air Resources Board ACS verification statement in place of an Oregon specific verification statement if the verified emissions data report includes the same data and information submitted to DEQ.

Accessibility

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.state.or.us.



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