CFP Fuel Pathways / 3PV Workshop
Clean Fuels Program

March 3, 2022, 2–3 p.m. and
March 4, 2022, 10–11 a.m.
Overview

• Annual Fuel Pathway Report (AFPR) and Third Party Verification for AFPR

• Third Party Verification for AFPR – for Certified Pathways and Recertified Pathways

• Forms for the Third Party Verification program in Oregon

• Oregon Fuels Reporting System - Alternative Fuels Portal
Annual Fuel Pathway Report (AFPR) and Third Party Verification of the AFPR
Annual Fuel Pathway Report (AFPR) Requirements

OAR 340-253-0450
An Annual Fuel Pathway Report is required for all fuel pathways certified under the CFP

DUE no later than March 31 of each calendar year

MUST include the certified version of the simplified OR-GREET or full OR-GREET calculator, or other as applicable, with the most recent two years of operating data

- Any temporal or other data submitted to support low-CI process energy
- Any other specifics defined in the operating conditions MUST be submitted with the AFPR
- Holders of certified fuel pathways that supplied site-specific CI data for pathway certification and are required to update site-specific CI data on an annual basis
IN ADDITION,

– Specified source feedstock suppliers and other persons with site-specific CI data that apply for separate **DEQ recognition as a joint applicant** under OAR chapter 340, division 253 and elect to be responsible for separate verification.
NOTE: For renewable electricity and hydrogen lookup table pathways

– The pathway holder must include invoices or metering records substantiating the quantity of renewable or low-CI inputs procured from a qualifying source (this information is submitted in lieu of the CI calculator)

– Also, any records for RECs retired in WREGIS or another comparable REC tracking system MUST be submitted
  • Reference: https://www.oregon.gov/deq/ghgp/Documents/cfpRetiringRECs.pdf
If the verified operational CI as calculated from the operational data covering the prior two calendar years of production is found to be lower than the certified CI and a positive verification statement is issued for this period:

- The fuel pathway holder may elect to keep the original certified CI or may request to replace the certified CI with the verified operational CI.
  - The pathway holder may elect to add a margin of safety to the new certified CI, and
  - Must submit an attestation that the new CI can be maintained through the next reporting period with the acknowledgment that exceeding the newly certified CI in subsequent annual reports or verifications is a violation of the requirements of this division.

If the operational CI is found to be greater than the certified CI:
- The fuel pathway holder is out of compliance with this division and may be subject to investigation and enforcement by DEQ.

Additional information on annual fuel pathway reports:
Pathway holders MUST have their annual fuel pathway report verified unless they do not generate ≥6,000 credits and deficits during the previous calendar year for the quantity of fuel produced at a given facility.

Note: This threshold limit is assessed at the facility level, not at the pathway level.

REMINDER: Quarterly review of the AFPR data is not required unless the fuel pathway holder is required to submit data quarterly on the operational CI to the CFP (OAR 340-272-0110 (2)(c)(A)).
Timeline Considerations

• Annual Fuel Pathway Report is due by March 31

• The 3PV verification/verification statement must be complete by August 31
  • **Recertification pathways have 10 days from submission to CARB to submit their verification statement to DEQ**

• Any changes to the fuel pathway code and associated fuel pathway code carbon intensity value, as an effect of the AFPR and/or verification processes, will be active for reporting fuel transactions in Q1 of the following year.
  • For example, AFPRs due March 31, 2022, with verification statements submitted by Aug. 31, 2022, will have any changes to FPCs and /or associated CIs will be active for Q1 2023.
QUESTIONS/COMMENTS?
Certified Pathways vs. Recertified Pathways
Certified pathways vs. recertified pathways

“Fuel pathway” includes all stages of fuel production and use for transportation fuel, including feedstock generation or extraction, production, distribution, and combustion of the fuel by the consumer.

The materials submitted in the fuel pathway application are used to calculate the carbon intensity of each transportation fuel.

Certified pathway – a fuel pathway certified under the Oregon DEQ’s Clean Fuels Program

Recertified pathway – a fuel pathway initially certified under CARB’s LCFS.

Fuel pathway holders that want to transport the fuel to both California and Oregon must submit a fuel pathway application for the fuel pathway certified under the CARB’s LCFS to be reviewed for potential certification under Oregon DEQ’s CFP.
Third Party Verification of AFPRs for certification and recertification pathways

The third party verification statement form for certification and recertification pathways are the same.

The differences for the recertification pathways:
1. Requirement to submit the AFPR and verification statement within **10 days** of submitting the same to CARB.
2. If differences in the facility's pathways under the DEQ CFP need to be verified, submit the **designated Oregon DEQ CFP 3PV verification statement** and append the CARB verification report.

Reminder: The **responsible entity** submits the verification statement(s) for the recertification pathways (OAR 340-272-0110(2)(c)(B)).
What documentation must be submitted to DEQ in the case of recertified California fuel pathways?

For re-certification pathways and facilities that have positive verification statements generated from the CARB verification process and there are **no differences** in Oregon for their pathways at the facility level, they **do not** need to go through further verification in Oregon.

In this case:
1. The responsible entity must submit their Annual Fuel Pathway Reports by March 31.
2. Within ten days of submitting their verification statement to CARB, they must submit the same to Oregon DEQ CFP.
3. The responsible entity does not need to submit the Oregon verification form. They are not subject to the COI review in Oregon.
4. For re-certification pathways and facilities that have positive verification statements generated from the CARB verification process and there **are differences** in Oregon for their pathways at the facility level, they **do need** to go through further verification in Oregon.

In this case:
1. The responsible entity must submit their Annual Fuel Pathway Reports by March 31.
2. Within ten days of submitting their verification statement to CARB, they must submit the same to Oregon DEQ CFP.
3. The responsible entity does need to submit the Oregon verification statement form. There is a section on this form that they must completed. They are subject to the COI review in Oregon, etc.
4. The responsible entity does need to submit the Oregon verification statement form. There is a section on this form that they must completed. They are subject to the COI review in Oregon, etc.
5. **Differences** refers specifically to the following: The responsible party is subject to third party verification requirements for re-certified pathways if adjustments other than transportation distances are made to the established fuel pathway that CARB certified, and that includes transportation mode(s) and mileage(s) previously reviewed and certified by DEQ.
Documentation for certification and recertification pathways

Important notes about pathways with deferred verification under CARB’s LCFS:

• For facilities that generate <6,000 credits per year, the California pathways need to be verified every three years. Facilities that generate >6,000 credits per year need to undergo annual verification (same as in Oregon’s DEQ CFP).

• However, if a facility generates <6,000 credits per year in California BUT >6,000 credits in Oregon, the facility still must go through annual verification in Oregon and is not allowed to defer verification in Oregon.
QUESTIONS/COMMENTS?
Third Party Verification Program Documentation
ALL verification statement forms and other templates and documents will be available on the third party verification website:

https://www.oregon.gov/deq/ghgp/3pv/Pages/default.aspx

Important reminder:

The responsible entity has the ultimate responsibility for making sure the verification services completed on its behalf conform with our rules and is responsible for submitting the verification-related documents.
Designated Oregon DEQ CFP 3PV Verification Statement

See full provided instructions for this form on Page 4.

Part 1: Responsible entity information

<table>
<thead>
<tr>
<th>Responsible entity:</th>
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<tbody>
<tr>
<td>Data year:</td>
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<tr>
<td>Report type:</td>
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<tr>
<td>Facility name (if applicable):</td>
<td></td>
</tr>
<tr>
<td>CFP ID (if applicable):</td>
<td></td>
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<tr>
<td>FEIN number (if applicable):</td>
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</tbody>
</table>

Part 2: Verification body information

Verification body name: 

Part 3: Re-certification pathway(s) ONLY

If this verification statement is not for re-certification pathway(s), skip to Part 4.
The 3PV verification statements/reports processed through the CARB LCFS can be submitted to the Oregon DEQ Clean Fuels Program for the facilities under the CFP subject to verification and all pathways recertified for that facility in Oregon.

**Important reminders:**

Although the Oregon fuel pathways are similar to fuel pathways previously certified under CARB’s LCFS, there are differences between the CFP and CARB LCFS registered fuel producer facilities’ fuel pathways.

Differences may include pathways, transportation mode or mileage, operating conditions, etc.

Those differences will need to be reviewed by CFP staff and are subject to verification by a 3PV body.
QUESTIONS/COMMENTS?
Oregon Fuels Reporting System (OFRS)
Alternative Fuel Portal (AFP)
Oregon DEQ’s CFP OFRS – Alternative Fuel Portal

### Fuel Producer Company Facilities

<table>
<thead>
<tr>
<th>Fuel Producer Company: Test Account - AFP</th>
<th>Company ID: C1006</th>
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</thead>
<tbody>
<tr>
<td>Facility Name</td>
<td>Facility ID</td>
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<td>---------------</td>
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<tr>
<td>MFC 1</td>
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<td>MFC 2</td>
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<td>MFC 3</td>
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</tbody>
</table>

Next step

Welcome: AFP TEST AFP TEST for Test Account - AFP
Oregon DEQ’s CFP OFRS – Alternative Fuel Portal cont.
Oregon DEQ’s CFP OFRS – Alternative Fuel Portal cont.

Insert a comment to note “This is an Annual fuel pathway report”
Oregon DEQ’s CFP OFRS – Alternative Fuel Portal cont.
Oregon DEQ’s CFP OFRS – Alternative Fuel Portal Correspondence Tab

Example uses for the correspondence tab
• Request for additional information
• Review of CFP staff summary
• Etc.

Email general questions about fuel pathways to the Oregon Clean Fuels inbox and CFP staff:

oregoncleanfuels@deq.oregon.gov
QUESTIONS/COMMENTS?
Resources

Oregon Clean Fuels Program:
https://www.oregon.gov/deq/ghgp/cfp/Pages/default.aspx
All Fuel Pathways Reference Materials & Alternative Fuel Portal:
https://www.oregon.gov/deq/ghgp/cfp/Pages/Clean-Fuel-Pathways.aspx
Third Party Verification Program:
https://www.oregon.gov/deq/ghgp/3pv/Pages/default.aspx
Information for Responsible Entities
https://www.oregon.gov/deq/ghgp/3pv/Pages/CFP3PartyEntities.aspx

Contacts

Oregon Clean Fuels Program:
oregoncleanfuels@deq.oregon.gov
Third Party Verification Program:
3pverify@deq.oregon.gov