

2024 Third Party Verification Kickoff Training

Office of Greenhouse Gas Programs

February 2024

Purpose

Provide important third-party verification, or 3PV, reminders that apply to all Clean Fuels Program and Greenhouse Gas Reporting program entities.

Agenda

- Resources
- 2024 program updates
- Less intensive verification process
- Preparing for verification
- Form submissions
- Important reminders

Definitions

Responsible entity: Regulated entity under either the Greenhouse Gas Reporting Program (division 215) or Clean Fuels Program (division 253) that meets the requirements for third party verification listed in OAR 340, division 272.

Verification body: Company hired by the responsible entity to perform verification services on its reported data. Verification bodies and the verifiers they use must be DEQ approved to provide services for the type of reporting they will verify.

Resources

Resources for responsible entities

www.oregon.gov/deq/ghgp/3pv/



Clean Fuels Verification

[Information for Verifiers](#)

[Information for Verification Bodies](#)

[Information for Responsible Entities](#)



GHG Reporting Verification

[Information for Verifiers](#)

[Information for Verification Bodies](#)

[Information for Responsible Entities](#)

[Your DEQ Online Reporting Resources](#)



Resources

[Program Rules \(OAR 340-272\)](#)

[Climate 2023 Rulemaking](#)

[Sign-up for program updates](#)

Verification resources

- Resources are included at the bottom of each page

If you are responsible for having your information verified under the Oregon Clean Fuels Program, this page provides information about applicability and deadlines, lists of approved verification bodies, and other resources.

Who is required to obtain verification services?

For the Clean Fuels Program, verification requirements can be found in [OAR 340-272-0110](#) and apply to:

- Holders of certified fuel pathways and specified source feedstock suppliers and other persons with site-specific carbon intensity data that apply as a joint applicant that generate more than 6,000 total credits and deficits during the previous calendar year for the quantity of fuel produced at a given production facility
- CFP quarterly reporters that generate more than 6,000 total credits and deficits during a calendar year

Fuel pathway applications are not required to be verified but if they are, DEQ will prioritize processing the application. Verification requirements began with calendar year 2021 data verified in 2022.

Important deadlines:

- Quarterly Reports due 90 days after end of each quarter
- Annual Fuel Pathway Reports due March 31
- Annual Compliance Reports due April 30
- Verification Statements due August 31

Resources

- Frequently Asked Questions for CFP Responsible Entities
- Video: Annual Fuel Pathway Report Verification Training
- Quarterly Fuel Reporting Verification Training
- Video: Verification Applicability and Implementation (18:33)
 - Slides
- Video: Verification Process and Preparation (33:48)
 - Slides
- 2024 Verification Kickoff Training (coming soon)
- 2024 Fuel Suppliers Reporting and Verification Training (coming soon)

Verification bodies list

- Verification body lists are included under “Find a verification body”
- Check list each year as verification body approvals can change

Find a verification body

Only DEQ-approved verifiers and verification bodies may perform verification services in Oregon. All verifiers and verification bodies are accredited by the California Air Resources Board (CARB) in the verification services they provide.

- [Oregon CFP Approved Verification Bodies List](#)
- [Oregon CFP Approved Verifiers List](#)

2024 program updates

Differences in process by program

Greenhouse Gas Reporting Program:

- Reporting and verification forms in Your DEQ Online for permitted sources, electricity suppliers, natural gas suppliers and natural gas systems
- YDO registration, reporting and verification user guides are now live on our website

Clean Fuels Program and liquid fuel suppliers reporting to the GHG Reporting Program:

- Hybrid manual/digital, utilizing OFRS
- COI and NOVS administered in Adobe Sign
- Verification statement administered in Adobe Sign and submitted within OFRS

Clean Fuels Program rule updates

- In 2022, Oregon's Environmental Quality Commission adopted updates to Division 253, the Oregon Clean Fuels Program regulation
- Updates adopted in 2022 took effect Jan. 1, 2023 and apply to 2023 reporting year data being verified this year
- **Current rule can be found on the Secretary of State website:** search "Oregon clean fuels program rules"

Climate 2023 rulemaking updates

- In 2023, Oregon's Environmental Quality Commission adopted updates to Division 215, the Greenhouse Gas Reporting Program regulation and Division 272, the Third-Party Verification Program
- Updates adopted in 2023 took effect upon adoption
- **Current version of GHG Reporting Rule:** search "Oregon greenhouse gas reporting program rules"
- **Current version of 3PV rule:** search "Oregon third party verification program rules"

Climate 2023 rulemaking updates

Important changes to GHG Reporting rule (OAR 340-215):

- Reporting requirements added for biomethane and hydrogen reporting.
- Updates to monitoring plan requirements for electricity suppliers.
- Changes to requirements for comingled liquid fuels in storage.

Refer to biomethane and hydrogen FAQ on our website for more information

Climate 2023 rulemaking updates

Important changes to Third-Party Verification rule:

- 3PV requirements added for biomethane and hydrogen reporting for the GHG RP (OAR 340-215-0034(7))
- 3PV expanded to include all electric companies and electricity service suppliers, regardless of emissions level
- Verification body can now submit COI form
- Clarification to transaction types subject to 3PV for CFP quarterly fuel transaction reports

Climate Protection Program

The Climate Protection program was invalidated by a court ruling in December 2023.

- DEQ is moving forward with rulemaking to re-establish the program
- Ruling does not impact implementation of Divisions 253, 215 or 272
- Verification of GHG emissions data reporting and reporting submitted to Clean Fuels program will continue as usual

Less intensive verification

Less intensive verification

Less intensive verification means:

- A site visit is not required
- The verification body may use the risk assessment developed as part of its most recent sampling plan to complete verification.

2024 is the first year of less intensive verification for entities meeting the following conditions:

- No change in verification body from prior year
- No change in operational control from prior year
- Received a Positive verification statement in the prior year

Less Intensive Verification

Less intensive verification applies for two years of every three for qualifying entities. For entities that have been verified since 2022 and that meet the regulatory requirements, the schedule will be:

2024	2025	2026	2027	2028	2029	2030
Less intensive verification	Less intensive verification	Full verification	Less intensive verification	Less intensive verification	Full verification	Less intensive verification

Full verification may still be required, at either the verification body's or at DEQ's discretion.

Preparing for verification

How long does verification take?

Report type	Average number of months*
Annual fuel pathway report	4
CFP quarterly fuel transactions report	3
Stationary source emissions data report	2
Fuel supplier emissions data report	3
Electricity supplier emissions data report	3
Natural gas supplier/system emissions data report	3

* Time from approval date of COI to submission date of verification statement

Report corrections:

- Depends on complexity
- 1 day to several weeks
- Allow 2-3 days for DEQ processing and 1-2 weeks for the verification body to perform a final check
- Fuel suppliers: Please allow time for reconciliation of fuel transactions

Give yourself plenty of time to get verification completed before the deadline. Verification bodies may not take on new clients closer to the deadlines!

Finding a verifier

Q: Why aren't there any verification bodies based in Oregon?

A: DEQ requires VBs to be accredited in existing programs and as a result, they are located throughout the US. All verifiers and verification bodies approved have been appropriately trained to provide verification services here. We hope that our new 3PV program requirements will lead to new VBs to form in Oregon.

Find a verification body

Only DEQ-approved verifiers and verification bodies may perform verification services in Oregon. All verifiers are either accredited by the California Air Resources Board (CARB) or are associated with a verification body that is accredited by the ANSI National Accreditation Board's GHG Validation and Verification Body accreditation program in the verification services they provide.

- [Oregon GHG Reporting Program Approved Verification Bodies List](#)
- [Oregon GHG Reporting Program Approved Verifiers List](#)

How to prepare for verification

- Entities should have information available and organized for their verification bodies. This includes:
 - Reported and attested data as submitted to DEQ
 - Any information and documentation used to calculate and report emissions, fuel quantities, and fuel and electricity transactions
 - All data and information required by or submitted to the Clean Fuels or GHG Reporting programs
- Retain this information for a minimum of 7 years

Materiality

- **All correctible errors must be corrected**, even if they are less than 5% of reported emissions or credit/deficit calculations
- A correctible error is defined as any error that impacts reported emissions for the Greenhouse Gas Reporting program, or credit/deficit calculations for the Clean Fuels program

Reporting corrections

If reporting errors are discovered during verification, they will need to be fixed by the entity to avoid issuance of an adverse verification statement.

Responsible entity must request the re-opening of their reporting from DEQ in the appropriate reporting system.

Include:

- Indication that errors were discovered during verification
- Description of the error(s)
- Complete description of changes to be made to reporting to correct the error(s)

Include all changes to be made in the request; changes not requested will not be granted. Reporting cannot be opened before the requested changes are known.

Reporting corrections

For liquid fuel suppliers reporting to both the GHG Reporting Program and the Clean Fuels Program:

- OFRS pulls data from CFP reporting to fill in pieces of the GHG reporting
- If CFP reporting is re-opened for reporting updates, the GHG Reporting Program must also be re-opened and re-submitted to ensure any changes affecting the GHG annual data is pulled correctly from the CFP reporting
- If only subject to verification for GHG reporting, you may also need to open the CFP report to make corrections because this is where much of the data for the annual GHG report comes from

Reporting corrections

Reporting corrections can impact reporting for business partners if transactions between partners are reported incorrectly.

DEQ may ask business partners undergoing verification to wait until verification is done for each of their business partners to make reconciliation corrections. This will prevent companies having to re-open their reporting multiple times to make updates during the verification process.

Related entities

Both OAR 340-253 and OAR 340-215 define related entities as follows:

“Related entity” means any direct parent company, direct subsidiary, or a company with common ownership or control.

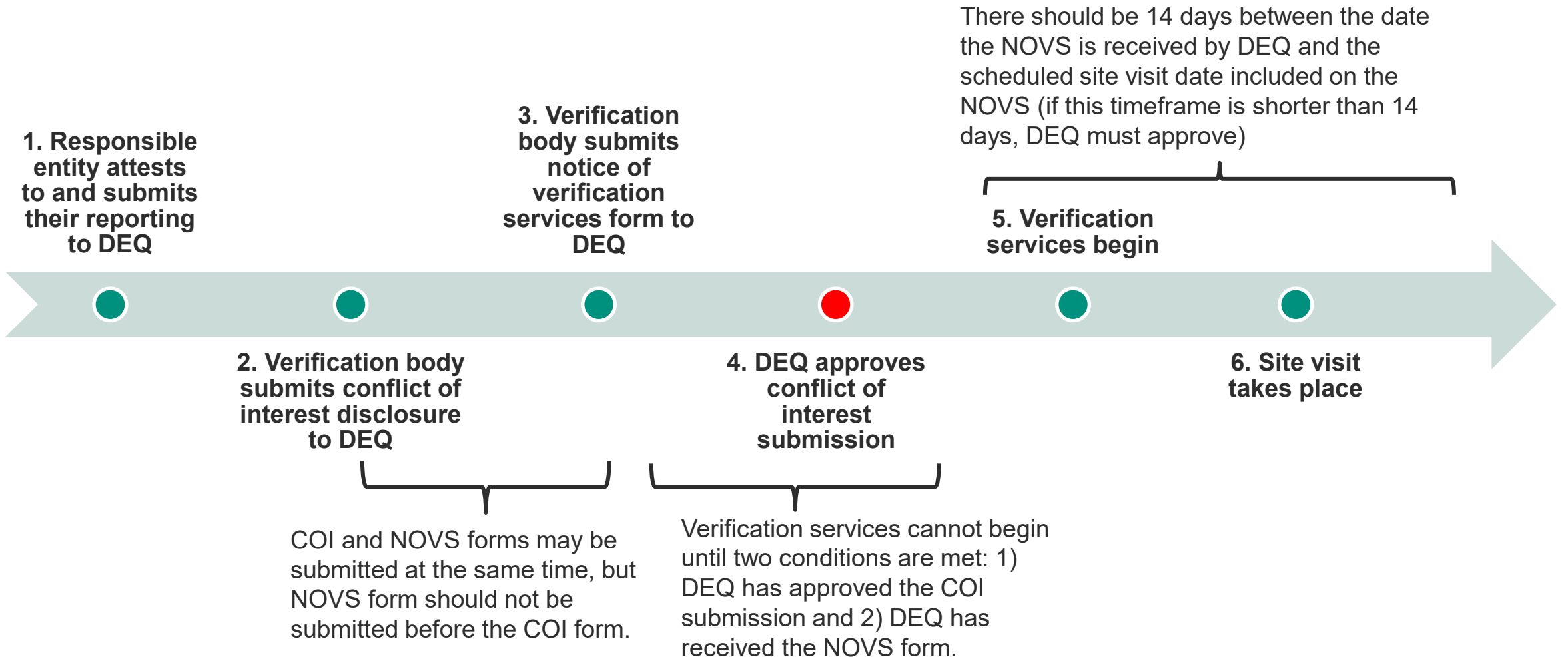
According to OAR 340-272, related entities must aggregate together when determining whether they are exempt from verification requirements.

For the purposes of determining third party verification applicability, “common ownership or control” is any percentage of ownership or control over another company.

Example: Company A and Company B each own 50% of company C, though Company C is under the complete operational control of Company A. If the three companies together meet the threshold for verification, all must have their data verified- even if one or more of them do not meet the threshold independently.

DEQ forms

Timing of form submissions



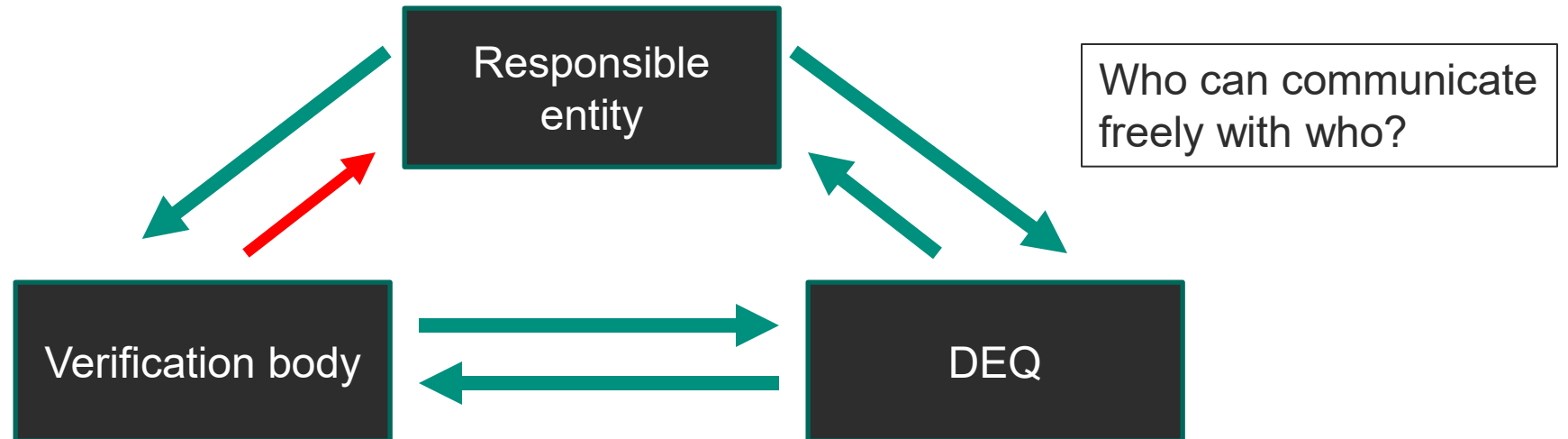
Conflict of Interest

- Please disclose any prior verification services provided by your verification body using the attachment function in the COI form
- Responsible entities may not use the same verification body to verify their submitted information for more than six consecutive years.

Important reminders

Communications

- Verifiers and verification bodies may request information from the responsible entity, but they may NOT consult during the verification process
- Consulting = offering any advice about calculating or reporting emissions, how to correct errors, fixing management systems, etc.



Conflict of interest monitoring

- Verification bodies and responsible entities are required to monitor the potential for conflict of interest for one year following the completion of verification services and report any new potential conflicts to DEQ.
 - Report any new contracts between the verification body and responsible entity or new conflict of interest circumstances within 30 days
 - Include information about the work to be performed
 - DEQ will determine whether the new contract or circumstance impacts the ability of the verification body to provide services for the responsible entity

Contacting DEQ

Contact DEQ if:

- You have a question about reporting or verification
- You are concerned about your ability to meet the verification deadline
- You have been impacted by a loss of data and need approval for an alternate method of data collection
- You are having issues with your verification body
- You need support on a form submittal, on reporting corrections, or with using the reporting system

3PVerify@deq.Oregon.gov

Title VI and alternative formats

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