

Combined Reporting for Clean Fuels and Greenhouse Gas Reporting Programs

Last Updated: September 23, 2020

The purpose of this FAQ is to help the regulated parties under the Greenhouse Gas Reporting Program and the Clean Fuels Program navigate the new combined Oregon Fuels Reporting System. It will be updated over time to include additional questions as new scenarios arise. Note: Paragraphs in *italics* are definitions taken from the rules in Division 215 (greenhouse gas reporting) or Division 253 (clean fuels) of Chapter 340 of the Oregon Administrative Rules.

What is the Bulk System?

“Bulk system” means a fuel distribution system consisting of one or more of refineries, pipelines, vessels, and terminals. Fuel storage and blending facilities that are not fed by pipeline or vessel are considered outside the bulk transfer system.

What is a terminal?

“Terminal” means a fuel storage and distribution facility that is supplied by pipeline or vessel, or is collocated where the fuel is produced and stored, and from which fuel may be removed at a rack.

Terminals in Oregon include those in NW Portland, Eugene, and Umatilla, along with the fuel dispensing equipment co-located with fuel production facilities in Oregon, including biofuel producers.

Table 1. Oregon Terminals (Courtesy ODOT Fuel Tax)

Name	Address	City	Zip
Aircraft Service International, Inc.	8133 NE Airtrans Way	Portland	97218
Chevron USA, Inc.- Portland	5924 NW Front Ave	Portland	97210
Kinder Morgan Liquid Terminals, LLC	5880 NW St Helens Rd	Portland	97283
McCall Oil and Chemical Corp.	5480 NW Front Ave	Portland	97210
Olympic Pipeline Company - Portland	9420 NW St Helens Rd	Portland	97231
Phillips 66 PL - Portland	5528 NW Doane	Portland	97210
SFPP, LP	1765 Prairie Rd	Eugene	97402
Seaport Midstream Partners, LLC	9930 NW St Helens Rd	Portland	97231
Shore Terminals LLC - Portland	9420 NW St Helens Rd	Portland	97231
Shell Oil Products US	3800 NW St Helens Rd	Portland	97210
Tidewater Terminal - Umatilla	535 Port Ave	Umatilla	97882
Zenith Energy Holdings	5501 NW Front Ave	Portland	97210



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What is a position holder?

“Position holder” means any person that has an ownership interest in a specific amount of fuel in the inventory of a terminal operator. This does not include inventory held outside of a terminal, retail establishments, or other fuel suppliers not holding inventory at a fuel terminal.

A position holder is the company that owns fuel as it is being dispensed through a rack at a terminal into a truck or other mode of conveyance that will take the fuel to a retail site or end users. The reporting obligation for position holder sales applies to the company owning the fuel at the loading rack as it is sold, not the company picking up the fuel at the receiving end. The position holder category includes cases where the company that owns the fuel in the terminal is dispensing it into their own trucks or other modes of conveyances to take to retail sites or end users.

What are the new transactions that have been added?

These new transaction types are required when reporting imported fuel, reporting as a position holder, or when purchasing fuel from a rack for export. The first two of which replace the “Import into Oregon” transaction:

- “Import within the bulk system” means the transportation fuel was imported into Oregon and placed into the bulk system (i.e., fuel that was imported into Oregon and delivered directly or indirectly to an Oregon fuel terminal)
- “Import outside the bulk system” means the transportation fuel was imported into Oregon and not directly or indirectly delivered to an Oregon terminal.

When reporting as a position holder or reporting purchases below the rack for export use the following transaction types:

- “Position holder sale” means the transportation fuel was sold below the rack without a transfer of the compliance obligation.
- “Position holder sale for export” means the transportation fuel was sold below the rack to an entity who exported the fuel. The position holder must have documentation that clearly establishes that the fuel is intended to leave the state when it is sold from the rack, such as a bill of lading that shows the fuel will be delivered to another state.
- “Purchase below the rack for export” means the transportation fuel was purchased from a rack in Oregon and then exported. The export must still be reported separately under the “Export from the Oregon fuel distribution system” transaction.

The “position holder sale for export” and “purchase below the rack for export” transactions are a pair that must be reconciled if both parties are filing quarterly reports to the Clean Fuels Program. If a position holder has gallons sold to a party that does not file quarterly reports but are destined for export based on bills of lading, those gallons can be aggregated and filed as a transaction against the Undefined (14-9876543) business partner.

What makes an import into Oregon an import within or outside of the bulk system?

Imports within the bulk system are imports that will be taken directly or indirectly to a terminal in Oregon and dispensed by a position holder. This applies to fuel imported by any transport mode, including rail and truck, where that fuel is brought to a terminal.



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Imports Outside of the bulk system are imports that will not be taken to a terminal in Oregon. This applies to fuel delivered directly to a retail site or end user, or which is delivered to intermediate storage.

When should I use a position holder sale transaction instead of a sale with/without obligation transaction?

When the volume of fuel is being sold through a rack at a terminal for delivery to a retail site or end user. The only cases where fuel being sold through a rack should not be reported as a position holder sale would be in the case of fuel that is being exported or if it is being delivered to another terminal where it will be put into bulk tanks and sold through that terminal's rack. In the latter case, you would use the sale with/without obligation transactions as appropriate.

In the case of sales through the rack that will be exported, the position holder would use the position holder sale for export transaction and the purchaser would report this as a purchase from the rack for export. If the position holder is the entity exporting the fuel, they report it as an export outside of the Oregon distribution system.

What is intermediate storage?

Intermediate storage are locations with tanks where fuel is stored by a company for further distribution, generally directly from that storage to retail sites or end users. Unlike terminals, intermediate storage is storage not fed by a pipeline or vessel. Often this storage is owned by the same company that owns and will be distributing the fuel to its final destination. Unlike at a terminal where fuel is expected to be sold to others, fuel held in intermediate storage is only rarely sold to other fuel distribution companies from that location (see next question on how to report fuel stored or sold at an intermediate storage facility).

My company owns storage outside of a terminal that I consider intermediate storage, but we occasionally will sell fuel to other jobbers from our storage. Is that a reportable position holder sale?

No, only fuel sold from terminals must be reported as a position holder sale. Fuel brought into the state and placed in intermediate storage without being taken to a terminal first must be reported as an "import outside of the bulk system" by the company owning the fuel at the time of import. If fuel is imported to a storage facility that is not part of the bulk system and then delivered to a terminal or other portion of the bulk system, it should be reported as an Import into the bulk system.

I import fuel by rail into Oregon to a transloading facility that is not at a terminal where it is either sold to a party for immediate transport to an end user or transloaded to a truck where it is then delivered to a terminal. Once at the terminal, it is put into the position of the fuel company that purchased it. How should I report these transactions?

The portion of the fuel delivered to the terminal must be reported as an import within the bulk system. The portion of the fuel that is sold for direct delivery to an end user (or to a retail site) must be reported as an import outside of the bulk system.

I produce fuel in Oregon, if I sell it directly to a gas station or end user from my facility do I need to report that as a position holder sale?

Yes. Fuel production facilities that have distribution equipment that allow them to distribute directly to retail sites or end users meet the definition of a terminal, and those



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sales count as position holder sales. If the entity reporting sales out of the fuel production facility is blending their fuel with fuel purchased at another terminal, they should make efforts to ensure that the fuel purchased at the other terminal was not reported as a position holder sale by the position holder at that terminal.

Fuel that is produced in state and then delivered to a terminal or another portion of the bulk system should be reported using the existing sale with or without obligation transactions for above the rack transactions.

We are importing into Oregon to a wholesaler (they do not have a terminal however) and then selling it to them with obligation. We do not know if it is going directly to retailers or not after we transfer it to the wholesaler.

Because you are delivering to the wholesaler at a site that is not a terminal, you should inquire with them if the fuel is being transferred to a terminal elsewhere in the state or if they will distribute it directly to end users or retail sites, or export the fuel from Oregon. If they will not provide you with that information, you should default to reporting this as an import outside of the bulk system.

We are considered a small importer (under 500,000 gal) and have been told quarterly Clean Fuels reporting is not required, just an annual DEQ greenhouse gas report on EZ-Fuels. We purchase most of our fuel at the rack in Oregon and transport to our storage or direct to customers. It stays in the state. What reports are we now supposed to file, how often, what are the deadlines, and when is the first one?

Small importers are not required to submit quarterly or annual reports to the Clean Fuels Program. Starting in 2021 for the 2020 data year, small importers will be required to register in the Oregon Fuels Reporting System, the new reporting system replacing both the Clean Fuels and EZ-Fuels reporting tools.

Small importers must register as a Greenhouse Gas Reporting Program-only registered party and are only required to submit a Greenhouse Gas Reporting Program annual report by April 30th of each year.

Fuel purchased in Oregon should not be reported in the Greenhouse Gas Reporting Program annual report.

What transaction type would we use if we, as the position holder, deliver out of the state for sale to a third party? The sale takes place in another state.

If you hold position at a terminal and continue to own the gallons as they are taken from the rack and exported out of state via truck, rail, barge, or another mode, and then the ownership of the fuel is transferred in another state, you would report this using the existing export from the Oregon fuel distribution system transaction in your quarterly report. If the fuel is being taken out of state by another entity, it should be reported as "position holder sale for export and the purchasing party will need to report it as purchase below the rack for export and a separate transaction as export out of the Oregon fuel distribution system.

What transaction type would we use if we're just moving the product (plant to plant) from one terminal to another (for example, from an Oregon terminal to a Washington terminal)?

As in the above example, this would be reported as an "export from the Oregon distribution system" on your quarterly report.



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For “position holder sale for export,” how does this work? Once title transfer (sale) occurs below the rack why does the position holder still need to be involved in knowing the product destination?

The Oregon Fuels Reporting System sums your total position holder sales for your Oregon Greenhouse Gas Reporting Program annual report based on your quarterly reported data. The Greenhouse Gas Reporting Program annual report should only include fuel volumes consumed in Oregon.

The intent of the “position holder sale for export” is to capture transactions where the position holder knows the fuel is being exported. This allows the OFRS to adjust the annual sum reported as position holder sales for known exports for the Greenhouse Gas Reporting Program annual report. This transaction type also addresses the part of the Clean Fuels Program rules that allow transfers with obligation below the rack only in cases where the fuel is being exported.

“Position holder sale for export” transaction types are transactions where you, as the position holder, have a bill of lading that shows the gallons being sold at the terminal are being immediately delivered out of state. If you as the position holder do not know the destination of the fuel then you would report it as a normal position holder sale.

I currently report my deliveries to gas stations and fleets on tribal reservations as exports in my Clean Fuels Program quarterly reporting with a note in the Transaction Description field identifying which tribe or reservation I’m delivering them to. Under the new rules do I also need to report my purchase of those gallons as a “purchase from the rack for export”?

No. As these gallons are staying within the borders of the state of Oregon, they are included in our emissions inventory. If you need to report your purchase from the rack to avoid running into a total amount check, report those gallons as being purchased without obligation.



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