Combined Reporting for CFP & GHG RP

Last Updated: March 2022

The purpose of this FAQ is to help regulated parties under the Greenhouse Gas Reporting Program (GHG RP) and the Clean Fuels Program (CFP) 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 (GHG RP) or Division 253 (CFP) of Chapter 340 of the Oregon Administrative Rules.

**How can I determine if my business partner is reporting to CFP? How do I report transactions if they do not?**

There is a list published on our website in both .pdf and MS Excel on the Reference Materials page that lists the registered parties for the CFP. If you see a party that is not in this list in the system, they are likely only reporting to the GHG RP. If they are not on the list maintained on the CFP website, use the Undefined business partner (14-9876543).

**What are “Flash Sales” and how are they reported?**

Flash sales are sales where one party buys fuel from a seller at a terminal and immediately sells this fuel at the terminal loading rack to a third-party.

To accurately report flash sales, the original seller and purchaser must identify and document where the transfer of title of the transacted fuels occurred. Since, under OAR 340-215, the position holder is the entity that last owns the gallons before they are dispensed at the terminal, the parties must identify if the transfer of title occurred prior to, or after, the fuel was dispensed. This must be determined based on documentation (a contract, bill of lading, invoice, etc.)

- If the transfer of title between the original seller and purchaser occurs *after* the fuel is dispensed at the rack, the original seller reports as the position holder.
- If the transfer of title between the original seller and purchaser occurs *prior to* the fuel being dispensed at the rack the purchaser, who is conducting the flash sale, is the position holder.
- If there is not sufficient documentation to determine when title passed, the original seller remains the position holder.

The identified position holder must report the transaction in OFRS as:

- “Position holder sale without obligation” for fuel staying in the state and list the purchaser as the business partner or
- “Position holder sale for export” if the final purchasing party is exporting the fuel. For exports, the parties must report chain of custody transactions below the rack and the exporter of record is required to report the exported volumes. Review the question on exports in the FAQ for more information on reporting exports.

When flash sales occur, the original seller may not be aware of the transaction or the ultimate destination of the fuel. To ensure accuracy and prevent duplicative reporting, it is important that all parties involved communicate, report, and document fuel volumes and exports.
FAQ

In the case of a flash sale, how are exports reported?

- The company that was determined to be the position holder will report the sale as a “Position Holder sale for export” transaction and tag the flash seller as the business partner.
- The flash seller will report the purchase as a “Purchase below the rack for export” transaction and tag the position holder as the business partner.
- The flash seller will report the sale to the exporting entity as a “Sold with obligation transfer” transaction and tag the exporting entity.
- The entity exporting reports the purchase as a “Purchase with obligation transfer” transaction and tags the flash seller as the business partner.
- The entity exporting also reports an “Export out of Oregon distribution system” transaction and tags the business partner as Undefined (14-9876543).

What if the entity exporting the fuel in a is not participating in the CFP?

In this case, the flash seller reports the “Export out of Oregon distribution system” and tags the business partner as Undefined (14-9876543).

How are exports reported when no flash sale is involved?

If a company is exporting fuel that it has position for in a terminal, the transaction is reported in the following manner:

- The position holder reports the sale as a “Position Holder sale for export” transaction tagging Undefined (14-9876543) as the business partner (an entity cannot tag themselves as a business partner).
- The position holder also reports the “Export out of Oregon distribution system” transaction tagging Undefined (14-9876543) as the business partner.

If a position holder is selling to a company below the rack that reports to CFP:

- Report a “Position holder sale for export” transaction and tag the company exporting the fuel as the business partner.
- The exporting company will report a “Purchase below the rack for export” transaction and tag the position holder as the business partner.
- The exporting company will also report an “Export out of Oregon distribution system” transaction and tag Undefined (14-9876543) as the business partner.

If a position holder is selling to a company below the rack that does not report to CFP:

- The company reports the “Position Holder sale for export” transaction tagging the Undefined (14-9876543) business partner.
- The company also reports an “Export out of the Oregon distribution system” transaction tagging the Undefined business partner (14-9876543).

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 OFRS 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.
FAQ

The intent of the “Position Holder sale for export” is to capture transactions where the position holder knows the fuel is being exported. The gallons reported as Position Holder sale for export will be removed from the gallons summed up for the GHG RP.

What if I do not know if the fuel was exported?

If you as the position holder do not know the destination of the fuel, then you report the gallons as a Position Holder Sale without obligation. If the company that purchased from you below the rack for a delivery in state notifies you that the fuel was delivered out of state, you will need to update the sale as a Position holder sale for export. This is because DEQ needs to have the fuel correctly reported for CFP records as well as to ensure the gallons reported to the GHG Reporting Program are correct. In this case, the company that picks up the fuel and delivers it to its destination knows better if the fuel was diverted out of state.

Do the Position holder sale for export and the Purchase below the rack for export need to match between the business partners reporting the sale?

Yes. If you are reviewing your reconciliation report and the totals are not matching for the sales with a company, contact that company and resolve the matter. The party that did not report correctly will need to update their reporting.

In the case of a fuel diversion, is it allowable to purchase below the rack without obligation and then export the fuel?

No. If you purchase below the rack for delivery in state and end up diverting the fuel to out of state, you need to ensure that your reporting reflects what was exported. This ensures that reporting will be correct for the CFP and the GHG Reporting Program annual report.

- Inform the company holding position that you purchased the fuel from that the fuel was diverted out of state. They will need to update their reporting to transaction type to “Position holder sale for export”.
- Report the purchase as transaction type “Purchase below the rack for export” and tag your business partner (the position holder).
- Add an additional transaction in the number of gallons exported as “Export out of Oregon distribution system”.

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.

Are sales across the rack at a terminal reported by anyone but those classified as position holders?

Sales below the rack are only reported by Position Holders and those performing flash sales at the rack.

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.
FAQ

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)

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

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 tucks 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.
FAQ

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

- “Position holder sale” indicates 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.

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/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 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 GHG 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. I guess my question would be, 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.
FAQ

What transaction type would we use if we, as the position holder, deliver out of the state for sale to a 3rd 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.

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 the GHG RP 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.

What do I do if I attempt to contact the business partner I need to reconcile with and get no response?

First, check to see if the business partner has listed a CFP-specific contact in the Partners tab of the Oregon Fuels Reporting System to see if there is another party for you to contact. If your business partner does not respond to you, please contact DEQ at OregonCleanFuels@deq.state.or.us so that we can contact the business partner. If you do not get a response and it is getting close to the due date for reporting, you should report the purchases or sales that you have made. Do not wait past the deadline to submit your reporting.

Should I submit my report prior to reconciling with my business partners?

Not unless it is close to the reporting due date and you have not been able to reach them and you need to submit it in order to get your reporting in on time. Reconciliation should take place prior to submitting reporting for any transactions in which you have business partners.
FAQ

For B99.9 imports, would you like us to report the very small amount of diesel that was imported and if so and the actual quantity of diesel is unknown, should we multiply the total gallons to by 1% to estimate the amount of diesel?

Yes, you do need to report the diesel amount. If you do not know the exact amount, multiplying by 1% is an appropriate way to estimate the amount of diesel.

Alternative 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.state.or.us.