

Quantification Methodologies Webinar Update

December 14, 2017

Overview

- **Webinar Logistics**
- **Introduction**
- **Overview of Regulatory System**
- **Alignments with Federal and Other Requirements**
- **Application of Quantification Methodologies**
- **Reporting Structure**
- **Quantification Methodology Developments**
- **Deviation Requests**

Introduction

Introduction

- **ACCO developing standardized quantification methodologies to be used under the Carbon Competitiveness Incentive Regulation (CCIR) and Specified Gas Reporting Regulation (SGRR)**
- **CCME work on standardizing quantification methodologies**
- **Common benchmarks will be used across facilities regulated under CCIR**
- **Lowered reporting threshold for facilities under SGRR**

Regulatory Overview

Carbon Competitiveness Incentive Regulation (CCIR)

- On December 6, 2017 ACCO announced policy forming the CCIR.
- Webinar outlining key policy decisions was delivered to regulated facilities along with sector specific breakout sessions.
- Please see information located here:
<https://www.alberta.ca/cci>
- Slides will be made available.

Specified Gas Reporting Regulation (SGRR)

- Alberta's mandatory GHG reporting program
- Builds on voluntary reporting by most Alberta emitters since mid-1990s
- Regulation and Standard passed in 2003
 - Regulation amendments accompany CCIR
 - Draft Standard posted to website for comment
 - aep.alberta.ca/climate-change/guidelines-legislation/specified-gas-reporting-regulation/default.aspx
 - Comments will be accepted until January 15, 2018
- Continue to work with the ECCC national “one-window” reporting system

2017 SGRR Standard Key Updates

- 1. Emission threshold for reporting**
- 2. Definition of direct and threshold emissions**
- 3. Additional Specified Gases Global Warming Potentials (GWPs)**
- 4. References for quantification methodologies**

Structure of Methodology Documents

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- **Quantification methodologies will be tiered (Tier 1, 2, 3 or 4) by source category to cover both regulations.**
- **Source categories are shared between regulations, but different tiers will apply.**
- **Program and tier requirements are provided in the Specified Gas Reporting Standard and Standard for Completing Greenhouse Gas Compliance and Forecasting Reports.**

Alignment with Federal and Other Requirements

Key Points

- **Working to ensure that ECCC requirements are met under SGRR**
- **Intend to be aligned with AER reporting and quantification methodologies on methane related rules as they are developed**
- **Streamlined reporting for industry**

Application of Quantification Methodologies

SGRR

2017 Mandatory Requirements

- **Align with ECCC increased reporting requirements for the five Phase 1 sectors**
- **All facilities emitting 10 kt or above must report emissions, in alignment with ECCC requirements**

SGRR

2018 Mandatory Requirements

- **Align with ECCC increased reporting requirements for the five Phase 1 sectors plus any others if and when implemented**
- **Apply quantification methodologies made mandatory under CCIR, using tiers appropriate for reporting facilities**
- **All facilities emitting 10 kt or above must report emissions**

CCIR

2018 Mandatory Requirements

- **Ensure consistency in quantification methodologies used for regulated facilities as we transition to common benchmarks.**
- **First set of mandatory chapters anticipated to cover the majority of emissions generated by regulated facilities.**
- **Categories that will be mandatory for 2018:**
 - **Stationary fuel combustion**
 - **Industrial process emissions**
 - **Production of products with established benchmarks**
 - **Imports (electricity, heat and hydrogen)**

CCIR

2018 Mandatory Reporting

- Intend to phase in other mandatory chapters for 2019 and subsequent years.
- Will engage on 2019 requirements fall of 2018.

Quantification Methodology Development

Quantification Method Chapters

- Chapter 1: Stationary Fuel Combustion
- Chapter 2: Flaring
- Chapter 3: Fugitives
- Chapter 4: Venting
- Chapter 5: On-Site Transportation
- Chapter 6: Waste and Wastewater
- Chapter 7: Biomass Combustion and Decomposition
- Chapter 8: Industrial Processes
- Chapter 9: HFCs, PFCs, SF6s
- Chapter 10: Formation CO2
- Chapter 11: Injected, Send Off, Received On CO2
- Chapter 12: Imports
- Chapter 13: Production
- Chapter 17: Measuring, Sampling, Analysis and Data Management
- Chapter 20: Tier Specification
- Chapter 14, 15, 16, 18, 19 currently placeholders if additional categories needed.

Development

- **Chapter 1 Stationary Fuel Combustion has been posted for comment:**
<http://aep.alberta.ca/climate-change/guidelines-legislation/specified-gas-reporting-regulation/default.aspx>
- **Next group of chapters to cover other mandatory source categories (Industrial Process, Production, Imports) will be posted for comment in January 2018.**
- **Chapters on venting, flaring, on-site transportation (OST), fugitive, waste and waste water, and formation CO₂ are being developed and will be posted for comment in early 2018.**
 - **Once comments are received and reviewed a published version will be posted.**
- **Refinements and additional chapters including HFCs/PFCs, CO₂ import and exports, and biomass decomposition are anticipated in Fall 2018 for 2019 use .**

Deviation Requests

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- **Where mandatory elements cannot be implemented, facilities under the CCIR may request a deviation.**
- **Request for deviations are subject to review and approval of the Director.**

Questions