

Interim Reporting and Annual Forecasting

December 12, 2017

Alberta Climate Change Office

Background

- **In March 2017, Cabinet decided to implement requirements of quarterly reporting and compliance payment along with annual forecasts for regulated facilities that emit greater than one megatonne of greenhouse gas emissions annually beginning in 2018.**

Introduction

- **The Carbon Competitiveness Incentive Regulation requires facilities meeting and exceeding one megatonne (Mt) of CO₂e to report quarterly and provide annual forecasting of emissions, production, and credit usage.**
- **Quarterly reporting improves forecasting for emissions and revenue for budgeting purposes. It also allows for revision of rolling estimations to ensure the best available information is shared with government as soon as possible.**

Reporting Timeline

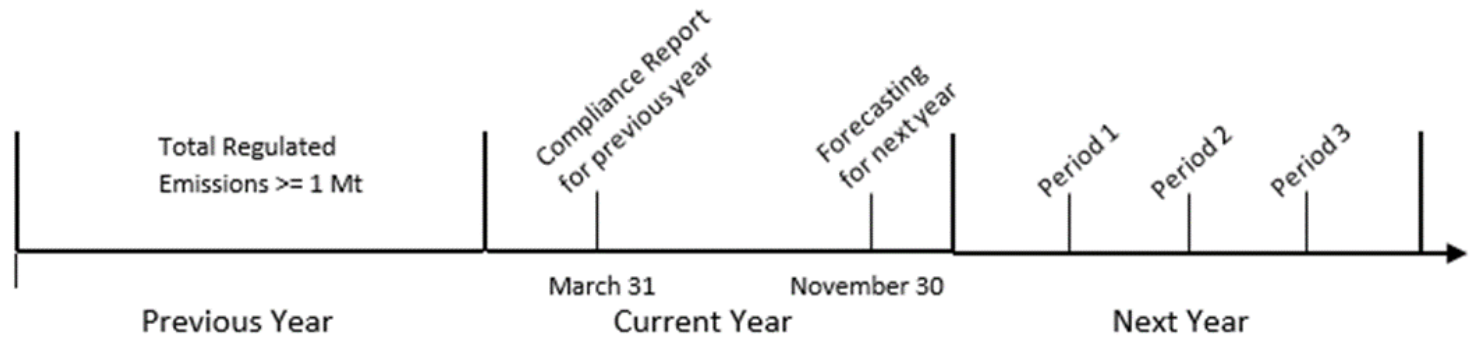
- **For 2018 only a forecasting report is required by January 15th.**
- **In subsequent years submit forecast by end of November for next year forecasting.**
- **Submit quarterly interim compliance report**
 - for period 1 (quarter one), by May 15 of that year;
 - for period 2 (up to quarter two), by August 15 of that year;
 - for period 3 (up to quarter three) by November 15 of that year; and
 - full calendar year, by March 31 of the following year (all facilities)

Reporting Timeline

Submission	Determined By	Due Date
Annual Emissions and Production forecast (for next year)	Best estimation, certified	November 30 of current year*
Period 1 Report and Compliance True Up	Compliance with Q1 quarter actuals	May 15 of current compliance year
Period 2 Report and Compliance True Up	Compliance with Q1 Q2 quarters actuals	August 15 of current compliance year
Period 3 Report and Compliance True Up	Compliance with Q1 Q2 Q3 quarters actuals	November 15 of current compliance year
Annual Final Verified Compliance Report and Compliance True Up	Compliance with verified year-end results by quarter	March 31 of following compliance year

- **Special consideration is for 2018 only. Forecasts for 2018 must be submitted by January 15, 2018.**

Reporting Timeline



- **Special Considerations for 2018**
 - Facility submitted 2018 forecasts in Nov 30, 2017 under SGER
 - Carbon Competitiveness Incentive Regulation requires binding forecast by Jan 15, 2018.
- **Threshold application**
 - Delayed entry
 - Reporting relief

Forecasting Requirements

- **A forecasting facility is required to submit a forecast for the next year if the previous year total regulated emissions are more than or equal to one megatonne.**
- **Quarterly estimates of each period (from Jan 1st) compliance obligation and payment for the following year must be submitted by November 30. You can revise this estimate at each quarter.**

Forecasting Requirements

- **Formulate the annual forecast with due diligence and the best available information, including anticipated expansions or turnarounds.**
- **Submitted forecasts must be certified by certifying official.**

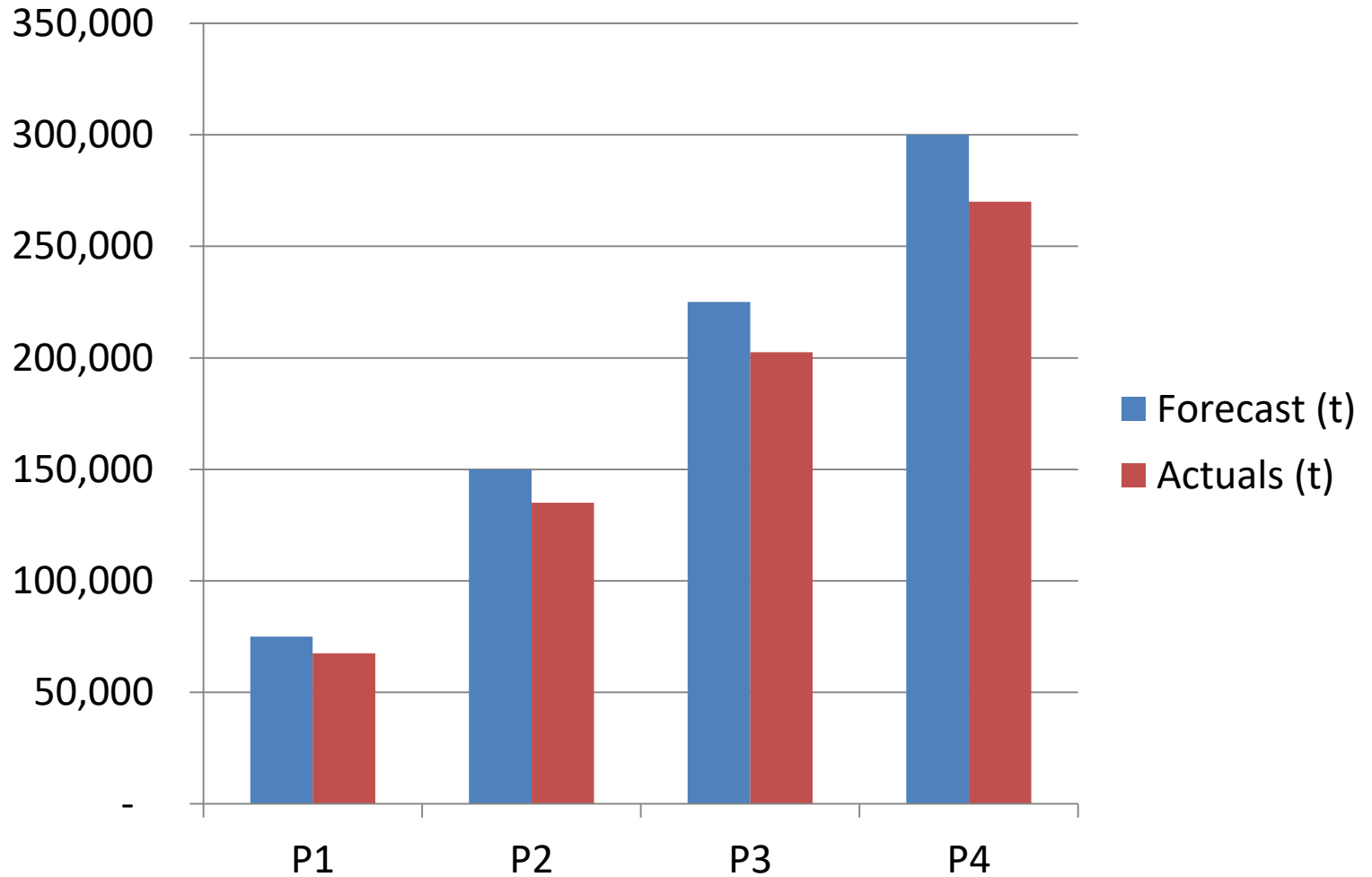
Reporting Requirements

- **Quarterly interim reports are required which cover the period from January 1st to the end of each quarter.**
- **Incremental compliance reconciliation is required with each interim report which includes incremental true-up from the previous payment or credit usage.**
- **The ratio of credit usage stated in the forecast should be consistent in the interim report**
- **Annual reports for forecasting facilities are required to include finalized reporting for each period.**

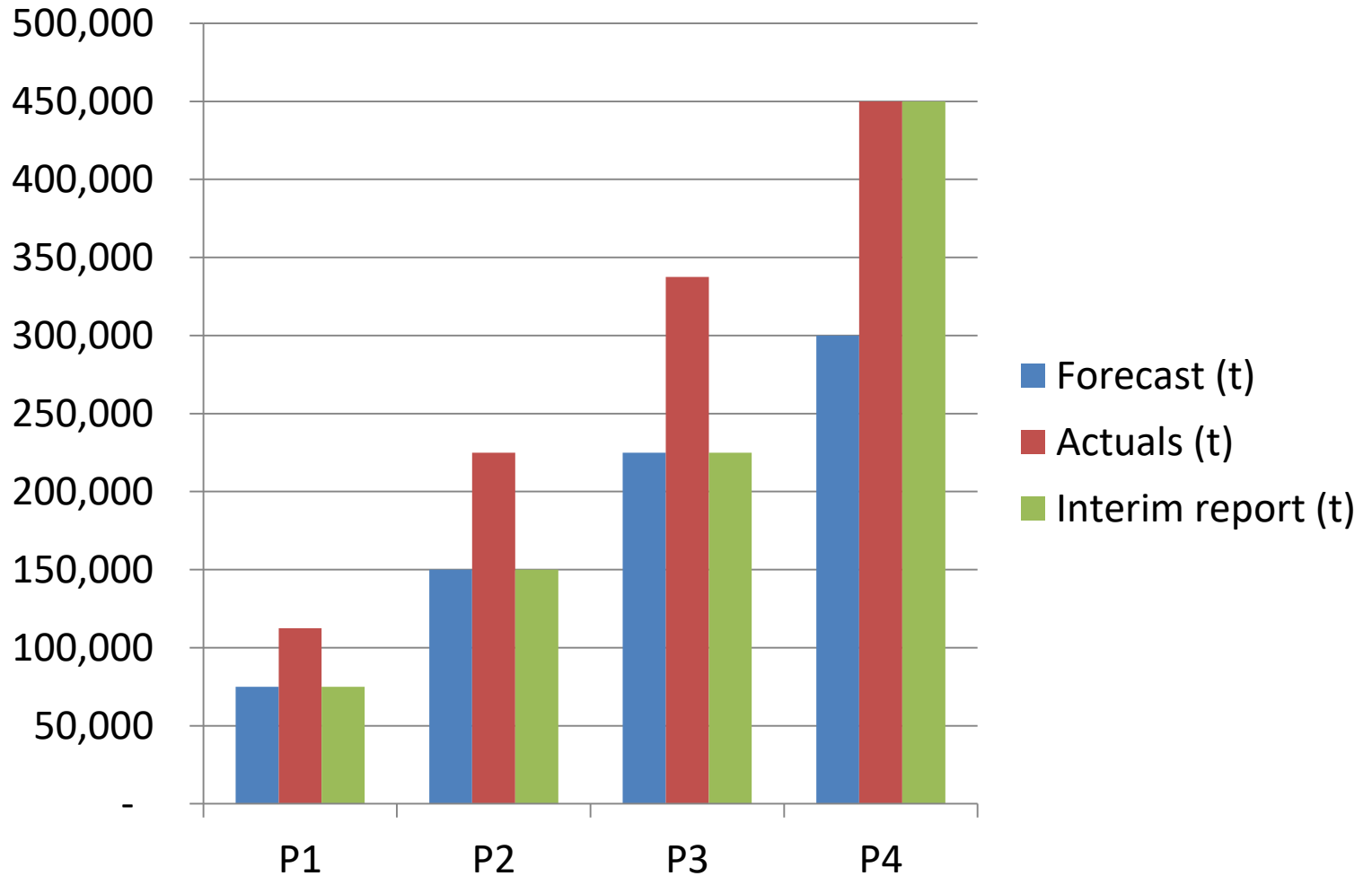
Verification

- **Third party verification for the entire year including all reporting periods to be provided with March 31st reporting.**
- **Third-party verification of quarterly reporting may be required through a supplemental information request. The Director may also require third-party verification of quarterly reporting in the subsequent year.**

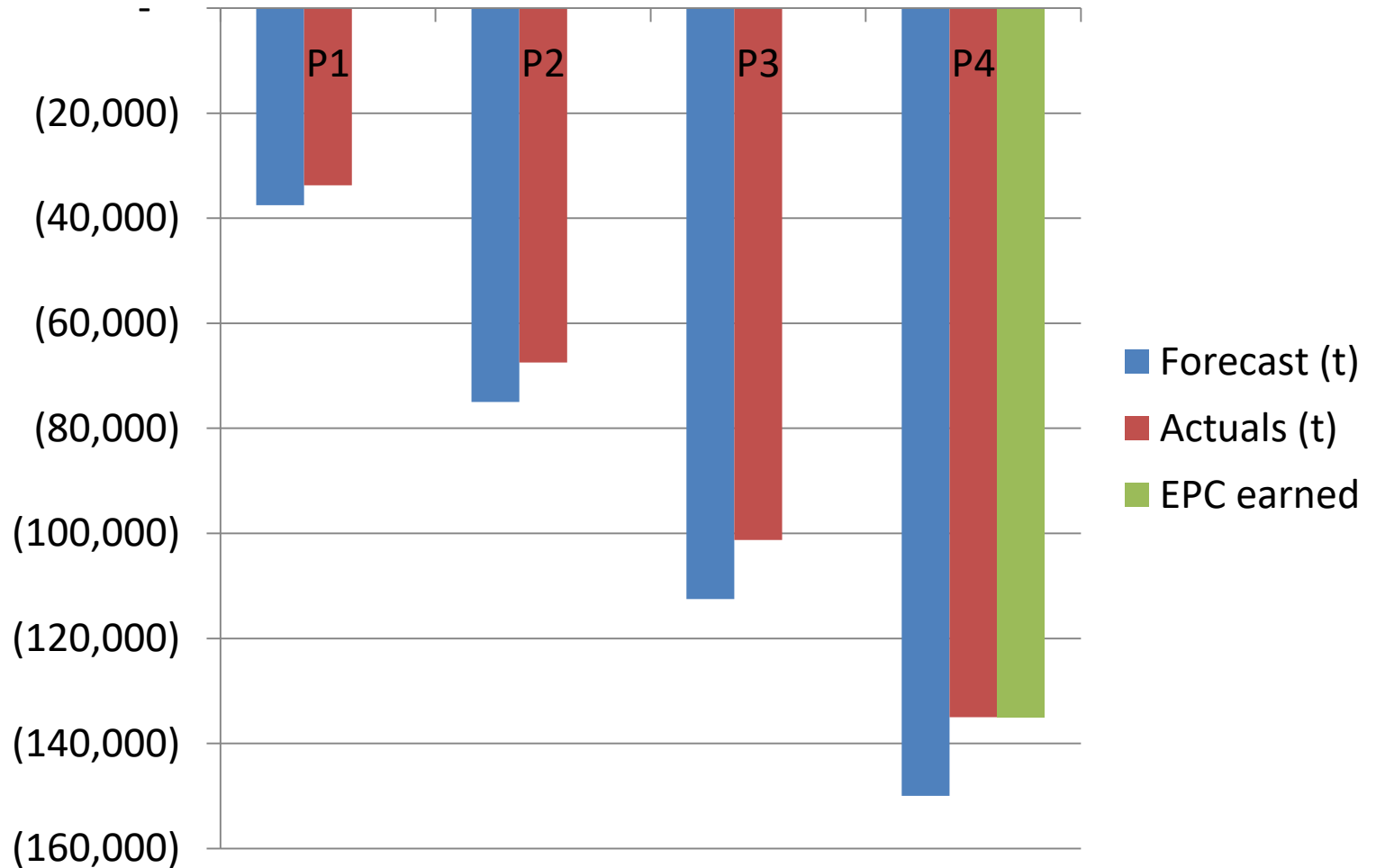
Examples: True-up obligation



Examples: True-up shortfall

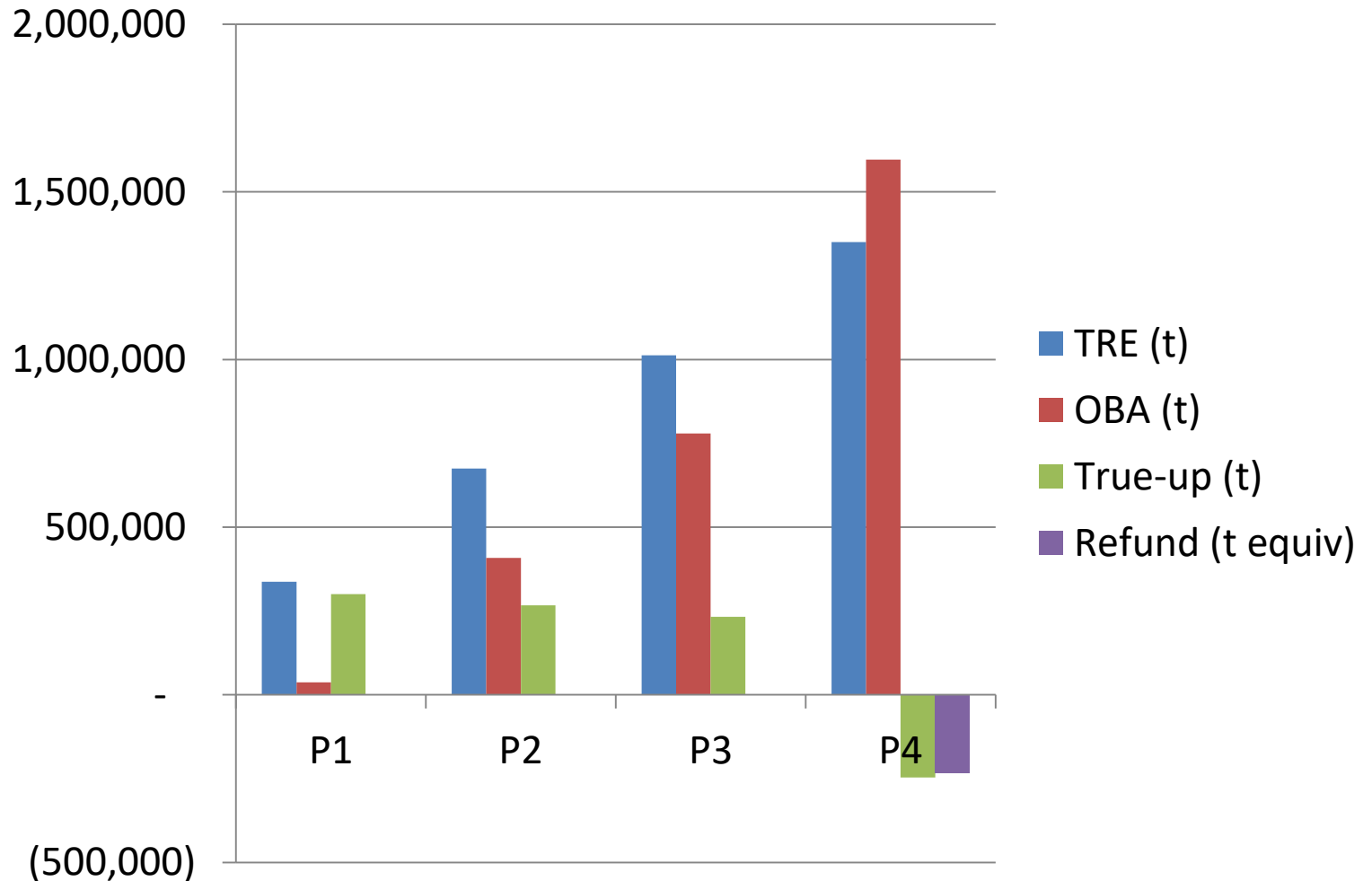


Examples: EPC earned



Examples

Variable compliance obligation



Thank You!

- **For more information, please consult the upcoming Standard for Completing Greenhouse Gas Compliance and Forecasting Reports, or**
- **Email questions to AEP.GHG@gov.ab.ca**