

Updates on Interim Compliance Reporting and Quantification Methodologies

June 28, 2018

Overview

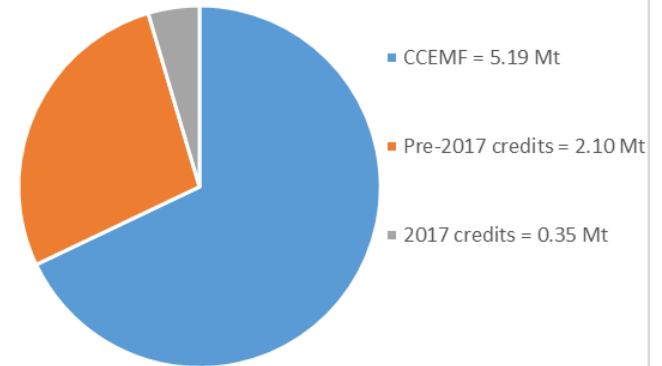
- General outcomes and observations
- Updated forms
 - Interim compliance reporting form
 - Forecasting form
- Quantification methodologies
- Deviation request process
- Q&A

General Outcomes and Observations

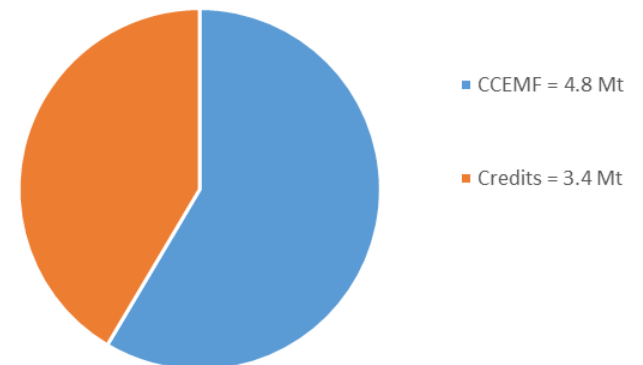
- Total true-up obligation (actual) = 7.6 Mt
- Fund ratio = 68%

- Total true-up obligation (forecast) = 8.2 Mt
- Fund ratio = 59%

RP1 compliance methods (actual)



RP1 compliance methods (forecast)



General Outcomes and Observations

- Heat import/export should have agreement
- Heat and electricity export should be reported in the production
- Did not submit QMD
- Follow fund ratios and pre-2017 credit limit set by the Regulation
- Did not use the latest forecast fund ratios
 - Section 7(3) ratio of fund credits to other credits used must match that in latest forecast
 - Section 14(4) May submit a revised annual forecasting report for remaining reporting periods along with interim compliance report
 - Section 19(5) EPCs or Offsets used for a reporting period of 2018 can total 50% of true-up obligation
 - Section 19(6) Pre-2017 credit can be used for a reporting period in total to 40% of true-up obligation
- ACCO will send letters to facilities that did not meet requirement

Updated Reporting Forms

Interim Compliance and Forecasting

- Interim compliance reporting form
 - Rounding issue in compliance formula
 - Net emissions did not account for pre-2017 vintage EPCs
 - Updated terminologies and definitions:
 - “Third party assurance provider” vs. “Third party verifier”
 - Industrial process emissions
 - Negligible emissions
 - Updated benchmarks (hydrogen and softwood Kraft pulp)
 - Form not mandatory for Q2 unless using pre-2017 vintage EPCs
- Forecasting form
 - Updated benchmarks (hydrogen and softwood Kraft pulp)
 - Projected true-up obligation calculation for refining sector
 - Facilities that are re-forecasting will only be able to provide forward looking data

Stakeholder Feedback on Reporting Period 1

Quantification Methodologies

- Finalized chapters posted on CCIR website:
 - Chapter 1 – Stationary Fuel Combustion
 - Chapter 8 – Industrial Process Emissions
 - Chapter 12 – Imports
 - Chapter 13 – Production
 - Chapter 14 – Carbon Dioxide from Combustion of Biomass
 - Chapter 17 – Measurements, Sampling, Analysis and Data Management
- Draft chapters on venting and fugitives will be posted this summer for stakeholder comments.
- Remainder chapters are targeted for Fall of 2018 for stakeholder comments.

Quantification Methodologies

- Negligible emission sources:
 - 1% of facility's total direct emissions up to 5,000 tonnes CO₂e
 - Alternative methodologies can be used
 - Must be included in the TRE
- Tier 1 methodology can be used for CO₂ emissions from combustion of non-variable fuels.
- Updates to emission factors in Table 1-1 in Stationary Fuel Combustion chapter (Chapter 1)
- Methodology to calculate quantity of fuels from storage tanks with a volume of 120,000 litres or less.
- Oxidation factor for coal combustion to reflected un-combusted carbon in ash.
- Imported useful thermal heat includes returning residual energy.

Deviation Request Process

Section A: Administrative Information (continued)	
Facility Information	
Facility Name	
Facility Location (street or rural address of actual facility, if applicable, NOT the mailing address)	
Nearest City/District/Municipality/County to Facility	
Facility Mailing Address	
Mailing Address City/District/Municipality/County	
Province/Territory	Postal Code
Reporting Company	
Reporting Company Legal Name	
Reporting Company Trade Name	
Reporting Company Business Number	
Reporting Company Mailing Address	Mailing Address City/District/Municipality/County
Province	Postal Code
Facility Contact for Deviation Request	
Title	
First Name	Last Name
Position/Title	E-mail Address
Telephone Number (eg. 780-123-4567 ext 8)	Fax Number (eg. 780-123-4567)
Mailing Address	City/District/Municipality/County
Province	Postal Code
Certifying Official	
Title	
First Name	Last Name
Position/Title	E-mail Address
Telephone Number (eg. 780-123-4567 ext 8)	Fax Number (eg. 780-123-4567)
Mailing Address	City/District/Municipality/County
Province	Postal Code

Deviation Request Process

Section B: Deviation Request Information

Compliance year

The compliance year that the facility is requesting deviations for:

List of deviation requests

#	Page #	Document Name	Chapter or Appendix	Section or Clause	Table	Equation	Reason for Deviation Request	Proposal to Address Deviation	Target Date to Address Deviation (mm/yyyy)	Alternate Quantification Methodology
1	64	Quantification Methodologies for the Carbon Competitiveness Incentive Regulation and the Specified Gas Reporter Regulation	17		17-3		Request deviation from sampling requirements for weekly coal/coke sampling and monitoring frequency as reporting period has past and facility is unable to meet this requirement.	Unable to address requirement from January 1 to June 30 as reporting period has past.	NA	Facility will calculate CO2 emissions based on Equation 1-3d of Chapter 1 using data from the reporting period that would result in the most conservative emissions. The facility currently collects monthly samples (instead of the required weekly samples). In the proposed methodology, the facility will use the analytical data with the highest carbon content to give the most conservative result in emissions.
1	64	Quantification Methodologies for the Carbon Competitiveness Incentive Regulation and the Specified Gas Reporter Regulation	17		17-3		Request deviation from sampling requirements for weekly sampling of gaseous fuels, including refinery fuel gas and fuels used in industrial processes other for combustion.	Facility plans to develop and implement a plan to meet this requirement that may include additional sampling ports and/or metering.	31-Dec-18	Facility will calculate CO2 emissions based on Equation 1-3a of Chapter 1 using data from the reporting period that would result in the most conservative emissions. The facility currently collects monthly samples (instead of the required weekly samples). In the proposed methodology, the facility will use the analytical data with the highest carbon content to give the most conservative result in emissions.

Deviation Request Process

Statement of Certification				
Facility Name		Compliance Year for Deviation Request		
Jane		0		
Reporting Company Legal Name				
0				
Summary of Deviation Requests				
List of items that the facility is requesting for deviation:				
Chapter or Appendix	Section or Clause	Table	Equation	
17	0	17-3	0	
17	0	17-3	0	
0	0	0	0	
0	0	0	0	
0	0	0	0	
0	0	0	0	
0	0	0	0	
0	0	0	0	
0	0	0	0	
Signature of Certifying Official				
I, Jane Doe (Certifying Official), having the authority to bind the reporting company, hereby certify that I have reviewed the information being submitted and that I have exercised due diligence to ensure that the information provided in this request for deviation is true and complete and based on the best available data and information.				
Signature of Certifying Official			Date	
<div style="border: 1px solid black; height: 60px; width: 100%;"></div>			<div style="border: 1px solid black; height: 60px; width: 100%;"></div>	
First Name		Last Name		
Jane		Doe		
Position/Title		E-mail Address		Phone Number
Vice President		Jane.Doe@abc.co		555-555-5555

Deviation Request Process

- No deadline for the submission of deviation request forms.
- For the second quarterly interim compliance reports due on August 15, 2018, deviation request forms should be submit by August 1, 2018.
- Deviation requests are approved on a time-limited basis.
- Link: <https://www.alberta.ca/assets/documents/cci-deviation-request-form.xlsx>

Q & A