

Oregon Clean Fuels Program

CFP 2018 Rulemaking Advisory Committee Meeting #1

February 1, 2018

Proposed Timeline

	Plan A	Plan B (if needed)
Committee Meetings	February 1 March 22 May 3	Plan A + June 12
Fiscal Meeting	June 12	July 17
Public Comment	July-August	August-September
Public Hearing	August	September
EQC Meeting	November 15-16, 2018	
Effective Date	January 1, 2019	

Rulemaking Scope

- Mechanisms to incorporate verification to various parts of the program
- Updates to the models used to determine the carbon intensities of fuels
- The potential for additional credit generation to the program
- Alignment of the enforcement provisions in Division 12
- Anything else?

OPTIONS FOR A VERIFICATION PROGRAM

Background

- Create a system for proactively ensuring the accuracy of reporting and the validity of credits – Following up on the concern that holders of fraudulent credits must replace the credit
- Alignment of policy – CARB is also introducing verification into their LCFS
- This meeting – We’re looking for ideas from the committee about what they would want to see in a verification program
- Next meeting – Program elements to move forward with

What do we mean by Verification?

Clarifying...

- What data is required to be reported
- How the data should be collected
- What are the recordkeeping requirements
- How will it be transmitted to the agency
- What will the review include
- Anything else?

What needs to be Verified?

Submissions including...

- Quarterly Fuel Transaction reports
- Fuel pathway applications
- On-going reporting for provisional fuel pathways
- Any others?

How often?

How often do submissions have to be verified...

- Fuel reports – quarterly/annual
- Fuel pathway applications – up front/continuously
- On-going reporting for provisional fuel pathways – quarterly/end of 2 years
- Any others?

Who conducts the Verification?

- DEQ staff
- Third party verifiers - should be:
 - Independent
 - Insured/bonded
 - Accredited
- Anybody else?

How do Verifiers get Accredited?

The framework should include...

- Verifiers accredited in California
- Establish an Oregon program
- Accreditation boards
- Anything else?

How are Verifications Audited?

How rigorous does the verification audit need to be?

- Monitoring or verification plan
- Summary of data
- Sampling reviews of underlying documents which make up reporting
- Site visits

Points for Discussion

- Fuel producers vs. importers
- Large vs. small
- Regulated fuels vs. others (propane, electricity, natural gas, hydrogen)
- Voluntary vs. mandatory
- Exemptions vs. reduced requirements (less frequent, etc.)
- Alternative forms of verification/reporting
- Cost
- Availability of verifiers

UPDATES TO CARBON INTENSITY MODELS

Update OR-GREET

- Match changes to CA-GREET
- Tier 1 Simplified CI calculators
 - Starch ethanol
 - Sugarcane ethanol
 - Biodiesel/renewable diesel
 - Landfill gas

Update OPGEE

- New version of OPGEE
- Updated crude mixes going into refineries that feed into Oregon
 - DEQ is looking for data regarding the crude slates for those refineries

OPTIONS FOR ADDITIONAL CREDIT GENERATION

Considerations

	How many additional credits?	How would it impact the ability to meet the standards?	Who should be the credit generator?	What recordkeeping requirements would apply?
Forklifts				
Truck Refrigeration Units				
Truck Stop Electrification				
Anything else?				

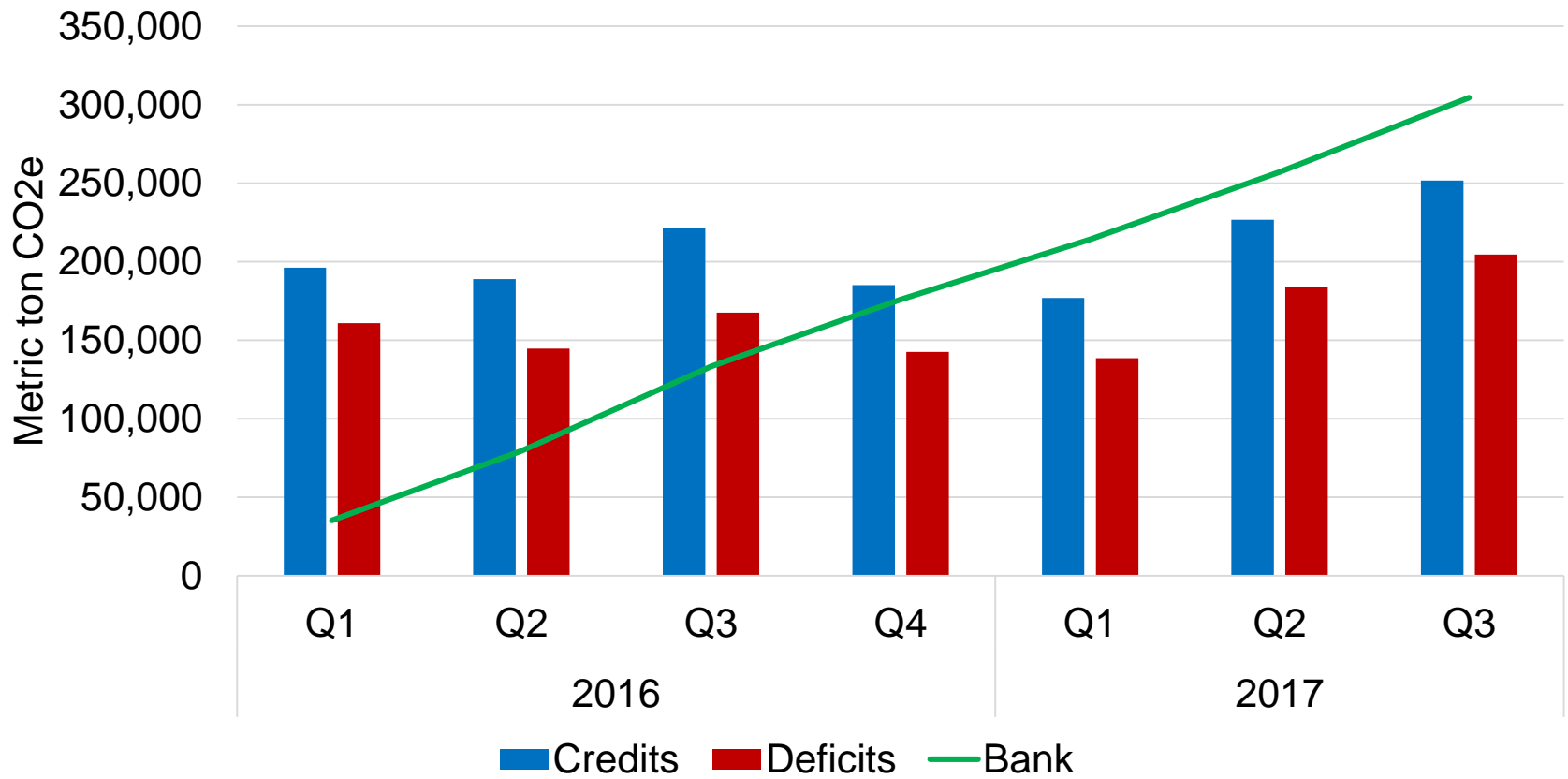
Alternative Jet Fuel

- Being considered in California LCFS
- What is the potential for use in Oregon?
- Deficits and credits?
- Who would be the obligated parties?
- What other considerations?

IMPLEMENTATION FOR 2018

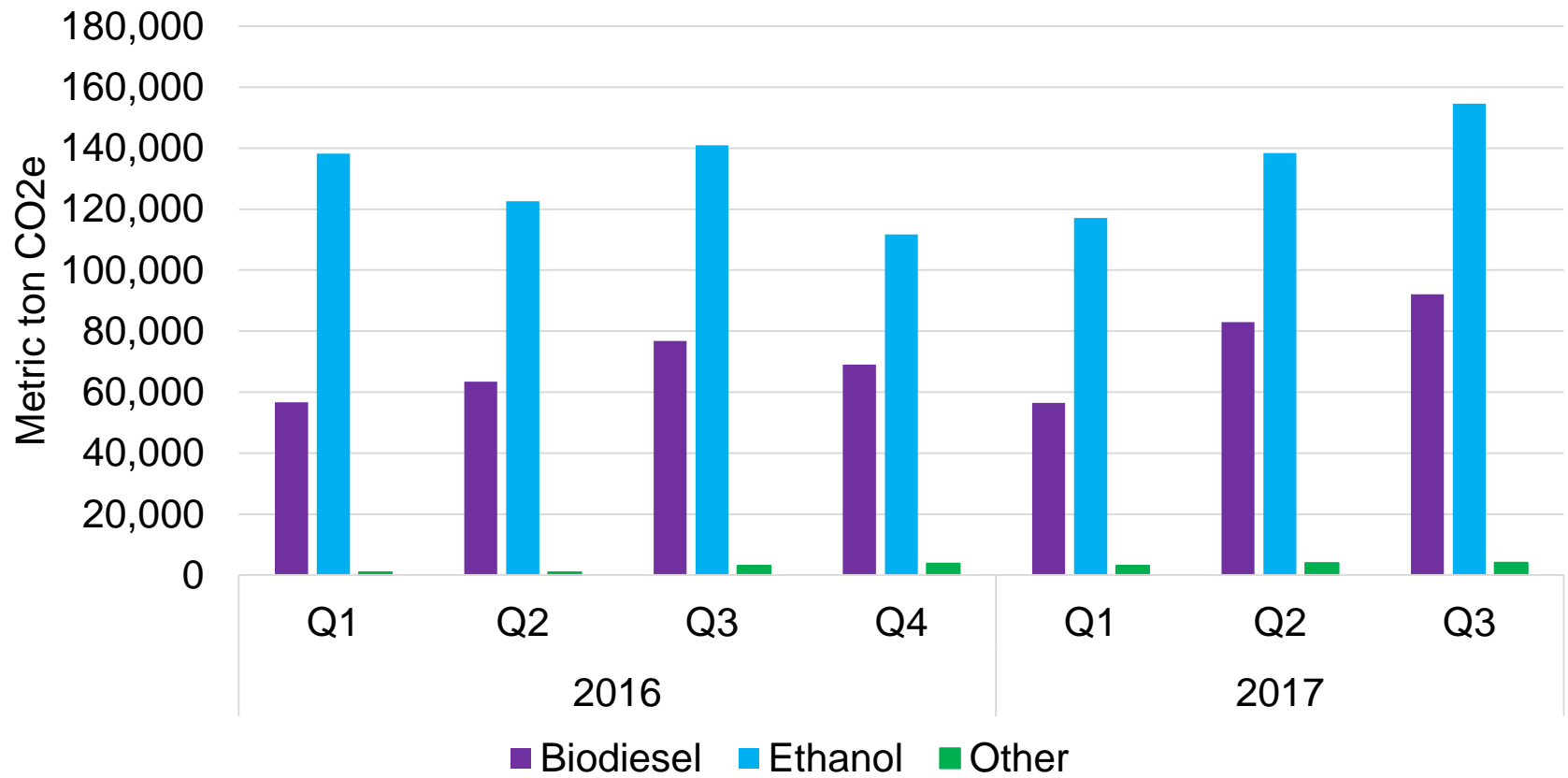
Q3 2017 Data Summary

Credits and Deficits

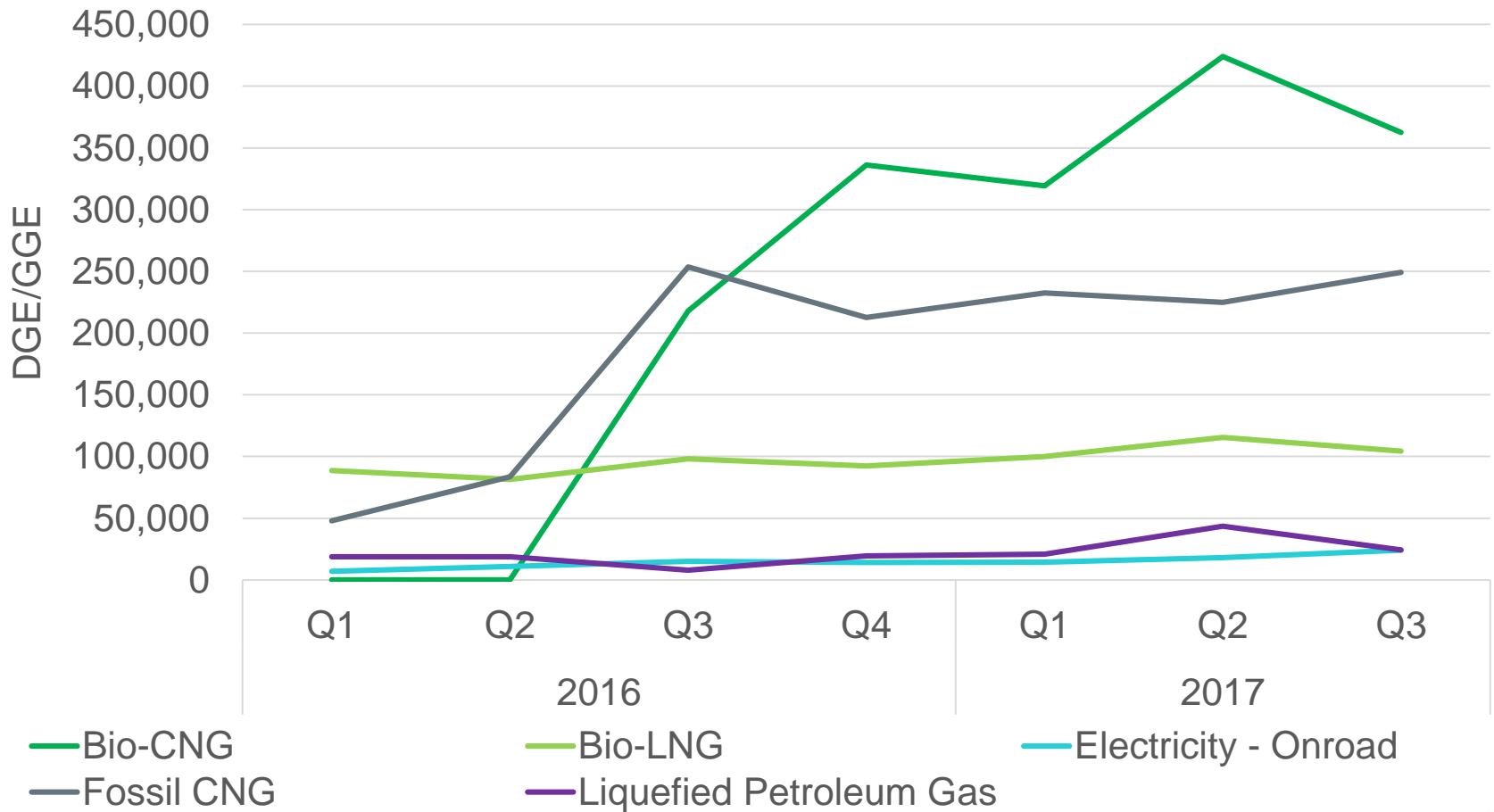


Q3 2017 Data Summary

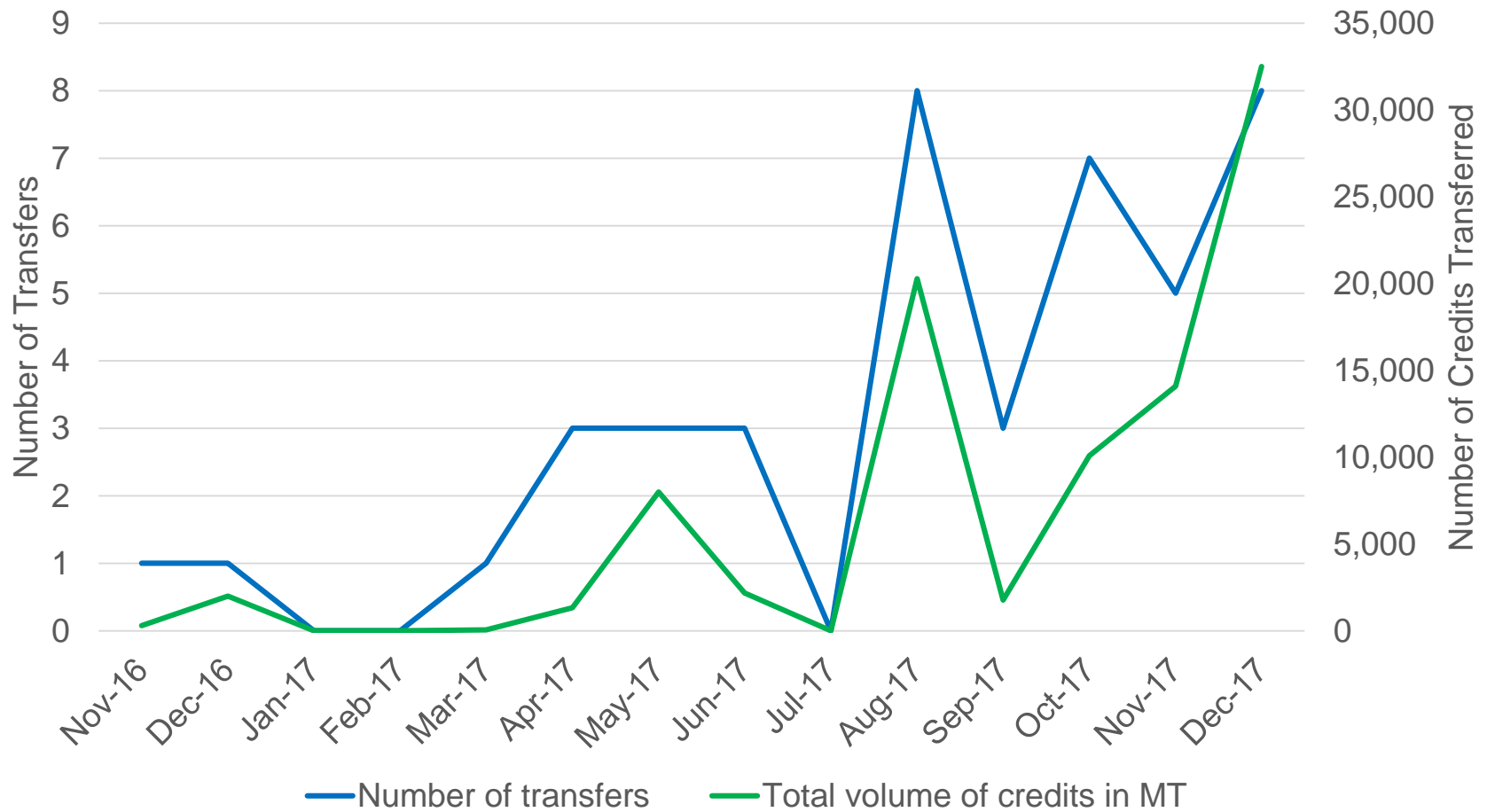
Credit Generation by Fuel Type



Uptake of Alternatives



CFP Credit Transfers



Updates to CFP Online System

- Improve reporting and fuel pathway application handling
- Enables requests and approvals for Temporary Fuel Pathway Codes
- Fuel Supply Equipment registration for Q1 2018 reporting and onward
- Bakes in more of the reporting-related rules

Backstop Aggregator

- Solicitation begins February 1, 2018
- Applications due February 28, 2018
- Recommendation at EQC meeting on March 21, 2018
- Approximately 6% of EVs registered in Oregon, based on June 30, 2017 registrations

Electricity CIs

	Direct Emissions (gCO₂e/MJ)	Indirect Emissions (gCO₂e/MJ)	Carbon Intensity (gCO₂e/MJ)
Statewide Mix	99.61	9.95	109.56
Clatskanie PUD	18.06	2.05	20.11
Emerald PUD	4.98	0.75	5.72
Springfield Utility Board	4.18	0.67	4.85
Hermiston Energy Services	4.18	0.67	4.85
Columbia River PUD	4.18	0.67	4.85
EWEB	3.86	0.64	4.50
Central Lincoln PUD	4.18	0.67	4.85
Lane Electric Cooperative	4.67	0.71	5.38
Tillamook PUD	4.14	0.67	4.81
Umatilla Electric Cooperative	21.36	2.38	23.74