State of Oregon Department of Environmental Quality

Renewable Electricity Draft Rules

Nov. 19, 2020, Clean Fuels Program Electricity 2021 Rulemaking Advisory Committee Meeting

Key to Identifying Changed Text:
~~Deleted Text~~
New/inserted text

340-253-0400
Carbon Intensities
[…]
(3)(b) For electricity suppliers,

(A) The statewide average electricity carbon intensity is calculated annually under OAR 340-253-0470 and posted on the DEQ website.

(B) Credit generators or aggregators may use a carbon intensity different from the statewide average under subsection (b)(A) if:

(i) The utility has applied for an individual carbon intensity under OAR 340-253-0470; ~~or~~

(ii) The party generates lower carbon electricity at the same location as it is dispensed into a motor vehicle consistent with the conditions of the approved fuel pathway code under OAR 340-253-0470(3);

(iii) By retiring RECs meeting the requirements of OAR 340-253-0470 [Exact Citation to come] against the charging they are reporting and including evidence of that retirement in a recognized tracking system as supplemental documentation with their quarterly report~~.~~; or

(iv) The credit generator or aggregator provides regular evidence that the charging equipment is covered by an approved utility renewable energy product or power purchase agreement with an electric service supplier.
[…]

340-253-0470
Determining the Carbon Intensity of Electricity

(1) Statewide electricity mix. The carbon intensity for the statewide electricity mix will reflect the average carbon intensity of electricity served in Oregon and be calculated by using the carbon-intensity of electricity ~~over the most recent five years~~from the most recent year as ~~and~~

~~determining the average of the five values. For 2018 and beyond, the carbon intensities for electricity will be calculated using the rolling five-year average of data~~ submitted to DEQ under OAR chapter 340, division 215. No later than December 31 of each year, except that DEQ may revise the 2020 value no later than June 15, 2021, DEQ will:

(a) Post the updated statewide electricity mix carbon intensity for the next year on the DEQ webpage;

(b) Post the updated utility-specific carbon intensities for the next year on the DEQ webpage; and

(c) Add the new fuel pathway codes to the Oregon Fuels Reporting System effective for Q1 reporting for the next year.

(2) Retirement of major fossil-fuel generators. For the 2021 and 2022 statewide mixes and any applicable utility-specific mixes, DEQ will replace the direct emissions associated with power from the Boardman coal-fired power plant with an emissions rate of 0.428 metric tons CO2e per megawatt-hour. For indirect emissions, DEQ will continue to use the most recent grid mix data available.

(3~~2~~) Utility-specific carbon intensity. An electric utility may apply to obtain a utility-specific carbon intensity under OAR 340-253-0400 that reflects the average carbon intensity of electricity served in that utility district.

(a) The carbon intensity will be calculated by using the carbon intensity of electricity over the most recently reported and verified year ~~five years and determining the average of the five values~~.

(b) Once DEQ has calculated a utility-specific carbon intensity, DEQ will propose its draft carbon intensity to the utility.

(A) If the utility does not agree with DEQ's proposed carbon intensity, then it must provide DEQ with an explanation of why it believes the proposed carbon intensity is not accurate within seven days of receiving DEQ's proposal. DEQ will consider whether to change its proposed carbon intensity based on the information it receives from the utility. If DEQ determines not to change it proposed carbon intensity within 30 days, then the utility may choose to accept the proposed carbon intensity or use the statewide electricity mix carbon intensity.

(B) If the utility agrees with DEQ's proposed carbon intensity, then the draft carbon intensity is made final and approved.

(C) If the utility fails to submit a timely objection to the calculation, then the draft carbon intensity is made final and approved.

(c) A utility that wants to discontinue a utility-specific carbon intensity may submit a written request to DEQ by October 31 for the following year. A utility can reapply for a utility-specific carbon intensity at any time in the future.

(43) For on-site generation of electricity using renewable generation systems such as solar or wind, applicants must document that:

(a) The renewable generation system is on-site or directly connected to the electric vehicle chargers;

(b) The fuel pathway codes listed in Table 3 under OAR 340-253-8010 for solar-generated or wind-generated electricity can only be used for the portion of the electricity dispensed from the charger that is generated by that dedicated renewable energy system;

(c) Any grid electricity dispensed from the charger must be reported separately under the statewide electricity mix or utility-specific fuel pathway codes; and

(d) RECs are not generated from the renewable generation system or, if they are, then an equal number of RECs generated from that facility to the number of MWh reported in the Oregon Fuels Reporting System from that facility must be retired in the recognized REC tracking system.

(5) Offsite renewable or zero-carbon electricity. In order to further lower the carbon intensity of electricity delivered to electric vehicles, credit generators and aggregators may retire renewable electricity certificates that meet the following qualifications.

(a) Renewable Energy Certificates (RECs) retired in order to claim a carbon intensity other than the statewide mix or utility-specific mix must be certified by Green-e.

(b) Carbon intensity of renewable electricity.
(A) For the following fuel types, the carbon intensity of electricity is zero:
(i) Solar;
(ii) Wind;
(iii) Geothermal;
(iv) Hydropower; and
(v) Ocean Power.

(B) For RECs generated from biomass, biogas, biodiesel, and hydrogen, the generator must file a Tier 1 or Tier 2 fuel pathway application to determine the carbon intensity of their electricity.

DEQ may adopt an efficiency adjustment factor for biogas to electricity pathways that include emissions reduction credits in order to maintain the program's incentive for energy efficiency.

(C) RECs must be generated by an electric generator that was placed into service after 2015.

(D) RECs must be generated within a balancing authority area that includes a portion of the state of Oregon, as recognized by the North American Electric Reliability Corporation, or that the electricity from the generating facility is delivered to one of those balancing authorities on a real-time basis without shaping, storage, or integration services, or in the Pacificorp-East balancing authority area.

(E) RECs must be recorded and retired in a recognized renewable electricity tracking system. In addition to recognizing the Western Renewable Energy Generation Information System, DEQ may recognize additional renewable electricity tracking systems upon a request from a registered party. In reviewing those requests, DEQ will consider if the tracking system has systems in place to ensure accurate issuance and tracking of RECs.

(6) Utility Renewable Energy Products and Power Purchase Agreements. Electric utilities and Electric Service Suppliers may apply via a tier 2 fuel pathway application for DEQ to assign a carbon intensity to one or more of their renewable energy products or a specific power purchase agreement.

(a) Notwithstanding OAR 340-253-0450, Tier 2 applications made under this provision must include:

(A) A letter describing the power purchase agreement or utility renewable energy product, the existing or planned source, or sources, of electricity and/or environmental attributes, and the terms by which it is being offered to customers;

(B) Samples or examples of bills, invoices, or other documentation that an entity claiming renewable energy under this product could provide to DEQ to prove that their electric vehicle charging is covered by the product or agreement;

(C) In the case of a utility renewable energy product, any filings with, and orders by, the Public Utility Commission or a local governing board that approves the product; and

(D) An estimate of the amount of electric vehicle charging attributable to customers for the product or agreement.

(b) DEQ will review pathway applications under this provision to determine if they result in a substantially similar environmental outcome to the sources of renewable energy required under (5). In reviewing a utility product or agreement that contains multiple sources of power, DEQ may use the estimate under (a)(C) of this subsection to determine if sufficient renewable energy

that is substantially similar to the requirements of (5) is included in the product to cover transportation-related claims under the CFP. DEQ may revisit this determination annually using the annual fuel pathway report.

(c) Annual Fuel Pathway Report. The annual fuel pathway report for pathways covered by this section must update the sources or sources of electricity or environmental attributes that were used in the prior year and are planned for the year in which the report is submitted. It must also update the estimate of the amount of electric vehicle charging attributable to customers using the product or agreement.

Statutory/Other Authority: ORS 468.020, 468A.266, 468A.268 & 468A.277
Statutes/Other Implemented: ORS 468.020 & ORS 468A.265 through 468A.277
History:
DEQ 14-2020, amend filed 05/07/2020, effective 05/07/2020
DEQ 199-2018, amend filed 11/16/2018, effective 01/01/2019
DEQ 27-2017, adopt filed 11/17/2017, effective 11/17/2017

340-253-0640
Specific Requirements for Reporting

(1) For natural gas or biomethane (inclusive of CNG, LNG, and L-CNG), any registered party must report the following as applicable:

(a) For CNG and L-CNG, the amount of fuel in therms dispensed per reporting period for all LDV and MDV, HDV-CIE, and HDV-SIE.

(b) For LNG, the amount of fuel dispensed in gallons per compliance period for all LDV and MDV, HDV-CIE, and HDV-SIE.

(c) For CNG, L-CNG, and LNG, the carbon intensity as listed in 4 under OAR 340-253-8040.

(d) For biomethane-based CNG, LNG, and L-CNG, the carbon intensity as approved under OAR 340-253-0450 and the EPA production company identification number and facility identification number. Additionally, the registered party must submit the following attestation at the time of filing the annual report:

“I certify that to the extent that the gas used in the fuel pathway or supplied as transportation fuel is characterized as biomethane, _____ (registered party name) owns the exclusive rights to the corresponding environmental attributes. _____ (registered party name) has not sold, transferred, or retired those environmental attributes in any program or jurisdiction other than the federal RFS. Based on diligent inquiry and review of contracts and attestations from our business partners, I certify under penalty of perjury under the laws of the State of Oregon that no other

party has or will sell, transfer, or retire the environmental attributes corresponding to the biomethane for which _____(registered party name) claims credit in the CFP program."

(2) For electricity, any registered party must report the following as applicable:

(a) The information specified for electricity in Table 5 under OAR 340-253-8010;

(b) For each public access charging facility, fleet charging facility, workplace private access charging facility, or multi-family dwelling, the amount of electricity dispensed in kilowatt hours to vehicles.

(c) For each public transit agency, the amount of electricity dispensed to or consumed by vehicles used for public transportation in kilowatt hours. The report must be:

(A) Separated by use for light rail, streetcars, aerial trams, or electric transit buses; and

(B) Separated by electricity used in portions of their system placed in service before and after January 1, 2012.

(d) To claim a carbon intensity other than a statewide or utility-specific mix, or directly connected renewable power under the Lookup Table in OAR 340-253-8010, a registered party must:

(A) Submit documentation that qualifying RECs were retired in a recognized renewable electricity tracking system at the same time as the submittal of the Quarterly report; or

(B) Submit documentation at least annually that the electric vehicle chargers are covered by a utility green power product or a power purchase agreement that has been approved by DEQ for a carbon intensity. The carbon intensity assigned to the product or agreement can only be used for reporting if the electric vehicle chargers are covered by that same product or agreement for the time period which is being reported.

(3) For renewable hydrocarbon diesel or gasoline co-processed at a petroleum refinery, any registered party must report the following information as applicable:

(a) If the registered party is also the producer, then DEQ may require the registered party to report the ongoing information required under OAR 340-253-0450.

(b) If the registered party is not the producer, and the producer has not met its obligations under OAR 340-253-0450, then DEQ may require the registered party to report the volume of fuel under a temporary fuel pathway code or the fuel pathway code for clear gasoline or diesel, as applicable.

(4) Temperature Correction. All liquid fuel volumes reported in the Oregon Fuels Reporting System must be adjusted to the standard temperature conditions of 60 degrees Fahrenheit as follows:

(a) For ethanol, using the formula: Standardized Volume = Actual volume * ((-0.0006301 * T) + 1.0378), where standardized volume refers to the volume of ethanol in gallons at 60°F, actual volume refers to the measured volume in gallons, and T refers to the actual temperature of the batch in °F.

(b) For Biodiesel, one of the following two methodologies must be used:

(A) Standardized Volume = Actual Volume * ((-0.00045767 * T) + 1.02746025), where Standardized Volume refers to the volume in gallons at 60°F, Actual Volume refers to the measured volume in gallons, and T refers to the actual temperature of the batch in °F; or

(B) The standardized volume in gallons of biodiesel at 60°F, as calculated using the American Petroleum Institute Refined Products Table 6B, as referenced in ASTM 1250-08.

(c) For other liquid fuels, the volume correction to standard conditions must be calculated by the methods described in the American Petroleum Institute Manual of Petroleum Measurement Standards Chapter 11 – Physical Properties Data, the ASTM Standard Guide for the Use of Petroleum Measurement Tables (ASTM D1250-08), or the API Technical Data Book, Petroleum Refining Chapter 6 – Density.

(d) If a registered party believes the methods in (a) through (c) are inappropriate, they may request to use a different method and DEQ may approve that method if it finds that it is at least as accurate as the methods in (a) through (c).

(5) Reporting Exempt Gallons. When a registered party is reporting that it sold gallons of fuel to exempt fuel users as defined in OAR 340-253-0250, the registered party must designate in the transaction description field of the Oregon Fuels Reporting System the categories of exempt fuel users to which the registered party delivered fuel and the number of gallons delivered. For blended fuels, all components must be reported as exempt.

(6) Reporting “Not For Transportation” Gallons. When reporting that fuel was sold as not for transportation in the Oregon Fuels Reporting System, the registered party must report in the transaction description field of the Oregon Fuels Reporting System which stationary source or category of stationary fuel combustion the fuel was sold to and the number of gallons sold. For blended fuels, all components must be reported as not being used for transportation.

(7) Reporting Position Holder Transactions.

(a) Registered parties that are position holders must report fuel sold below the rack.

(b) Registered parties that are position holders that sell fuel to entities not registered in the CFP may be aggregate and report those sales in a single transaction using the "'‘Undefined' Business partner" transaction category.

(c) Registered parties that are position olders that sell fuel below the rack for export must identify each recipient of such fuel that is registered in the CFP.

(8) Reporting Below the Rack Exports. Purchasers of fuel from a position holder that is directly exported without modification must report such fuel using the "Purchase below the rack for export" transaction category.

Statutory/Other Authority: OAR 468.020, 468A.266, 468A.268 & 468A.277
Statutes/Other Implemented: OAR 468.020 & ORS 468A.265 through 468A.277
History:
DEQ 14-2020, amend filed 05/07/2020, effective 05/07/2020
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