

ATTACHMENT A

**Proposed Electricity Sector
Greenhouse Gas Reporting and Verification Protocol**

1. Definitions and Covered Entities

1.1 Definitions

1.1.1 Asset-controlling Entity

“Asset-controlling entities” are entities that operate power plants or serve as exclusive marketers for certain power plants even though they do not own them.

1.1.2 Asset-owning Entity

An “asset-owning entity” is an entity that owns power plants. Asset-owning entities may include, but are not limited to, independent power producers, qualifying facilities (QFs), investor-owned utilities (IOUs), publicly owned utilities (POUs), state agencies, federal agencies, and community choice aggregators (CCAs).

1.1.3 Emission Factor

An “emission factor” is a ratio that reflects the level of emissions of a specified pollutant per unit of specified activity, e.g., pounds of carbon dioxide (CO₂) equivalent emissions emitted per megawatt-hour (MWh) of electricity produced.

1.1.4 Exchange Agreement

An “exchange agreement” is an agreement between electricity market participants that provides for an exchange of energy for energy. Exchange transactions do not involve transfers of payment or receipts of money for the full market value of the energy being exchanged, but may include payment for net differences due to market price differences between the two parts of the transaction or to settle minor imbalances.

1.1.5 Generating Unit

A “generating unit” or “unit” is comprised of one or more physically connected generator(s), reactor(s), boiler(s), combustion turbine(s), or other prime mover(s) operated together to produce electric power.

1.1.6 Marketer

A “marketer” is a Purchasing/Selling entity that is not a retail provider and that is listed as the Purchasing/Selling Entity at the first point of delivery in California for power imported into California or the last point of receipt for power exported from California.

1.1.7 Multi-jurisdictional Utilities

“Multi-jurisdictional utilities” are distribution utilities that provide electricity to end users in California and in one or more other states.

1.1.8 Null Power

“Null power” is any electricity produced by a renewable electricity facility from which a Western Renewable Energy Generation Information System (WREGIS) certificate has been unbundled and sold separately.

1.1.9 Pacific Northwest

The “Pacific Northwest” or “Northwest” region includes Washington, Oregon, Idaho, Montana, and British Columbia.

1.1.10 Point of Delivery

A “point of delivery” is a point on an electric system where a power supplier delivers electricity to the receiver of that energy. This point can be an interconnection with another system or a substation where the transmission provider’s transmission and distribution systems are connected to another system.

1.1.11 Point of Receipt

A “point of receipt” is a point on an electric system where an entity receives electricity from a supplier. This point can be an interconnection with another system or a generator busbar.

1.1.12 Power Contract

A “power contract” is an arrangement for the purchase of electricity. Power contracts may be, but are not limited to, power purchase agreements and tariff provisions.

1.1.13 Power Plant

A “power plant” or “plant” is a facility for the generation of electricity which may be comprised of one generating unit, or more than one generating unit if (a) the units are at the same location, and (b) each unit utilizes the same resource (fuel). For purposes of this Protocol, the terms “unit” and “plant” are used interchangeably, but the reporting entity shall report the quantities of electricity generated, sold, or purchased for each individual unit wholly-owned, partially-owned, or identified in power contracts as applicable.

1.1.14 Purchasing/Selling Entity

A “Purchasing/Selling Entity” is an entity that is eligible to purchase or sell energy or capacity and reserve transmission services.

1.1.15 Qualifying Facility

A “Qualifying Facility” is a cogeneration or small power production facility that meets ownership, operating, and efficiency criteria established by the Federal Energy Regulatory Commission (FERC) pursuant to the Public Utility Regulatory Policies Act.

1.1.16 Retail Provider

“Retail provider” means an entity that provides electricity to end users in California. Thus, “retail provider” includes electrical corporations (including IOUs, multi-jurisdictional utilities, and electric cooperatives), POUs (including municipalities, municipal utility districts, public utility districts, irrigation districts, and joint power authorities), electric service providers (ESPs), CCAs, and the Western Area Power Administration (WAPA).

1.1.17 Sink

A “sink” is the final point of delivery for an electricity transaction: the actual load.

1.1.18 Southwest

The Southwest region includes Arizona, Nevada, Utah, Colorado, and western New Mexico.

1.1.19 Specified Sources

“Specified sources” are generating units or power plants whose electrical generation can be tracked due to full or partial ownership by the reporting entity, or due to their identification in a power contract with the generator or marketer selling the power. Specified sources may also include federally-managed hydroelectric facilities, to the extent their power is specifically allocated to a reporting entity.

1.1.20 Substitute Energy

“Substitute energy” refers to energy delivered under a plant-specific power contract that was not produced by the plant specified in the contract.

1.1.21 Unspecified Sources

“Unspecified sources” refers to the origin of purchases of electricity that cannot be tracked to a particular power plant. Many purchases from entities that own fleets of power plants such as independent power producers, utilities, and federal power agencies, and many purchases from marketers and brokers are purchases from unspecified sources. All purchases from pooled power markets are from unspecified sources.

1.2 Reporting Entities

This Electricity Sector Greenhouse Gas Reporting and Verification Protocol (Protocol) applies to every retail provider in California. Since WAPA sells a small amount of power to end users in California, it is a retail provider and is requested to report under this Protocol. The California Department of Water Resources (DWR) and any other state agencies that generate or procure power for their own use from any entity that is not a retail provider are required to report, using the reporting requirements for retail providers in this Protocol, the power that they generate or procure to serve their own loads.

Additionally, the Protocol applies to all marketers that import power into or export power from California, meaning any marketer delivering electricity to the first point of delivery in California or, for exported power, delivering electricity to the first point of delivery outside California.

The reporting requirements for retail providers are contained in Section 2 of this Protocol, and the reporting requirements for marketers are contained in Section 3 of this Protocol. Section 4 describes the process by which entities may propose supplier-specific emission factors for sales or purchases from unspecified sources.

In addition to any requirements imposed by this Protocol, power plants are required to report emissions using the source-based protocol (California Code of Regulations, Title 17, Subchapter 10, Article 1, sections 95100 to 95132).

2. Retail Provider Reporting Protocol

For each calendar year, retail providers shall comply with the reporting requirements in Subsections 2.1, 2.3, 2.5, 2.8, 2.10, and 2.12. The other subsections in Section 2 describe how the California Air Resources Board (ARB) attributes GHG emissions to each retail provider.

Report all quantities of electricity generated, purchased, or sold in MWh, as measured at the busbar or, if busbar data is not available, at the first point of receipt for which the reporting entity has information.

Report quantities of electricity received under exchange agreements as purchases, and quantities of electricity delivered under exchange agreements as sales.

Report substitute energy received from specified sources under the appropriate category in Section 2.3, and report substitute energy received from unspecified sources under the appropriate category in Section 2.5.

If a reporting entity has a contract with a specified source that provides the reporting entity with a contractual entitlement to a specified percentage of the plant's output, the reporting entity shall report power it purchases and sells from such plants as being from a partially-owned plant pursuant to Sections 2.1 and 2.8.1.

2.1 Net Generation from Wholly-owned and Partially-owned Power Plants

For each wholly-owned power plant, provide the plant name and ARB plant identification code.

For each partially-owned power plant, provide the plant name and ARB plant identification code, the percentage ownership share of the reporting entity, and the quantity of net generation received by the reporting entity.

For each power plant, indicate whether the plant is identified for GHG reporting purposes as used exclusively to serve native load. One of the following three conditions must be met in order for a reporting entity to choose to report a plant as exclusively serving native load:

1. The plant is a California-eligible renewable resource and, prior to the reporting date, the reporting entity has retired the WREGIS certificates associated with the power received from the facility during the reporting year.
2. The plant is a hydro generation facility whose output the reporting entity takes whenever it is available.
3. The plant is a baseload plant running at an annualized capacity factor of 60 percent or greater. If a plant is reported as serving native load on this basis, all wholly-owned or partially-owned plants running at the same or greater annualized capacity factor shall also be reported as serving native load.

For each plant reported as serving native load, the reporting entity shall indicate which of the three conditions is met.

2.2 Calculation of Emissions from Wholly-owned and Partially-owned Power Plants

For wholly-owned and partially-owned power plants that report under ARB's source-based reporting system, ARB retrieves the emissions for all GHGs and the generation data transmitted to ARB under the source-based reporting system, and calculates an emission factor on that basis.

For power plants not reporting under ARB's source-based reporting system, ARB calculates emission factors using data from finalized reports under 40 CFR Part 75 or plant-level fuel consumption data from the Energy Information Administration if Part 75 data are not available.

ARB attributes emissions to the reporting entity based on its fractional ownership share (i.e., the product of the plant's net generation, the percentage ownership share, and the plant's emission factors), which may then be adjusted to reflect sales pursuant to Section 2.9 or Section 2.11.

2.3 Purchases from Specified Sources

For power purchased from each specified source, provide the plant name, ARB plant identification code, and the quantity of electricity purchased.

For each purchase from a renewable resource, indicate the quantity of the purchase that was null power.

For purchases from each nuclear plant, and each hydro plant greater than 30 megawatts (MW) nameplate capacity that is not a California-eligible renewable resource, indicate the quantity of the purchase that was made through a power contract that was in effect prior to January 1, 2008 and either is still in effect or has been renewed without interruption.

For each out-of-state power plant, indicate the quantity of the purchase that the reporting entity delivered to the first point of delivery in California.

For each power plant, indicate whether purchases from the plant are identified for GHG reporting purposes as used exclusively to serve native load. One of the following three conditions must be met in order for a reporting entity to choose to report purchases from a plant as exclusively serving native load:

1. The plant is a California-eligible renewable resource and, prior to the reporting date, the reporting entity has retired the WREGIS certificates associated with the power received from the facility during the reporting year.
2. The plant is a hydro generation facility whose output the reporting entity takes whenever it is available.
3. The plant is a baseload plant running at an annualized capacity factor of 60 percent or greater. If purchases from a plant are reported as serving native load on this basis, all purchases from specified sources running at the same or greater annualized capacity factor shall also be reported as serving native load.
4. The plant is a Qualifying Facility whose generation the reporting entity purchases under a power contract.

For each plant that the reporting entity lists as exclusively serving native load, the reporting entity shall indicate which of the four conditions are met.

2.4 Calculation of Emissions for Purchases from Specified Sources

2.4.1 For each purchase from a nuclear unit, or hydro plant of greater than 30 MW nameplate capacity that is not a California-eligible renewable resource, that was not made through a power contract that was in effect prior to January 1, 2008 and either is still in effect or has been renewed without interruption, ARB attributes emissions based on the net generation purchased and the default emission factor for the region in which the nuclear or hydro plant is located.

2.4.2 For all purchases from a specified source that reports under ARB's source-based reporting program, except purchases addressed in paragraph 2.4.1, ARB attributes emissions from these plants based on the quantity of net generation purchased and the plant's emission factors.

2.4.3 For all purchases from a specified source that does not report under ARB's source-based reporting program, except purchases addressed in paragraph 2.4.1, ARB calculates emission factors using data from finalized reports under 40 CFR Part 75 or plant-level fuel consumption data from the Energy Information Administration if Part 75 data are not available, and attributes emissions based on the calculated emission factors and net generation purchased.

2.4.4 Emissions attributed to the reporting entity for purchases from specified sources may be adjusted to reflect sales pursuant to Section 2.9 or Section 2.11.

2.5 Purchases from Unspecified Sources

Report all purchases of power from unspecified sources, other than those from the pooled California Independent System Operator (CAISO) real-time market and pooled Integrated Forward Market. Aggregate the purchases by counterparty but, for each counterparty, separately report the total quantities of electricity purchased from each of the three resource regions (Northwest, Southwest, and California). If there are any electricity purchases for which the region of origin cannot be determined, report these quantities as from "unknown region." Receipt of power attributed to the Northwest or Southwest region must be verifiable via North American Electric Reliability Corporation (NERC) Etags.

For each counterparty and region, indicate the quantity of purchases that the reporting entity delivered to the first point of delivery in California.

Report separately the quantity of purchases from the CAISO pooled real-time market and the CAISO pooled Integrated Forward Market, i.e., purchases not under contracts with specified counterparties.

2.6 Calculation of Emissions for Purchases from Unspecified Sources

For counterparties for which ARB has certified supplier-based emission factors (developed pursuant to Section 4), ARB multiplies the quantity of purchases from each supplier by the certified emission factors.

For other purchases, ARB sums the quantities of purchases for each region and CAISO market and multiplies the totals by the corresponding default emission factor.

ARB attributes emissions to purchases reported as originating from an unknown region using the highest of the three regional (California, Northwest, or Southwest) default emission factors.

2.7 Total CO₂e Emissions from Wholly-owned and Partially-owned Plants and Purchases

ARB sums the total metric tons of emissions from wholly- and partially-owned power plants, purchases from specified sources, and purchases from unspecified sources as described in the above sections. ARB then converts the GHG emissions to CO₂ equivalents and calculates the total. The total emissions attributed to the reporting entity may be adjusted to reflect sales reported pursuant to Section 2.8 or Section 2.10.

2.8 Sales from Specified Sources

2.8.1 Sales from Wholly-Owned and Partially-Owned Power Plants

For each power plant wholly-owned or partially-owned by the reporting entity, and for each power plant from which specified sales were made, identify the plant name and ARB plant identification code, and report the quantity of power sold (by or on behalf of the reporting entity) separately for each counterparty and destination region (California, Northwest, Southwest, or unknown).

In reporting sales from wholly-owned or partially-owned power plants to the California region, the reporting entity shall include only sales from power plants to other California retail providers, to the CAISO pooled markets, and to other parties where the power can be demonstrated to sink in California.

If the reporting entity delivers power to a point of delivery within California for which it cannot verify the destination region, the reporting entity shall report that sale as being to an unknown region.

For each power plant wholly-owned or partially owned by the reporting entity, if the fractional ownership share-based amount of plant output is larger than the quantity of power received, as reported pursuant to Section 2.1, plus the sum of sales from that power plant by or on behalf of the reporting entity, the reporting entity shall report any remainder as a sale of power from the power plant to an unknown region.

For each sale from a wholly-owned or partially-owned power plant, the reporting entity shall indicate whether the power was sold for either of the following reasons, with supporting documentation:

1. The power could not be delivered to the reporting entity during the hours in which it was sold.
2. The reporting entity did not need the power during the hours in which it was sold, for reasons such as the power was sold during hours in which the specified plant was plausibly the marginal plant.

For each wholly-owned or partially-owned power plant that is a California-eligible renewable plant, the reporting entity shall indicate separately the quantity of sales for which the WREGIS certificates were transferred to the buyer along with the power.

2.8.2 Sales of Electricity Purchased from Specified Sources

For specified sales of electricity purchased from other specified sources not reported in Section 2.8.1, for each plant provide the plant name and ARB plant identification code and the quantity of electricity sold separately for each counterparty and destination region (California, Northwest, Southwest, or unknown).

In reporting sales to the California region, the reporting entity shall include only sales to other California retail providers, to the CAISO pooled markets, and to other parties where the power can be demonstrated to sink in California.

If the reporting entity delivers sold power to a point of delivery within California for which it cannot verify the destination region, the reporting entity shall report that sale as being to an unknown region.

For each sale from a specified source that is a California-eligible renewable plant, the reporting entity shall indicate the quantity of sales for which the WREGIS certificates were transferred to the buyer along with the power.

2.9 Adjustments to Total Emissions for Sales from Specified Sources

For purposes of GHG attribution under Section 2.9, sales reported as sales to an unknown region shall be deemed sales to a party outside of California.

2.9.1 Adjustments to Total Emissions for Sales from Specified Sources to Parties within California

ARB attributes emissions by multiplying sales from each specified source to parties within California by the relevant emission factor. ARB then deducts the total emissions attributed to sales from specified sources to parties within California from the totals described in Section 2.7.

To adjust total emissions for sales from specified sources, ARB uses the emission rates of each plant either reported under the source-based reporting system or as calculated by ARB (see Section 2.2).

2.9.2 Adjustments to Total Emissions for Sales from Specified Sources to Parties Located Outside of California

2.9.2.1 Adjustments to Total Emissions for Sales from Specified Sources Located in California

Specified sales from specified sources located in California to parties with a point of delivery outside of California are exports. Responsibility for the emissions resides with the selling entity and no adjustments are needed to total emissions described in Section 2.7.

2.9.2.2 Adjustments to Total Emissions for Sales from Specified Sources Located Outside of California

ARB adjusts the total emissions described in Section 2.7 for emissions attributed to sales to parties with a point of delivery outside California from purchases of specified sources located outside of California by multiplying emission rate for each power plant underlying the sale of the specified source by the quantity of power sold. ARB then deducts the total emissions attributed to sales from purchases of electricity from specified sources to parties outside California from the totals described in Section 2.7.

ARB uses the emission rates of each plant either reported under ARB's source-based reporting system or as calculated by ARB (see Section 2.2).

For sales from wholly-owned or partially-owned power plants located outside of California, including plants under contract for a fixed percentage of output, to parties located outside of California, ARB adjusts the total emissions described in Section 2.7 as follows.

If the reported specified sales and deliveries from a wholly-owned or partially-owned power plant amount to less than ten percent of the reporting entity's fractional ownership share of power from the plant, and if the sale does not meet one or both of the conditions specified in Section 2.8, ARB attributes emissions by multiplying each plant's sales to parties outside California by the emission rates of each plant either reported under the source-based reporting system or as calculated by ARB (see Section 2.2). ARB then deducts the total emissions attributed to sales from wholly-owned or partially-owned power plants located outside California to parties with a point of delivery outside California from the totals described in Section 2.7.

For sales from wholly-owned or partially-owned power plants located outside of California to parties with a point of delivery outside California, if the reported specified sales from a wholly-owned or partially-owned power plant amount to more than ten percent of the reporting entity's fractional ownership share of power from the plant and if the sale does not meet one or both of the conditions specified in Section 2.8, ARB attributes emissions as follows:

1. Multiply the portion of the sales equal to ten percent of the reporting entity's fractional ownership share of power from the plant using the emission rate of each plant either

reported under the source-based reporting system or as calculated by ARB (see Section 2.2).

2. Multiply the portion of the sales exceeding ten percent of the reporting entity's fractional ownership share of power from the plant using the average emission factor of power available for sales from unspecified sources (calculated as described in Section 2.11).

ARB then deducts the total emissions attributed to sales from wholly-owned or partially-owned plants from the totals described in Section 2.7.

2.10 Sales from Unspecified Sources

Report aggregated sales from unspecified sources, reported separately for each counterparty and each destination region (California, Northwest, Southwest, or unknown). Report quantities as measured at the first point of receipt for which the reporting entity has information.

In reporting sales from unspecified sources to the California region, the reporting entity shall include only sales from unspecified sources to other California retail providers, to the pooled CAISO markets, and to other parties where the power can be demonstrated to sink in California.

If the reporting entity delivers power to a point of delivery within California for which it cannot verify the destination region, the reporting entity shall report that sale as being to an unknown region.

2.11 Adjustments to Total Emissions for Sales from Unspecified Sources

ARB adjusts the total emissions described in Section 2.7 for emissions attributed to sales from unspecified sources as reported pursuant to Section 2.10.

For purposes of GHG attribution under Section 2.10, sales reported as sales to an unknown region shall be deemed sales to a party outside California.

To obtain the quantity of power available for sales from unspecified sources, ARB deducts, from the total amount of electricity from owned or partially-owned facilities and purchases, the quantities of power from the following sources:

1. Sources reported as serving native load, as described in Section 2.1 and Section 2.3.
2. Sales from specified sources, as described in Section 2.8.

To obtain the amount of emissions associated with power available for sales from unspecified sources, ARB deducts from the total emissions from wholly-owned and partially-owned facilities and purchases, as described in Section 2.7, all emissions attributed to the sources in the itemized list above.

The average emission factor of power available for sales from unspecified sources is the ratio of the emissions from power available for sales from unspecified sources to the quantity of power available for sales from unspecified sources.

To adjust the total GHG emissions for sales from unspecified sources to parties within California, ARB multiplies the quantity of electricity sold from unspecified sources to parties within California, as reported pursuant to Section 2.10, by the average emission factors available for sales from unspecified sources. These quantities are deducted from the total emissions calculated as described in Section 2.7 and adjusted as described in Section 2.9.

To adjust the total GHG emissions for sales from unspecified sources to parties outside California, ARB multiplies the quantity of electricity sold from unspecified sources to parties outside California, as reported pursuant to Section 2.10, by the average emission factors for sales from unspecified sources, and pro rates by the ratio of the emissions from in-state sources in the pool divided by all emissions in the pool. ARB deducts the emission from unspecified sales to parties outside of California from the total emissions calculated as described in Section 2.7 and adjusted as described in Section 2.9.

2.12 Reporting by Multi-jurisdictional Utilities and WAPA

Multi-jurisdictional utilities shall report the information required in Subsections 2.1, 2.3, 2.5, 2.8, and 2.10 for the service territory that includes California end use customers. They shall report California retail sales, and also total retail sales in the service territory that includes California end use customers.

WAPA is requested to report the information identified in Subsections 2.1, 2.3, 2.5, 2.8, and 2.10 for the sources of electricity that are used to serve the WAPA Lower Colorado River service territory. WAPA is also requested to report California retail sales and total retail sales in the WAPA Lower Colorado River service territory.

2.13 Calculation of Emissions for Multi-jurisdictional Utilities and WAPA

For each multi-jurisdictional utility and WAPA, ARB determines emissions associated with the utility's service territory that includes California end use customers and attributes a pro-rata share of those emissions to the reporting entity in California, based on the ratio of California retail sales to total retail sales in that service territory.

2.14 Requests for Exemptions

On a case-by-case basis, a reporting entity may request that ARB modify its determination of emissions to be attributed to the reporting entity based on the methodology set forth in Section 2. Such a request for exemption shall document why the reporting entity believes that the methodology in Section 2 does not recognize real reductions in GHG emissions that have been achieved due to the reporting entity's actions, and shall contain a proposed alternative determination of attributable emissions, with complete supporting documentation.

3. Marketer Reporting Protocol

Marketers shall comply with the reporting requirements in Subsections 3.1, 3.3, and 3.4. The other subsections in Section 3 describe how ARB attributes GHG emissions to each marketer.

Report all quantities of electricity generated, purchased, or sold in MWh, as measured at the busbar or, if busbar data is not available, at the first point of receipt or point of delivery for which the reporting entity has information. For purposes of this Protocol, quantities of electricity received under exchange agreements are considered purchases, and quantities of electricity delivered under exchange agreements are considered sales.

3.1 Imports

Exclude any transactions reported pursuant to Section 3.3.

Report all imports of electricity from specified sources with a final point of delivery in California that the reporting entity delivered to the first point of delivery in California, reported separately for each power plant supplying the power. Include the plant name and ARB plant identification code for each plant.

Report all imports of electricity from unspecified sources with a final point of delivery in California that the reporting entity delivered to the first point of delivery in California, reported separately for each region of origin (Northwest or Southwest) and, within each region, reported separately for each party supplying the power, including the reporting entity itself where applicable.

3.2 Calculation of Emissions from Imports

Emissions are calculated based on the quantities of electricity imported and the corresponding emission factors as described below.

For imports from specified sources that report under ARB's source-based reporting system, ARB retrieves the emissions for all GHGs and the generation data transmitted to ARB under the source-based reporting system, and calculates emission factors on that basis.

For imports from specified sources not reporting under ARB's source-based reporting system, ARB calculates emission factors using data from finalized reports under 40 CFR Part 75 or plant-level fuel consumption data from the Energy Information Administration if Part 75 data are not available.

For imports from unspecified sources for which ARB has certified supplier-based emission factors (developed pursuant to Section 4), ARB uses the certified supplier-based emission factor. For imports from all other unspecified sources, ARB uses the appropriate regional default emission factor.

3.3 Wheel-throughs

Report any electricity imported into California that terminates in a location outside of California, as measured at the first California point of delivery. Report these transactions aggregated separately for each counterparty supplying the power, and for each region of origin (Northwest or Southwest). These transactions must be verifiable via NERC Etags.

3.4 Exports

Exclude any transaction reported pursuant to Section 3.3.

Report all exports of electricity from specified sources that the reporting entity delivered to the first point of delivery outside California. Report totals separately for each power plant supplying the power. Include the plant name and ARB plant identification code for each plant.

Report all exports of electricity from unspecified sources that the reporting entity delivered to the first point of delivery outside California.

3.5 Calculation of Emissions from Exports

Emissions are calculated based on the quantities of electricity exported and the corresponding emission factors as described below.

For exports from specified sources that report under ARB's source-based reporting system, ARB retrieves the emissions for all GHGs and the net generation data transmitted to ARB under the source-based reporting system, and calculates an emission factor on that basis.

For exports from specified sources not reporting under ARB's source-based reporting system, ARB calculates emission factors using data from finalized reports under 40 CFR Part 75 or plant-level fuel consumption data from the Energy Information Administration if Part 75 data are not available.

For exports from unspecified sources for which ARB has certified supplier-based emission factors (developed pursuant to Section 4), ARB uses the certified supplier-based emission factor. For exports from all other unspecified sources, ARB uses the appropriate default emission factor.

4. Supplier-based Emission Factors

Asset-owning or controlling entities may request that ARB certify a supplier-specific emission factor for their sales from unspecified sources. An entity making such a request shall document that the power it sells originates from a fleet of plants either under its operational control or for which it serves as exclusive marketer and shall document the derivation of its proposed supplier-specific emission factor.

5. Submission Process

5.1 Submission of Reports

Retail providers and marketers shall provide annual GHG emission reports, due to ARB as required by ARB reporting deadlines.

5.2 Verification

ARB has proposed using third-party certification and is developing a training and certification program for third party auditors.

(END OF ATTACHMENT A)