Experience with FAR verification CA perspective

Compliance Conference 2019

Annette Prendergast
Environmental Protection Agency Ireland
a.prendergast@epa.ie

Overview

➢ Introduction

➢ Issues During Review

➢ Conclusion

Introduction

➢ The application for free allocation is accompanied by the verification report issued in accordance with the requirements set out in the AVR Regulation 2018/2067.

➢ The Verifier must be accredited to scope 98 of the AVR 600/2012, and comply with AVR Regulation 2018/2067. Understand the FAR Regulation(2019/331), Carbon leakage list (2019/708) and Commission Guidance Documents on the FAR.

➢ A survey of Member State Competent Authorities on issues with Verification Reports, was conducted at the TF AVR and the results are presented here.

➢ Thanks to all the MS who responded (EL, NL, IT, UK,DK,IS,CZ,PT,LV,HRV,EE,NO,FI,SE, FR)

➢ The majority of CA returned a proportion of baseline data reports for correction. Some required all returned reports to be re-verified but in a lot of cases re-verification was only required where there were changes to the HAL and sub-installations. In some cases re-verification not required where underlying data has already been verified.

Issues Verification Report

- ➢ **The majority of CA reported issues with the Verification Reports**.

- ➢ Impartiality – A complaint immediately forwarded to NAB, due to obvious breach of rules.

- ➢ Verified data inconsistent with other sources

- ➢ Site visits were not carried out in some instances where reliance was placed on AER visit.

- ➢ Relevant PRODCOM codes not listed or the list was incomplete.

- ➢ Incorrect PRODCOM codes and/or NACE code listed.

- ➢ Carbon leakage status of the heat and fuel benchmarks not reported.

- ➢ Incorrect CL status reported for the sub-installation.

Issues Verification Report

- ❑ Incorrect HAL verified/reported.
- ❑ Incorrect sub-installations reported.
- ❑ Classification and reporting of outstanding issues. Given the number of errors in baseline reports CA's would have expected more findings to be reported.
- ❑ For non compliance issues few, if any , references to the articles in the FAR have been given.
- ❑ "Verified with comments" reports did not contain adequate detail.
- ❑ Incorrect Operator name, installation name, installation address, installation ID reported.
- ❑ Incorrect reference to the version of the baseline data report submitted.
- ❑ The verification report did not address all the questions in the template.
- ❑ Signature missing or not valid.

Issues in BDR not detected or reported as findings by the Verifier

➢ Lots of mistakes in Baseline data report (BDR) and mistakes/omissions in Monitoring Methodology Plan (MMP) not detected or raised as findings by verifier.

➢ Lots of mistakes regarding level of hierarchy.

➢ Incorrect split into Sub-installations

➢ Error in the calculation of net heat output.

➢ Reported fuel input rather than net heat output for the heat benchmark activity level.

➢ Issues with methodology applied for exclusion of abatement heat.

Issues in BDR not detected or reported as findings by the Verifier

- ❑ Double counting of a De-mimimis source stream.
- ❑ Error in the calculation of the activity level split between carbon leakage and non carbon leakage processes.
- ❑ Difficulty in completing the BDR in the case of mergers and splits.
- ❑ Error in the reporting of total fuel input and annual emissions in sheet D. Not matching verified AEM data for example
- ❑ Errors in reporting of benchmark data
- ❑ CHP tool not completed correctly
- ❑ Error in the calculation of the exchangeability of fuel and electricity factor leading to over estimation of the activity level.
- ❑ Incorrectly classified as a non electricity generator.
- ❑ Incorrect carbon leakage status.
- ❑ Errors or non reporting of PRODCOM codes by the Operator
- ❑ Incorrect date of start of Operation

Conclusion

- A lot of Operators and Verifiers struggled with the complex, detailed requirements as evidenced by the number of errors detected and number of reports sent back for correction.

- It is of concern that a lot of verified baseline reports needed correction after submission. There were no Verifier findings raised in relation to a lot of BDR and MMPs that contained errors.

- The addition of the benchmark data to the applications has increased the number of errors in the reports and increased the skills and time required to Verify the reports.

- Verifiers were under severe time pressure to complete the reports by the deadline given the short time that the Regulation, Guidance Documents and template were available.

- It is anticipated that the experience gained by the Verifiers in completing this exercise and the corrective actions to be implemented in practices and procedures as a follow up to CA information exchange and complaints to the Verifiers and Accreditation Bodies will lead to an improvement of the process.