



# Insights from California's Mandatory GHG Emissions Reporting Program: Fuel Suppliers

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MRR Reporting: Fuels Specialist,  
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# California "ETS"

## Mandatory GHG Reporting

- Regulation for Mandatory Reporting of GHG Emissions (MRR)
- California electronic GHG emissions Reporting Tool (**Cal e-GGRT**)
- Staff: Reporting, Verification

## Cap-and-Trade

- Cap and Trade Regulation (C&T)
- Compliance Instrument Tracking System Service (**CITSS**)
- Staff: Market Monitoring, Allocations, Offsets

Emissions and Product Data  
for Covered Entities

# Timeline

MRR reporting begins. (Fuel suppliers not included)

**2009 (RY2008)**

Online reporting in Cal e-GGRT begins.

**2012 (RY2011)**

C&T scheduled to begin (practice year)

**2013 (RY2012)**

C&T officially begins

**2014 (RY2013)**

**2012 (RY2011)**

Fuel suppliers subject to MRR reporting and verification

**2013 - 2014**

Heavily enforce fuel suppliers

**2016 (RY2015)**

Fuel suppliers subject to C&T

**2011-2012**

Outreach to fuel suppliers with letters, presentations at industry conferences, CARB workshops.

Extra efforts to reach small businesses.

# What is challenging about Fuel Suppliers?

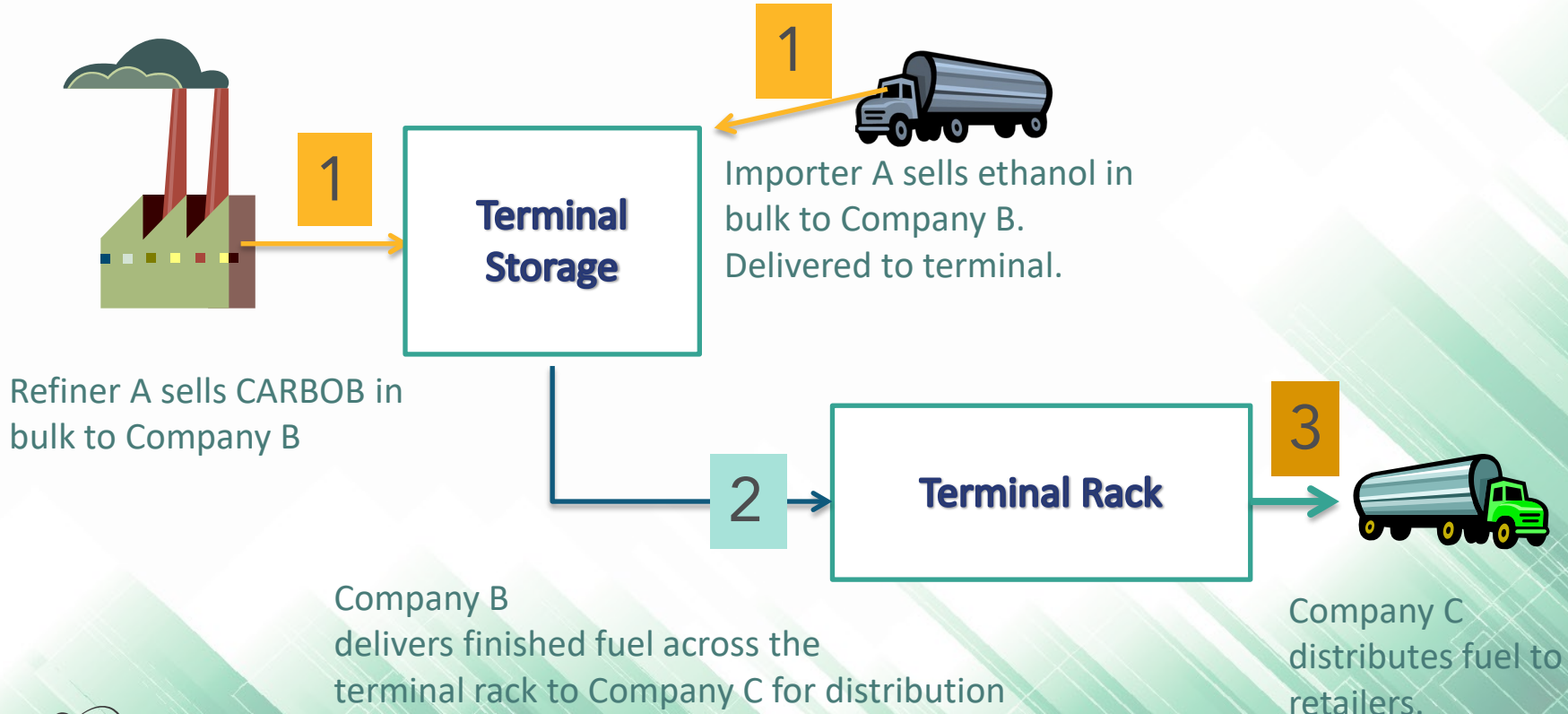
Implementation Questions	Level of Complexity
How should emissions be calculated?	Simple
How can we ensure data used to calculate emissions is accurate?	Simple
Who should report?	Complex
Which emissions is the regulated entity responsible for reporting?	Complex

# Point of Regulation

1. Captures the majority of emissions, but only those emitted within the boundary of interest
2. Ideally, comparable or complementary to the POR of other reliable data sources so can cross-check data
3. Clear and not overly burdensome (i.e., is complying simple?)
4. Avoids double counting
5. Is verifiable
6. Is enforceable



# Case Study: Transportation Fuels



# Transportation Fuel Suppliers

[MRR, Section 95121]

POR	Which emissions can be excluded?
Position holder at CA terminal supplying fuel across the rack	<ul style="list-style-type: none"><li>• Fuel with a final destination outside of California*</li><li>• Fuel used exclusively for marine or aviation uses</li><li>• Fossil fuel previously delivered by position holder or refiner across an upstream rack</li></ul>
Refiners supplying fuel across the rack	
Enterer of fossil fuels (incl. blended products) that distribute outside of the bulk system	

# Double Counting Across Entity Types

## Reported Emissions

Fuel  
Suppliers

- Combusted natural gas
- Combusted gasoline, distillate, LPG

Facilities



# Case Study: Natural Gas Covered Emissions

- Facility bears compliance obligation for combusted natural gas
- Staff calculate Natural Gas Supplier (NGS) covered emissions to exclude **emissions from gas sent to covered facilities**
- **Additional data needed**

Facility A Natural gas purchase data		Supplier B Delivery Data	
Supplier Name	Amount purchased (MMBTU)	Facility Name	Amount delivered (MMBTU)
NGS B	104,000	Facility A	105,000

- Valuable QA (identify new reporters + QA facility data)

# More Fuel for Thought

- New biogenic fuels from coprocessing, biorefining
  - How to incorporate new fuel types in reg, set emission factors, determine biogenic content, should we consider life cycle impacts for exemption eligibility
- Additionality and resource shuffling considerations for biomethane
- Fluid company structure and holdings
  - How to define entity for MRV and compliance obligations?
  - What are appropriate C&T exit requirements when assets are easily bought and sold?
- Alignment with other programs?

# Resources

- MRR Program
  - [Website](#)
  - [Regulation](#)
  - [Guidance for Suppliers of Transportation Fuels and Natural Gas Fuels](#)
  - [Verification](#)
  - [Contacts](#)
- [C&T Program website](#)