

Competent Authority Perspective: Assessment of AERS and VRs

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Introduction

- Ireland is using an on-line system “ETSWAP” for Emissions Trading.
- All Operators completed and submitted an on-line verified AER, based on the EU template for 2013 emissions.
- There is no country specific guidance for Operators and Verifiers. They are encouraged to use Commission Guidance.
- EPA take account of Commission Guidance in the review of emission reports.

Review Process

- An EPA risk based approach was applied to determine which reports to review in detail (desk based) for 2013. Not as detailed as the Commission risk based approach.
- During desk based review further information may be requested from the Operator to clarify issues.
- During desk based review if serious issues are discovered the site may be visited to assess issues in more detail.

Decide which sites to Review on a Risk Based Approach

- ETSWAP automatically selects all Category C reports for review in addition to Category A and B with a “Verified with comments” or “Not Verified” opinion statement.
- In addition if a permit variation application or New Entrant/capacity change is being assessed the AER report will be reviewed.
- Where bioliquids and/or site specific emission factors are applied the report will be assessed.
- Where there were issues with the 2012 AER the 2013 AER will be reviewed.
- For sites > 25,000 t CO₂ Inspector decide case by case

What does the Review Involve?

- A completeness check is conducted on 100% of reports. ETSWAP will not allow incomplete reports to be submitted.
- ETSWAP automatically calculates emissions for each source stream and totals CO₂ and TJ for the site.
- A detailed review workflow is completed for each report reviewed on ETSWAP. Findings are recorded on a spreadsheet and the Verifier information exchange template completed.
- All data/ information/ findings in the AER and VR are assessed.

Review Process

- Verification process, accreditation of Verifiers is reviewed.
- Consistency and completeness with the permit and MP
- Comparison of data with previous years and anomalies explained
- Calculation factors compared with previous years other data sources
- Checks against information from other sources (IED licence, NIMS data, data gathered on site visits)
- Close out of previous years improvements and findings

Review Findings

- Incorrect calculation data reported:
 - ❑ NCV, EF, total TJ, activity data
- CO2 emissions correct in most cases but other data out by a factor of 1000 for example.
- The above issues are as a result of reporting units for fuels/materials changing with the new on-line system.
- Where NCV and EF determined by periodic analysis calculation factors reported as averages rather than weighted averages.
- Operator omitted details of start and end of year stock and deliveries for activity data.

Review Findings

- The agreed frequency of analysis of bioliquid not met.
- Bioliquid must be sustainable for an Operator to report an emission factor as zero and zero emissions
- The Verifier must be satisfied that such emissions are correctly reported and not under reported.
- There must be a current sustainability cert available to cover all batches of each type of sustainable bioliquid. The Operator is required to attach the certificates to the AEM report.
- EPRTR codes not reported or reported incorrectly.

Review Findings

- NACE codes listed incorrectly or not all NACE codes listed. Is this a reporting error by the Operator?
- It could also indicate changes in the nature of the installation, capacity or range of activities that require updating of the GHG permit.
- Where there are changes in NACE codes compared to what was reported for baseline data it could mean that there is a potential partial cessation or significant capacity reduction at a site.
- *De-minimis* source streams such as acetylene, propane not included in the MP and/or not reported in the AER.

Review Findings VR

- A non compliance with the Monitoring and Reporting Regulation (Art. 33.2) was not raised, in relation to the Operator not adapting elements of the sample plan for a fuel, when the heterogeneity of the fuel differs from heterogeneity on which the original sample plan was based.
- The results of analysis should only be used for the batch of fuel for which the samples have been taken in accordance with Art. 32. 3 MRR. Operator had averaged quarterly results and applied them to fuel consumed over the year. This was not raised by the Verifier in the VOS.

Review Findings VR

- The Verifier should have reported under "Uncorrected Non-compliances with MRR" that the Operator had not reported to CA details of temporary changes to monitoring methodology as per Art. 23 MRR. "No" should have been reported for Permit conditions met.
- Non conformities with the MP and/or permit or MRR should result in a "Verified with comments" opinion statement.

Summary Findings other Member States

- 14 CA representing 13 Member States responded to a Task Force Survey of Review of AERS and VRs.
- 12 out of 14 CA reviewed or plan to review all 2013 AERs.
- Most CA either used their own Guidance based on Commission Guidance or used Commission Guidance.

Issues found from review include:

- Incorrect activity data, mistakes in AER, source streams omitted. CO₂ transfers in waste gas problematic.
- Scope of ETS aviation not clear to Verifiers and operators.
- Information not reported:
 - ❑ Waste cat. No., materiality level, level of activity_(as required by a MS)

Summary Findings Other MS

- Issues with the VR included:
- Explanation of main findings and recommendations too brief not clear to CA or Operator what is required.
- Non material misstatements not detected.
- Non conformities not reported.
- Incorrect categorisation between misstatements, non conformities, recommendations for improvement.
- Some Verifiers included a lot of remarks in reports, others none.
- The same general remarks reported for all sites of the same company.

Conclusions

- Issues have been detected by the CAs during the review of 2013 reports.
- Findings can be presented to operators to prevent recurrence of issues and aid continuous improvement.
- Report review is necessary to obtain information and feedback for the completion of the Verifier information exchange template.
- Information obtained from report review assists in assessment of changes in capacity, activity level or operation at sites in receipt of free allocation.
- Findings from reviews can be used to plan which sites to visit.