

Greenhouse Gas Industrial Reporting & Control Act -Webinar

Overview of Greenhouse Gas Emission Reporting Regulation (GGERR) and Greenhouse Gas Emission Control Regulation (GGECR)

Feb 2, 2016



Webinar Context

Purpose:

- Introduce GHG Emission Reporting Regulation, provide key changes relative to the Reporting Regulation
- Introduce GHG Emission Control Regulation, provide key changes relative to Emission Offset Regulation

Primary Audience: Reporting Operations, Offset Project Proponents, and Validation and Verification Bodies

Questions/Support: email GHGRegulator@gov.bc.ca or submit via GoToWebinar during presentation



Agenda

- Overview of the Greenhouse Gas Industrial Reporting and Control Act (the Act) and relationship to regulations
- Part I: Key updates and dates for GHG Emission Reporting Regulation
- Part II: Key GHG Emission Control Regulation updates
 - BC Carbon Registry, offsets, funded units, transition
- Next steps (templates, protocols)



GGIRCA

- The Greenhouse Gas Industrial Reporting and Control Act and Regulations came into effect on January 1, 2016.
- There are 3 Regulations made under GGIRCA
 - Greenhouse Gas Emission Reporting Regulation (GGERR) replaces the Reporting Regulation
 - Greenhouse Gas Emission Control Regulation (GGECR) replaces the Emission Offset Regulation, and
 - Greenhouse Gas Emission Administrative Penalties and Appeals Regulation (GGAPAR).
- Information and guidance material on the new Act /regulations will be posted to the Climate Action Secretariat website as it becomes available (http://www2.gov.bc.ca/gov/content/environment/climate-change)



GGIRCA

Who is who under GGIRCA:

- Director Government employee appointed by the Minister
- **Reporting Operation**: is an industrial facility with 10,000 tonnes or more of carbon dioxide equivalent (CO₂e) emissions per year.
- Regulated Operation: only those listed in the Schedule to the Act (currently only LNG operation) who have an compliance obligation
- Project Proponent: Prepares a plan and carries out an emission offset project in accordance with the Act and Regulation
- Validation and Verification Bodies: accredited and is in good standing with a Member of the International Accreditation Forum



GGIRCA

GGIRCA allows for three types of compliance units:

- 1. Offset Units:
 - Regulated Operations can purchase offset units to meet compliance obligations
 - May be purchased and retired by Province to meet carbon neutral requirements
- 2. Earned Credits:
 - Issued to Regulated Operations below their emissions intensity threshold
- 3. Funded Units:
 - Purchased by Regulated Operations from the Province at a set price of \$25/tCO2e
 - Funded Unit price sets a "cap" on the price of compliance



Part I: GHG Emission Reporting Regulation

Key Updates and Transition:

- No changes to 2015 emission reporting since the new GHG Emission Reporting Regulation takes effect with the 2016 reporting cycle.
- For the 2015 emission reporting cycle, emission reports are due March 31 and verification deadline is May 31.
- Compliance reporting for LNG operations begins in 2016. Report and verification deadline is May 31.
- NOTE: Single-Window Reporting System webinar lessons learned and updates, February 10, 2016 (1:30 – 2:30 PM PST)



Part I: GHG Emission Reporting Regulation

Key updates on emissions reporting as of 2016 reporting cycle (emissions):

- Report dispositions/closures/acquisitions
- Verification (if not a regulated op.) can be done for two emission reporting years every second year subject to conditions
- Verification body rule of 6 years out of last 9 now in regulation
- Oil/Gas source types now detailed in Table 2 (Schedule A)
- 'de minimis' rule remains applicable to reporting operation, not individual facilities



Part I: GHG Emission Reporting Regulation

Key updates on compliance as of 2016 reporting cycle (compliance):

- Attribution of emissions for compliance purposes
- Regulated operations additional rules for:
 - Compliance reports
 - Verification of both emission and compliance reports
- Additional rules for LNG operations
- New Table 3 (Sch. A) and new Schedules E and F (regulated ops.)



Part II: GHG Emission Control Regulation

The Regulation is structured into four different parts

- 1. BC Carbon Registry: Establishes the registry and enables the issuance, transfer and retirement of compliance units (offsets, funded units, earned credits)
- 2. Emission Offset Projects: Sets requirements for projects plans, validation, reports, verification, extensions and monitoring
- **3.** Funded Units: Sets price for funded units
- **4. Transition**: Grandfathering Emission Offsets Regulation projects under GGIRCA



Part II: GHG Emission Control Regulation

BC Carbon Registry Key Features:

- Regulated operations, offset project proponents and validation and verification bodies must have accounts on the Registry
- Account holders must identify the primary account representative
- At present there are no fees
- Public Information Requirements
- Suspension and cancellation powers of the Director
- NOTE: BC Carbon Registry Webinar Feb 18, 2016 11 AM 12 PM PDT



Part II: Offset Regulatory Features (Key Changes)

Two main emission offset project types:

- 1. Non-sequestration/storage: regulatory features specific to sequestration and storage projects will not apply
- 2. Sequestration/Storage: both general and sequestration/storage-specific regulatory features <u>will apply</u> including contingency, monitoring and maintenance requirements

Protocols:

Offset project proponents must use approved protocols



Part II: Offset Regulatory Features (Key Changes)

Crediting Period: Emission offset project period.

- 10 years for non-sequestration and storage projects and 25 years for sequestration and storage
- Ability to renew subject to conditions

Issuance: Director issues units to project proponents' BC Carbon Registry accounts

Validation and Verification Bodies:

- Submit all reports and statements
- Additional VVB requirements



Next Steps

Guidance Documents and Templates

Will be available soon

Protocols

- Currently being updated to comply with the Act
- Will be posted for public consultation prior to approval

Additional Webinars

- BC Carbon Registry webinar Feb 18, 2016 11 AM 12 PM PDT
- Single-Window Reporting System webinar lessons learned and updates, February 10, 2016
- Reporting Operations Transition to GHG Emission Reporting
 Regulation webinar Summer 2016



Thank you!

Questions / Comments:

- Please submit any feedback and questions to GHGRegulator@gov.bc.ca
- Comments will be incorporated into FAQs and posted on the Climate
 Action Website, along with a copy of this webinar, here:
 http://www2.gov.bc.ca/gov/content/environment/climate-change/stakeholder-support/offset-project-development-opportunities
- Thank-you for joining us for today's webinar.