CLEANBC INDUSTRIAL INCENTIVE PROGRAM

Application Process

July 16, 2020
AGENDA

1. Context and brief program overview
2. CIIP program in 2020
3. Overview of process and timeline
4. How to apply
   • Getting started
   • Application process - demonstration
CLEANBC PROGRAM FOR INDUSTRY

• Program Objectives: support the competitiveness of B.C. industrial facilities while facilitating GHG emission reductions

• Funded by incremental carbon tax (i.e. portion > $30/tonne) paid by large industrial operators

• Open to operations with emissions > 10,000 tCO2e annually within eligible sectors

• 2 components:
  • CleanBC Industrial Incentive Program (CIIP)
  • CleanBC Industry Fund (CIF)
Carbon tax is paid each year as fuel is produced or purchased. CIIP payments are provided in the following year based on program guidelines.
INCENTIVE PAYMENT FORMULA

• Product’s incentive payment is calculated by multiplying the product’s incremental carbon tax by the incentive ratio.
  
  • **Incentive ratio** – how the product’s emissions intensity compares with the benchmark and threshold.

• Benchmarks/thresholds can be found on the CIIP [webpage](#). Confidential thresholds available upon request from facility contact.

• Payments for facilities with multiple products is the sum of their products’ incentive payments. Facilities producing more than one product must allocate emissions among product (guidance provided).

• For 2019 reporting year, no additional verification requirements besides those in GGIRCA (i.e. production related information does not need to be verified).
CIIP IN 2020: TRANSITION+ YEAR

Incentive payment based on the higher of:
   a) The incentive ratio based on emissions intensity compared to benchmark and threshold; or,
   b) 75%*

*Facilities receiving 75% incentive required to submit Emission Reduction Plan

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Date</th>
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<tbody>
<tr>
<td>CIIP initial payments</td>
<td>July/August 2020</td>
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<tr>
<td>CIIP application webinar</td>
<td>July 16, 2020</td>
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<tr>
<td>Single Window Reporting System (SWRS) Deadline</td>
<td>July 31, 2020</td>
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<tr>
<td><strong>CIIP application deadline</strong></td>
<td><strong>August 31, 2020</strong></td>
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<td>CIIP second payment</td>
<td>November-December 2020</td>
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<tr>
<td>CIIP Emission Reduction Plan due (if applicable)</td>
<td>December 31, 2020</td>
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• Process re-designed to reduce effort for reporters
  o New software – big improvement, but patience is requested
  o Province will assist reporters through process, as necessary

• CAS will provide sector-specific guidance documents and calculation tools for support
  o Available on the CIIP website (and via e-mail)

• Automatic upload of data from Single Window Reporting System to reduce amount of data entry and improve accuracy and consistency
  o Upload of data from SWRS takes time – upload approx. once a week, tentatively expected July 30-31 & August 4-6
  o Reporters to confirm uploaded data and enter production and other information

• Questions/issues: GHGRegulator@gov.bc.ca
  o Additional functionality within system – exception paths/by-pass options (allow by-passing of tech problems) and ability to include comments or report a problem
Steps for applying to the CleanBC Industrial Incentive Program

Step 1: Applicant registers on CIIP website

Step 2: Applicant requests to apply for Operation

Step 3: CIIP approves request

Step 4: Applicant fills out application

Step 5: Applicant specifies Certifying Official

Step 6: Certifying Official reviews & signs application

Step 7: Applicant submits application

Step 8: CIIP reviews application & updates status

Step 9: Applicant revises application & returns to Step 5

Step 10: CIIP determines incentive payment

Step 11: Operation receives grant letter for incentive payment

Step 12: Operation provides banking information, if needed

Step 13: Operation receives incentive payment

Commitment
By accepting an incentive payment, the Operation commits to completing an Emissions Reduction Plan (if performance is under 75%)

A/CO = Applicant or Certifying Official will receive an email when step is complete

Please email any questions to GHGRegulator@gov.bc.ca
CIIP APPLICATION: BEFORE YOU START

Have completed your SWRS reporting
Have following information ready:
- SWRS report
- Operator, Operational Representative and Facility information
- BC Corporate Registry number (found at Orgbook)
- BC GHG ID, NAICS code, addresses, etc.
- Emissions, fuel use, electricity, heat and production information
- Certifying official (e-mail address)

CIIP.gov.bc.ca

Note: Do not use Internet Explorer
GETTING STARTED

Apply for the CleanBC Industrial Incentive Program (CIIP)

Operators must submit a CIIP application form by August 31, 2020. As part of the application, information about the operation’s energy use, emissions, and production is required.

Register and Apply

How to Apply

1. Register as an Industrial Reporter
   Before you can apply for the CIIP on behalf of an eligible operation, you must register with the Ministry of Environment and Climate Change Strategy.

2. Request to apply for an Operation
   Once you’re registered you can request to apply on behalf one or multiple eligible Operations.

3. Apply on behalf of the Operation
   The CIIP team will verify and approve your request and then you can apply for the CleanBC Industrial Incentive Program.

Key Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>CIIP application forms open</th>
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<tbody>
<tr>
<td>Jul 3, 2020</td>
<td>Industrial GHG reporting deadline</td>
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<tr>
<td>Jul 31, 2020</td>
<td>CIIP application form due</td>
</tr>
</tbody>
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CIIP.gov.bc.ca
REGISTRATION AND ACCESS

The CleanBC Industrial Incentive Program application must be submitted by the Operator of the Reporting Operation or, if there is more than one Operator, the Designated Operator as defined in the Greenhouse Gas Industrial Reporting and Control Act and Greenhouse Gas Emission Reporting Regulation. Other representatives of the Reporting Operation may complete the application if authorization from the Operator is provided.

Further information on the role of the Operator and Certifying Official can be found here. Please email GHGRegulator@gov.bc.ca if you have any questions.

If you cannot find your operator in the list, please contact CAS for assistance.

Request access to apply for the CIIP on behalf of a Reporting Operation:

1. Request access to apply on behalf of an Operation as an applicant.
2. CIIP administrators will review and approve your request.
3. Applicants will fill out an application for the Operation and send it to a Certifying Official.
4. The Certifying Official reviews and signs off on the application.
5. The applicant submits the application for assessment by the Ministry.
6. CIIP administrators review the application.
7. If any changes are required, the applicant will be requested to revise the application.
8. Once processed, the applicant will receive a grant letter with further details on the expected incentive payment.
REGISTRATION AND ACCESS
STARTING AN APPLICATION

- ‘My Dashboard’
- ‘My Applications’
- Note that may take up to 10 business days for data from SWRS to come in
ADMINISTRATIVE INFORMATION

- Operator
- BC Corporate Registry number
- Facility
EMISSIONS

• Emissions should be automatically uploaded
• Disaggregated by type (as in SWRS)
  • General Stationary Combustion
  • Industrial processes
  • Venting
  • Flaring
  • Fugitive
  • On-Site Transportation
  • Waste
  • Wastewater
FUEL USE

Fuel Name *
Diesel
Acetylene
Agricultural Byproducts
Anthracite Coal
Asphalt & Road Oil
Aviation Gasoline
Aviation Turbo Fuel
Bio diesel (100%)
Biogas (captured methane)
Bituminous Coal

Fuel
Fuel Name *
Diesel
Quantity *
Units *

Emission Category *
General Stationary Combustion
Industrial Process
Venting
Flaring
Fugitive
On-Site Transportation
Waste
Wastewater
Other, non-carbon taxed
PRODUCTION

- All products must be added for a facility
- In addition, purchased, generated, imported, sold electricity and heat must also be added as a “product”
- Be conscious of input units and convert where necessary
- See sector-specific guidance (incl. Excel calculators) for:
  - Entering production information
  - Calculating emissions
  - Emission allocation between products

Guidance documents: will be posted online at the CleanBC Industrial Incentive Program website or via email: GHGregulator@gov.bc.ca
### Production

| Product or Service                                      | Cement equivalent | Centrifugal Compression | Chemical Pulp | Copper equivalent (open pit) | Copper equivalent (underground) | Food (including seedlings) grown under cover | District energy (heat) | Gold equivalent | Forged steel balls (grinding media <3.5") | Forged steel balls (grinding media >4") | Gypsum wallboard | Lime | Hot dip galvanizing | Hydrogen Peroxide (H2O2) | Lead-Zinc Smelting | Sweet Gas Plants | Sour Gas Plants | Sugar (liquid) | Sugar (solid) | Liquefied Natural Gas (LNG) | Lumber | Coal | Veneer | Wood Panels (Plywood, MDF, OSB) | Other Pulp (Mechanical pulp, paper, newsprint) | Wire draw production | Reciprocating Compression | Petroleum Refining | Wood pellets | Wood chips | Waste rendering |
|---------------------------------------------------------|-------------------|-------------------------|---------------|------------------------------|--------------------------------|-----------------------------------|-------------------------------|----------------|--------------------------------|--------------------------------|-----------------|-------|---------------------|-------------------|-------------------------|------------------|----------------|----------------|----------------|----------------|----------------------------|-------|------|--------|--------------------------------|--------------------------------|----------------------|---------------------|-----------------|---------------|-------------|-------------|------------------|
PRODUCTION: EXAMPLE

Production

Product or Service *
Aluminum Smelting

Annual Production Amount *
Units *
Report the annual production for the product, following the guidance document provided

Emissions allocated to product *
Report emissions associated to CIIP product, in tCO2e

Add a Product

Before you proceed:
Please refer to the guidance documents to calculate the emission allocations for each product or service, and ensure that you report all the necessary product or services
PRODUCTION: EXAMPLE – ELECTRICITY

Production

Product or Service *

Purchased electricity

Annual Production Amount *  
Units *

GWh

Emissions allocated to product *

Report the annual production for the product following the guidance document provided

Before you proceed:

Please refer to the guidance documents to calculate the emission allocations for each product or service, and ensure that you report all the necessary product or services.
MULTI-PRODUCT FACILITIES

- Facilities producing more than one product required to allocate emissions among products.
- Emissions allocation is determined by processes listed in sector guidance documents.
- Allocation for combined heat and power, as well as exported/sold energy, will be addressed through sector-specific guidance materials.

See sector-specific guidance (incl. Excel calculators with pre-set formulas): posted online or via email: GHGregulator@gov.bc.ca
TREATMENT OF ELECTRICITY

• Many sectors must also report the GHG emissions associated with purchased or imported grid electricity.

• Grid electricity emissions quantified by multiplying the published electricity emission intensity factors by the amount of purchased grid electricity $Q_{Purchased}$ in GWh. Imported electricity emission factor as cited in purchase agreement.

• For some sectors, (pulp and paper, gypsum, chemicals, cement, lime) emissions from purchased electricity emissions are excluded.

• Electricity that is produced as a by-product and sold to the grid will have 75% of incremental carbon tax emissions reimbursed.
APPLICATION REVIEW

- Comments or reporting challenges can be flagged to CAS reviewers.
CERTIFICATION

Once application completed and reviewed by applicant

**Note:** If application is changed after sending to Certifying Official, they will not be able to certify — will need to be re-sent

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Application Certification

Thank you for reviewing your application to the CleanBC Industrial Incentive Program.

Your application is almost complete.

- Please send the secure URL below to a Certifying Official in your organisation to approve the application. You will be notified via email when this step is complete.
- Once you have received notification that the application has been certified, you will need to return here to submit the application.
- Once submitted, you will be notified via email when your application has been approved or if any further information is required to process your application.

Once you have reviewed the application and ensured all the data is correct, the application has to be certified.

certifier@certify.com

Notify certifier via email that this application is ready for certification

Submit for Certification
Certifier registers in the application, but they do not need to be approved by CAS
  o Certifier ‘approved’ by the operational representative (by requesting certification)
Certifier reviews application - summary page

Signs to certify
- 'draws' signature or uploads e-signature
APPLICATION SUBMISSION

Once certified, application returned to applicant for submission

Before you submit

By submitting the application the applicant agrees that the information contained on this application, or information contained in emission reports under the Greenhouse Gas Industrial Reporting and Control Act, may be disclosed to British Columbia government employees, contractors and agencies for the purpose of administering the CleanBC Program for Industry or the Greenhouse Gas Industrial Reporting and Control Act.

Facilities

If you cannot find your facility in the list, please contact CAS for assistance.
CAS REVIEW OF APPLICATION

• Upon receipt of application, CAS will review application for completeness and accuracy
• If revisions necessary, application will be sent back to applicant
• Applicant will need to re-obtain certification and then re-submit application
• If, no revisions required, applicant will be informed of application status and second payment processing will begin
IF ISSUES ARISE DURING APPLICATION

• Please contact us at GHGregulator@gov.bc.ca

• To ensure the quickest resolution to issues you might have please provide:
  
  • Problem description/explanation, e.g.:
    • Summary
    • How can problem be replicated, what “triggered” the issue
    • Expected result vs. actual result
  
  • Reporter/operation

  • Include URL and screenshots

  • What browser, operating system and platform are you using?
CONCLUSION & NEXT STEPS

- New system – should be more user-friendly, but patience is requested.
- Start early and have information and people lined up
- Contact CAS (GHGregulator@gov.bc.ca) with questions or issues
- Sector-specific webinars focused on benchmarks and thresholds will be scheduled if required
  - Oil and Gas Sector specific webinar to be held in the last week of July.
- Other sectors can contact CAS to request meetings
THANK YOU

• A copy of this presentation will be emailed to all webinar participants.

• Application: CIIP.gov.bc.ca

• A fact sheet and Guidance Documents available on the CleanBC Industrial Incentive Program website.

• For follow-up CIIP questions email GHGregulator@gov.bc.ca.