BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Implement the Commission's Procurement Incentive Framework and to Examine the Integration of Greenhouse Gas Emissions Standards into Procurement Policies.	Rulemaking 06-04-009 (Filed April 13, 2006)

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION
OF THE STATE OF CALIFORNIA

In the Matter of: Order Instituting Informational Proceeding on a Greenhouse Gas Emissions Cap	Docket 07-OIIP-01

REPLY COMMENTS OF THE CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION ON THE INTERIM DECISION ON REPORTING AND TRACKING

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REPLY COMMENTS OF THE CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION ON THE INTERIM DECISION ON REPORTING AND TRACKING

In accordance with Rule 14.3 of the Rules of Practice and Procedure of the Public Utilities Commission ("CPUC") of the State of California, the California Municipal Utilities Association ("CMUA") hereby files these Reply Comments ("Reply Comments") on the *Interim Opinion on Reporting and Tracking of Greenhouse Gas Emissions in the Electricity Sector* ("Interim Opinion") issued August 15, 2007, in Rulemaking 06-04-009. CMUA also files these Comments with the California Energy Commission ("CEC") in Docket 07-OIIP-01. In these Comments, the CPUC and CEC will collectively be called the "Joint Agencies."

I. REPLIES TO PARTIES' COMMENTS

A. As listed below, CMUA supports parties' comments encouraging the development of a regional tracking and reporting mechanism.

CMUA has consistently encouraged the Joint Agencies to accelerate efforts to develop an accurate reporting/tracking mechanism.[1] CMUA supports the parties' comments encouraging action on a reporting and tracking system as listed below.

AReM	• Supports the PD urging CARB to lead a regional effort to develop and implement a regional reporting and tracking system. (p.1)
Calpine	• Supports a strong reporting, tracking, and verification mechanism that, to the greatest extent possible, maximizes the use of actual emissions for reporting and tracking purposes. (p.2)
GPI	• Fully supports a multi-state regional GHG reporting and tracking system. (p.1)
IEP	• Supports a region-wide GHG emissions reporting/tracking institution (akin to WREGIS). (pp.3-5)

[1] *Reply Comments of the California Municipal Utilities Association on the Joint Staff Proposal for a GHG Reporting Protocol*, filed July 2, 2007 in R.06-04-009, at 1-2.

B. As listed below, CMUA supports the comment of PG&E requesting the Joint Agencies to hold additional technical workshops before adopting any default emission factors.

PGE	• PG&E recommends holding off on adopting Emission Factor values and that the CPUC, Energy Commission and CARB convene additional technical workshops at which alternative proposals for default Emission Factors be discussed. (p.3) • The numerical calculation of default Emission Factors is controversial and disputed by many parties, given the magnitude of emissions that would be imputed in this manner and the potential for significant errors in total reported emissions if the Emission Factors are erroneously calculated. (p.7)

C. Rule 3.2 – As listed below, CMUA supports parties' comments rejecting GHG attribution based on a proportional ownership share.

NCPA	• Emissions associated with owned or contracted for generation *outside* of California that is never imported into the state to serve retail customers *within* California, is not properly reportable under AB 32. (p.4) • The Joint Agencies should clarify that emissions from to out-of-state owned or partially-owned resources are only attributable to California entities to the extent that electricity from those resources is consumed in California. (p.7) • CARB should not attribute emissions to generation from owned power plants located outside of California *unless* that power is used to serve retail load in California. Attributing emissions for owned and partially-owned power plants proportional to an entity's ownership share" for out-of-state resources should be rejected. (p.4)
SMUD	• GHG attribution for owned-power plants should be on electricity received and not proportional share.

D. Rules 3.2, 3.3, 3.4 – As listed below, CMUA supports parties' comments rejecting restrictions on existing resources.

AReM	• Should delete requirement to use default Emission Factors for purchases made from specified existing resources under contracts that have been entered into after January 1, 2008. (p.4) • Retail sellers should be encouraged to procure power from resources with zero or low emissions, including existing resources, to the maximum extent possible. Attributing GHG emissions to purchases from existing resources based on default EFs would be inconsistent with the CPUC's resource adequacy requirements. (p.6)
NCPA	• Sections 3.2 and 3.3 would impose unlawful restrictions on the ability of retail providers, specifically entities such as NCPA and its members, to contract for renewable and other low-GHG emissions resources. The restrictions are not only unlawful, but contrary to sound public policy. (p.4) • The Rules make an arbitrary determination that contracts with facilities in existence prior to 2008 do not contribute to "real" reductions. This would not only limit a California entities' ability to meet its compliance obligation, but could thwart achieving the very goals of AB 32.

	(p.5) • The rules must allow for source-specific emissions attributes from new and existing low-GHG resources. (p.6) • An arbitrary attribution – either higher or lower than the actual source specific levels – does not serve the goals of AB 32. It hinders the accurate measurement of the success of both the state as a whole, and individual entities in meeting the objectives of AB 32. (p.6)
PGE	• Restrictions on existing resources in 3.3 and 3.4 is misplaced and misguided. The proposal devalues existing lower emitting generation and removes the ability of lower emitting generation to negotiate contracts with other retail sellers if the retail seller is to be allowed to claim the lower emissions. (p.6)
SCE	• For each purchase from a specific source, regardless of when the facility was built or when a power purchase agreement becomes effective, CARB should attribute emissions based on net generation purchased and a source-specific EF. (p.10)
Sempra Global	• The Rule 3.3 restrictions on existing resources is not supported by record evidence, is speculative, contrary to the goals of AB 32, and arguably unlawful with respect to existing generating units. For those reasons, the Commission should reject this language and require that load-serving entities report and track the greenhouse gas ("GHG") emissions of existing units subject to source-specific contracts according to their actual emissions rates, and not simply assign the default emissions factors applied to power delivered from unspecified resources. (p.1) • The record is lacking with respect to the number and size of contracts set to expire prior to 2012, their terms, the operating history of the units, and so forth. Sempra Global believes it is unduly speculative, and therefore arbitrary and capricious, for the Commission to adopt a rule based on such speculation. (p.3) • Limiting the seller's pool of potential buyers to a single party could be viewed as creating an unlawful restraint on trade. At the very least, the seller would have little to no bargaining power under such circumstances. (p.6) • The Commission should not make a recommendation that creates or exacerbates its legal concerns, and it would do so here, since Commission's rationale for the proposed rule is highly speculative. (p.6) • This Rule eliminates the incentives load-serving entities would otherwise have to discriminate among resource options based on the emissions profiles of differing units. Only by reflecting source based emissions rates in the fixed and/or variable costs associated with every resource option will the incentives to load-serving entities be clear. (p.6)
SMUD	• SMUD advocates for accuracy by the proposed reporting mechanism is confusing and over-constrains existing multi-state commercial relationships. It introduces confusing mechanisms aimed solely at out-of-state commerce. • New contracts with existing renewable resources should carry their low carbon attributes.

E. Rules 3.4, 3.9 - As listed below, CMUA supports parties' comments rejecting the use of default emission rates for specified resources with known emission rates.

Calpine	• The PD uses default Emission Factors that do not reflect a source's actual emissions and will necessarily result in inaccurate reporting and tracking. (p.2) • The default Emission Factors should not be applied to specified resources. (p.2) • Policies that ignore a source's known emissions in favor of a default Emission Factor is inconsistent with accurate emission reporting and tracking, and frustrates efforts to reduce GHG emissions. If GHG emissions associated with a specified source are known, they should be used for reporting and tracking purposes in all cases. (p.6) • Using default Emission Factors for specified resources with known Emission Factors compromises AB 32 goals and does not reflect the actual emissions from a source. So, there is no way to determine whether reported emissions reductions are real or illusory, much less quantify and verify them. (p.5)
IEP	• Rule 3.4 has the effect of replacing an existing generator's actual, known emissions rate with the imputed values associated with unspecified resources/power purchases, if the existing generator does not re-contract with its original off-taker. This raises the following concerns: (1) restraint of trade; (2) strips the economic value of the known/reported environmental attributes associated with these resources; (3) concerns as to whether this constitutes a taking under the law; (4) has the effect of forcing relatively low emitting resources to re-contract with their original off-taker in order to realize the value of its low emissions; and (5) puts renewable and/or low emitting QFs whose existing contracts are approaching the end of their term at a distinct disadvantage in contract negotiations with the party they are currently contracted with or any other party they may desire to do business with. (p.7)
SCE	• CARB's reporting regulations shall "[e]nsure rigorous and consistent accounting of emissions, and provide reporting tools and formats to ensure collection of necessary data." A reporting protocol that uses default Emission Factors when actual emissions from specified sources are available does not meet these criteria. (p.8) • Arbitrary accounting rules and artificial incentives and disincentives regarding future transactions will fundamentally alter how competitive electricity markets function. (p.10) • PD must not ignore the "real" GHG emissions of a retail provider's purchases from a specified source and arbitrarily assign such purchases a default Emission Factor. (p.8)
PGE	• To the extent that a retail provider contracts with an existing renewable or low-emitting resource, the emissions from those resources can be accurately reported under CARB's reporting rules, consistent with section 38530(a). However, nothing in section 38530(a) allows the reporting rules to be used to change the actual emissions to a fictional quantity of emissions that has no basis in fact, merely to solve a perceived regulatory problem. (p.7)
SCE	• PD must not ignore the "real" GHG emissions of a retail provider's purchases from a specified source and arbitrarily assign such purchases a default Emission Factor. Alleged GHG emissions reductions achieved under such a system would certainly not be "real," "quantifiable," or "verifiable" by CARB because they would not be based on changes in actual GHG emissions, but rather on default Emission Factors that may have little connection to the actual emissions of the sources involved. (p.8)

F. Rules 3.4, 3.9 – As listed below, CMUA supports parties' comments rejecting the rules proposed to prevent actions that Joint Agency staff categorizes as "contract shuffling."

NCPA	• The Joint Agencies should remove the presumption regarding contract-shuffling and the limitations associated with this presumption. (p.7)
PGE	• It is not clear that there is a "contract shuffling problem" with new contracts with existing renewable and low emitting resources that needs to be addressed under AB 32. AB 32 will limit greenhouse gas emissions in the electric sector in California, regardless of changes in the contracting for low-emitting and high-emitting resources. (p.6) • If the higher emitting resource shifts to an out-of-state purchaser, that is a structural problem that AB 32 by design cannot reach, not a problem created by the low-emitting resource and its counter-party. (p.6)
SCPPA	• The PD is devoid of any factual support for adopting the anti "contract shuffling" provisions. (p.3) • The existence of the low-GHG resources in the West would be relevant only if there were some meaningful opportunity for California retail providers to obtain contracts that would permit them to replace their high-GHG resources with the low-GHG resources. However, the chances of that happening are low. Other states in the West are making it clear that they share California's concerns about GHG emissions and intend to claim the low-GHG resources that are located in their states as their own. (p.4) • The failure to mention "contract shuffling" in AB 32 is consistent with the Legislature's interest in promoting renewable resources. (p.6) • The anti "contract shuffling" provisions would result in artificially high emissions being reported by retail providers. (p.6)

G. Rules 3.8, 3.9 – As listed below, CMUA supports parties' comments rejecting the use of default emission factors for owned-plants.

SCE	• Rule 3.8 requirement is quite likely impossible to comply with. (p.11) • Disagrees with the recommendation that if the reported sales and exchanges from an owned power plant amount to more than ten percent of the reporting entity's proportional ownership share and if the purchase (which SCE reads as "sale") does not meet the two conditions mentioned above, then CARB should attribute GHG emissions to that power using the average EF of power available for sales from unspecified resources. (p.12)
SCPPA	• The requirement that a default factor be used to determine the emissions associated with deliveries of energy from existing (pre January 1, 2008) low-GHG resources under sections 3.3 and 3.4 of the Reporting Protocol would result in retail providers reporting emissions higher than those actually associated with generation at the existing resource. (p.6) • Attributing emissions to sales from an "owned" power plant as would occur under sections 3.8 and 3.9 would result in reported emissions being higher than those associated with the generation that was actually delivered to serve California retail providers. (p.6)

SMUD	• Rule 3.8 may attribute additional GHG emissions to SMUD when it makes wholesale or system sales. The "marginal unit" criterion is difficult to ascertain and impossible to implement because it uses confidential and proprietary information. (p.5) • The Protocol counts all the GHG emissions produced in-state and from purchases but fails to deduct the GHG emissions from wholesale sales. Therefore, California is "claiming" emissions that are going out of state. (p.5) • Rule 3.9 differentiates between sales to entities within California and those located outside California. The former is deducted from a reporting entity's total emissions, the other is not. (pp.6-7)

II. CONCLUSION

CMUA requests the Joint Agencies to consider these Reply Comments and CMUA's proposed revisions to the Protocol included as Attachment A.

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Respectfully submitted,

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ATTACHMENT A

CMUA's revisions to sections 3, 4, 5, and 6 of the "Proposed Electricity Sector Greenhouse Gas Reporting and Tracking Protocol"

3. Retail Provider Reporting Protocol

For each calendar year, retail providers shall comply with the reporting requirements in Subsections 3.1, 3.3, 3.5, 3.8, 3.10, and 3.12 . The other subsections in Section 3 describe how the California Air Resources Board (ARB) attributes GHG emissions to each retail provider.

3.1. Net Generation from Each Owned Power Plant

For each wholly-owned power plant, provide the plant name and ARB plant identification code.

For each partially-owned power plant that reports under ARB's source-based reporting program, provide the plant name and identification code, the proportional ownership share of the reporting entity, the quantity of net generation received by the reporting entity including transmission losses.

For receipts of electricity from power plants not reporting under ARB's source-based reporting system, provide the plant name and ARB identification code, the percentage ownership share of the reporting entity, the quantity of electricity generated by the power plant, the quantity of electricity received by the reporting entity, including transmission losses.

For each power plant, indicate whether the plant is used exclusively to serve native load. One of the following three conditions must be met in order for a reporting entity to report a plant as exclusively serving native load:

1. The plant is a California-eligible renewable resource and, prior to the reporting date, the reporting entity has retired the WREGIS certificates associated with the power received from the facility during the reporting year.

2. The plant is a low-cost, must-run resource, such as a hydro generation facility, that the reporting entity takes on an as–available basis.

3. The plant is a baseload plant running at a capacity factor of 60 percent or greater. If a plant is reported as serving native load on this basis, all owned or partially-owned facilities running at the same or greater capacity factor shall also be reported as serving native load.

For each plant reported as serving native load, the reporting entity shall indicate which of the three conditions is met.

3.2. Calculation of Emissions from Owned Power Plants

For wholly-owned and partially-owned power plants that report under ARB's source-based reporting system, ARB retrieves the emissions for all GHGs and the generation data transmitted to ARB under the source-based reporting system.

For power plants not reporting under ARB's source-based reporting system, ARB calculates emission factors using data from finalized reports under 40 CFR Part 75 or plant-level fuel consumption data

from the Energy Information Administration if Part 75 data are not available.

ARB attributes emissions to the reporting entity based on ~~its proportional ownership share (not~~ the amount of electricity received~~)~~.

In determining emissions related to sales from unspecified sources (see Section 3.11), ARB excludes generation from plants used to serve native load from the calculation of resources deemed to be available for wholesale sales.

3.3. Purchases and Exchanges from Specified Sources

For power purchased from each specified source that reports under ARB's source-based reporting program, or received from such a specified source under exchange agreements; provide the ARB plant identification code and the quantity of electricity purchased, including associated transmission losses.

For power purchased from each specified source not reporting under ARB's source-based reporting system, provide the plant name and identification code, and the quantity of electricity purchased, including associated transmission losses.

For each purchase from a renewable resource, indicate whether the power is null power.

If substitute energy accounts for more than 15 percent of the energy received under a plant-specific purchase agreement, report only deliveries from the specified source in this section. Report the substitute energy in the appropriate category in Section 3.5.

~~For each purchase indicate whether one or more of the following conditions are met:~~

~~1. The purchase is made through a purchase agreement that was in effect prior to January 1, 2008 and either is still in effect or has been renewed without interruption.~~

~~2. The purchase is made through a purchase agreement from a power plant that became operational on or after January 1, 2008.~~

3.4. Calculation of Emissions for Purchases and Exchanges from Specified Sources

For each purchase from a specified source that reports under ARB's source-based reporting program ~~and meets one or more of the conditions specified in Section 3.3~~, ARB attributes emissions from these plants proportionately based on the share of net generation purchased.

For all other purchases from a specified source ~~that meets one or more of the conditions specified in Section 3.3~~, ARB calculates emission factors using data from finalized reports under 40 CFR Part 75 or plant-level fuel consumption data from the Energy Information Administration if Part 75 data are not available, and attributes emissions based on the calculated emission factors and net generation purchased.

~~For each purchase from a specified source that does not meet one or more of the conditions specified in Section 3.3, ARB attributes emissions based on the net generation purchased and the default emission factor for the region in which the specified source is located, calculated as described in Section 3.6.~~

ARB attributes emissions for any purchase of null power based on the default emission factor of the

region in which the null power was generated.

3.5. Purchases and Exchanges from Unspecified Sources

List all bilateral purchases of power and power received as part of an exchange agreement from unspecified sources, as measured at the first California point of delivery at which the reporting entity took possession of the power, aggregated by counterparty. For each counterparty, list the quantity of electricity received, including associated transmission losses, separately for each of the three resource regions defined in this Protocol (Northwest, Southwest, and California). If there are any electricity purchases for which the region of origin cannot be determined, report these quantities as from "unknown region." Receipt of power attributed to the Northwest or Southwest region must be verifiable via North American Electric Reliability Corporation (NERC) E-Tags. Separately, report the quantity of electricity purchased from the CAISO real-time market and any power purchased in the CAISO's Integrated Forward Market that is not under contract with specified counterparties.

3.6. Calculation of Emissions for Purchases and Exchanges from Unspecified Sources

For counterparties for which ARB has certified supplier-based emission factors (developed pursuant to Section 3.9 for retail providers and Section 4.3 for marketers), ARB multiplies the quantity of purchases and exchanges from each supplier, including transmission losses, by the certified emission factor.

For other purchases and exchanges, ARB sums the quantities of purchases and exchanges by region and multiplies the total by the default regional emission factor.

ARB calculates default emission factors, and accounts for transmission losses.

ARB attributes emissions to purchases reported as originating from an unknown region using the highest of the three regional default emission factors.

3.7. Total CO_2e Emissions from Owned Facilities and Purchases

ARB sums the total metric tons of emissions from owned power plants, purchases from specified sources, and purchases from unspecified sources as described in the above sections. ARB then converts the GHG emissions to CO_2 equivalents and calculates the total.

3.8. Sales and Exchanges from Specified Sources

Report the sum of sales and deliveries of power under exchange agreements from each power plant owned or operated by the reporting entity, identified by the plant identification code, and reported separately for each counterparty and destination region (California, Northwest, and Southwest). For each power plant that is owned but not operated by the reporting entity, report the portion of any sales made by the plant operator based on the reporting entity's ownership share of the power plant. Report quantities of power sold or exchanged as measured at the busbar where power enters the grid. If busbar data are not available for certain sales, report it as a sale from an unspecified source.

~~If sales and exchanges from an owned power plant amount to more than ten percent of the reporting entity's proportional ownership based share of the total net generation of the power plant, the reporting entity shall provide documentation establishing why the power was sold. The reporting entity shall indicate whether either of the following conditions is met, with supporting documentation:~~

~~1. The power could not be delivered to the reporting entity during the hours in which it was sold.~~

~~2. The reporting entity did not need the power during the hours in which it was sold because it had surplus power from its owned power plants and the specified plant was the marginal plant during the hours in which the power was sold.~~

3.9. Adjustments to Total Emissions for Sales and Exchanges from Specified Sources to Counterparties within California

ARB adjusts the total emissions described in Section 3.7 for emissions attributed to sales from specified sources to counterparties within California.

To adjust total emissions for sales and exchanges from specified sources, ARB uses the emission rates of each plant either reported under the source-based reporting system or as calculated by ARB (see Section 3.2). ~~However, if the reported sales and exchanges from an owned power plant amount to more than 10 percent of the reporting entity's proportional ownership share and if the purchase does not meet one or both of the conditions specified in Section 3.8, ARB attributes emissions to that power using the average emission factor of power available for sales from unspecified sources (calculated as described in Section 3.11).~~

ARB attributes emissions by multiplying each plant's sales and exchanges from specified sources to counterparties within California by the relevant emission factor. ARB then deducts the total emissions attributed to sales and exchanges from specified sources to counterparties within California from the totals described in Section 3.7.

3.10. Sales and Exchanges from Unspecified Sources

Report aggregated sales and power deliveries under exchange agreements from unspecified sources, reported separately for each counterparty and each destination region (California, Northwest, and Southwest). Report quantities as measured at the busbar. If busbar data are not available for certain sales, report the quantity as measured at the first point of receipt at which possession of the power was taken. In other words, these values shall not include any transmission losses that occur between the seller's point of receipt and purchaser's point of delivery.

3.11. Adjustments to Total Emissions for Sales and Exchanges from Unspecified Sources to Counterparties within California

ARB adjusts the total emissions described in Section 3.7 for emissions attributed to sales from unspecified sources to counterparties within California.

To obtain the quantity of power available for sales from unspecified sources, ARB deducts from the total amount of electricity from owned facilities and purchased quantities of power (including transmission losses) from the following sources:

1. Sources reported as serving native load, as described in Section 3.1.

2. Sales and exchanges from specified sources, as described in Section 3.8.

To obtain the amount of emissions associated with power available for sales from unspecified sources, ARB deducts from the total emissions from owned facilities and purchases, as described in Section 3.7, all emissions attributed to the sources in the itemized list above.

The average emission factor of power available for sales from unspecified sources is the ratio of the emissions from power available for sales from unspecified sources to the quantity of power available for sales from unspecified sources.

To adjust the total GHG emissions for sales from unspecified sources to counterparties within California, ARB multiplies the quantity of electricity sold from unspecified sources to counterparties within California, as measured at the generator busbar or reporting entity's point of receipt, by the average emission factors available for sales from unspecified sources. These quantities are deducted from the total emissions as described in Section 3.7 and adjusted as described in Section 3.9.

3.12. Reporting Requirements for Multi-jurisdictional Utilities and WAPA

Multi-jurisdictional utilities shall report the information required in Subsections 3.1, 3.3, 3.5, 3.8, and 3.10 for their operations that serve California and any contiguous service territories. They shall report California retail sales, in gigawatt-hours, and total retail sales in California and any contiguous territories.

WAPA shall report the information required in Subsections 3.1, 3.3, 3.5, 3.8, and 3.10 for its entire operations. WAPA shall also report California retail sales, in gigawatt-hours, and total retail sales.

3.13. Calculation of Emissions for Multi-jurisdictional Utilities and WAPA

For each multi-jurisdictional utility, ARB will determine emissions associated with the utility's entire operations, and will attribute a pro-rata share of those emissions, based on the ratio of California retail sales to total retail sales, to the California operations of the multi-jurisdictional utility.

For WAPA, ARB will determine emissions associated with WAPA's entire operations, and will attribute a pro-rata share of those emissions, based on the ratio of WAPA's sales to end users in California to total retail sales, to its California operations.

3.14. Requests for Exemptions

On a case-by-case basis, a reporting entity may request that ARB modify its determination of emissions to be attributed to the reporting entity based on the methodology set forth in Section 3. Such a request for exemption shall document why the reporting entity believes that the methodology in Section 3 does not recognize real reductions in GHG emissions that have been achieved due to the reporting entity's actions, and shall contain a proposed alternative determination of attributable emissions, with complete supporting documentation.

3.15. Sample Reporting Form

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4. Marketer Reporting Protocol

4.1. Imports

Report all imported of electricity with a final point of delivery in California that your firm had possession of at the first point of delivery inside California, summed separately for each counterparty

supplying the power. For each counterparty, report the imported power separately for specified sources by the ARB plant identification code and for unspecified sources. Report unspecified sources summed by region of origin. The quantities of electricity shall be reported as measured at the first California point of delivery. Report transmission losses separately for each combination of counterparty and source.

Report any electricity wheeled through California that terminates in a location outside of California, as measured at the first California point of delivery. Report these receipts separately for each counterparty supplying the power. For each counterparty, report the wheeled-through power separately by region of origin (Nothwest or Southwest), and by each specified source or on a combined basis for unspecified sources. The quantities of electricity shall be reported as measured at the Point of Delivery. Report transmission losses separately for each combiniation of counterparty and region. ~~These transactions must be verifiable via NERC E-tags.~~

4.2. Exports

Report all exports of electricity that your firm had possession of at the last point of delivery inside California, reported separately for each counterparty supplying the power. For each counterparty, report the exported power separately by each specified source and on a combined basis for unspecified sources, and by region of destination (Northwest or Southwest). The quantities of electricity shall be reported as measured at the last California point of delivery.

5. Supplier-based Emission Factors

Asset-owning or controlling entities or entities subject to mandatory reporting in California may submit to ARB for review or ~~may~~ request that ARB develop and apply a supplier-specific emission factor for ~~their~~ sales from unspecified sources or from a system. An entity making such a request shall document that the power it sells or purchases originates from a fleet of plants either under ~~its~~ the operational control of one entity or for which that entity ~~it~~ serves as exclusive marketer and shall document the derivation of the ~~its~~ proposed supplier-specific emission factor.

6. Submission Process

6.1. State Agency Responsibilities for Receiving and Maintaining Data

ARB is the lead agency for tracking and monitoring all emissions data relevant to implementation of Assembly Bill 32, so it is the ~~primary~~ recipient of reports. ~~Reporting entities shall also provide simultaneous copies of submissions to the Public Utilities Commission and the Energy Commission, which will support ARB, as necessary, in verifying the data.~~

6.2. Frequency

Retail providers and marketers shall provide annual GHG emission reports, due to ARB as required by ARB reporting deadlines.

6.3. Verification

ARB has proposed using third-party certification and is developing a training and certification program for third party auditors.