

WAC 173-442-220 Verification. (1) **Emission reductions subject to third-party verification.** All emission reductions for which ERUs are generated under WAC 173-442-160 are:

(a) Subject to the verification procedure requirements of this section;

(b) Subject to any verification criteria, procedures, or methods that are part of the protocols, processes, or methodologies applicable for the type of emission reduction detailed in WAC 173-442-160; and

(c) Subject to verification by a certified verifier using processes and procedures consistent with the International Organization for Standardization 14064-3:2006 protocol (as of May 1, 2016).

(2) The third-party verifier must certify that compliance reports are consistent with the requirements in this chapter.

(3) **Verification report content.** The verification report must be in a format specified by ecology. The report must include:

(a) Documentation identifying that the covered party complied with the requirements of chapter 173-441 WAC;

(b) Name and other information about the third-party verifier, including:

(i) All relevant information about the third-party verifier in subsection (6)(a) of this section;

(ii) The names, roles, and sector specific qualifications of individuals working on the verification report;

(iii) Document that the verifier met the requirements in WAC 173-441-085; and

(iv) Certify that the verification report is true, accurate, and complete to the best of their knowledge.

(c) A verification plan that details methodologies used to verify the compliance report and schedule describing when the verification occurred.

(d) The third-party verifier's review of the covered party's accounting of emissions, emissions reductions, ERUs, and all information relevant to demonstrating compliance with the applicable emission standards.

(e) Corrections made to the compliance report.

(f) The third-party verifier's evaluation of the compliance report. This must include a log of issues identified in the course of verification, their potential impact on the quality of the compliance report, and their resolution.

(g) Documentation of required on-site visit. Information about the required on-site visit, including date(s) and a description of the verification services conducted on-site.

(i) The third-party verifier must conduct an on-site visit at least once during a compliance period. During the on-site visit, the verifier must:

(A) Check that all sources specified in the compliance report are identified appropriately.

(B) Confirm that all relevant emissions, emission reductions, and accounting for ERUs are included in the compliance report.

(C) Review the data management systems used by the covered party to track, quantify, and report GHG emissions and, when applicable, product data and fuel transactions. The third-party verifier must evaluate the uncertainty and effectiveness of these systems.

(D) Interview key personnel.

(E) Make direct observations of equipment for data sources and equipment supplying data for sources determined to be high risk.

(F) Assess conformance with measurement accuracy, data capture, and missing data substitution requirements.

(G) Review financial transactions to confirm:

(I) Fuel, feedstock, and product data; and

(II) Complete and accurate reporting of required data, such as facility fuel suppliers, fuel quantities delivered, and if fuel was received directly from an interstate pipeline.

(ii) The verifier must document the findings from the visit and the dates of the visit.

(h) For petroleum product producers or importers, or natural gas distributors, the third-party verifier must visit the headquarters or other location of central data management.

(4) **Verification deadline.** The third-party verifier must submit a complete verification report to ecology by the compliance report deadline in WAC 173-442-250.

(5) **Corrections.** The covered party must submit corrections to the verification report to ecology no later than forty-five days after discovery of the error.

(6) **Eligible third-party verifiers.**

(a) A third-party verifier must be approved by ecology. Approval requires:

(i) Demonstrating to ecology's satisfaction that the third-party verifier has sufficient knowledge of the relevant methods and protocols in this chapter. Ecology may limit certification to certain types or sources of emissions.

(ii) Registering as a third party with ecology (both individuals and organizations); and

(iii) Active accreditation or recognition as a third-party verifier under at least one of the following GHG programs:

(A) California Air Resources Board's mandatory reporting of GHG emissions program;

(B) The Climate Registry;

(C) Climate Action Reserve;

(D) American National Standards Institute (ANSI);

(E) Accredited ISO 14064 registrars; or

(F) Other GHG verification program approved by ecology.

(b) A covered party must not use the same third-party verifier (either organization or individuals) for a period of more than six consecutive years. The covered party must wait at least three years before using the previous third-party verifier to verify their compliance reports.

(c) A covered party and third-party verifier must certify that there is not a conflict of interest in verifying the compliance report. A conflict of interest exists when:

(i) The third-party verifier and covered party share any management staff or board of directors membership, or the third-party verifier has employed any of the senior management staff of the covered party, or vice versa, within the previous five years; or

(ii) Any employee of the third-party verifier, or any employee of a related entity, or a subcontractor who is a member of the verification team has provided to the covered party any services within the previous five years.

(iii) Any staff member of the third-party verifier provides any type of incentive to a covered party to secure a verification services contract.

[Statutory Authority: Chapters 70.94, 70.235 RCW. WSR 16-19-047 (Order 15-10), § 173-442-220, filed 9/15/16, effective 10/16/16.]