



August 9, 2024

Rainie Torrance  
City of Needles  
Assistant Utility Manager

**Re: AB32 Greenhouse Gas Verification Statement**

Dear Ms. Torrance:

After reviewing your transaction data, inventory plan, and supporting documents, WZI Inc. can offer a **Positive** verification statement on your AB32 reporting for calendar year 2023. We can state with reasonable assurance that your 2023 report is free of material misstatement and conforms to the requirements of the Mandatory Reporting Rule.

A handwritten signature in blue ink, appearing to read 'Richard B. Wilson', is written over a horizontal line.

**Richard B. Wilson**

Lead Verifier

A handwritten signature in blue ink, appearing to read 'Mary Jane Wilson', is written over a horizontal line.

**Mary Jane Wilson**

Independent Reviewer

**EMISSIONS DATA REPORT**

For assistance completing or submitting this report, contact [ghqverify@arb.ca.gov](mailto:ghqverify@arb.ca.gov).

**PART I: EMISSIONS DATA REPORT INFORMATION**

Reporting Year: 2023
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**PART II: VERIFICATION BODY INFORMATION**

Verification Body Name: WZI Inc.
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**PART III: REPORTING ENTITY INFORMATION**


Name of Reporting Entity: City of Needles	CARB ID Number: 3047
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**PART IV: VERIFICATION STATEMENT INFORMATION**


1. This verification statement attests that the submitted data are (check one): <input checked="" type="checkbox"/> Reasonably assured of being free of material misstatement <input type="checkbox"/> NOT reasonably assured of being free of material misstatement
2. This verification statement attests that the submitted data are (check one): <input checked="" type="checkbox"/> Reasonably assured of being in conformance with the regulation <input type="checkbox"/> NOT reasonably assured of being in conformance with the regulation <input type="checkbox"/> NOT reasonably assured of being in conformance with the regulation, including NOT in conformance with §95131(b)(9): failure to correct data errors discovered during data checks
3. As a result of the selections above, the final verification statement is (check one): <input checked="" type="checkbox"/> Positive: Reasonably assured of no material misstatement and in conformance with the regulation <input type="checkbox"/> Qualified Positive: Reasonably assured of no material misstatement, but not reasonably assured in conformance with the regulation <input type="checkbox"/> Adverse: Not in conformance with §95131(b)(9) and/or not reasonably assured of no material misstatement
4. Provide the Qualifying Statement below (required for qualified positive or adverse statements):

**PART V: SIGNATURE**

As the lead verifier for this verification, I certify under penalty of perjury under the laws of the State of California that the verification team has carried out all verification services as required by the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (MRR) (title 17, California Code of Regulations, §95100-95158).

Printed Name: Richard Wilson	Date: 08/09/2024
Signature Of Lead Verifier: 	

As the independent reviewer, I certify under penalty of perjury under the laws of the State of California, that I have conducted an independent review of the verification services and findings on behalf of the verification body as required by the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (MRR) (title 17, California Code of Regulations, §95100-95158), and that the findings are true, accurate and complete.

Printed Name: Mary Jane Wilson	Date: 08/09/2024
Signature Of Independent Reviewer: 	



## **Verification Report:** **City of Needles, 2023**

### **Entity Overview**

The City of Needles operates as an Electric Power Entity (EPE) under AB-32 mandatory GHG reporting. The City of Needles reports unspecified and specified electricity imports, and retail sales. The source includes power imported into California, managed for the City of Needles by Western Area Power Administration – Desert Southwest Region.

### **Verification Overview**

GHG Verification for The City of Needles entity consisted of off-site data and record checks, and correspondence with the client. WZI recalculated GHG emissions values to check against reported values and tested for any materiality issues. In addition, original source data e-tags and CAISO market downloads were checked against entered data to verify accurate data collection. Calculation methods were also checked for conformance. GHG inventory planning and activities were checked and evaluated for conformance to the AB-32 reporting regulation.

### **Verification Team**

Lead Verifier-	Rich Wilson
Verifier-	Jesse Frederick
Internal Reviewer-	Mary Jane Wilson

## Verification Activities

### **GHG Monitoring Plan:**

-The entity's GHG inventory plan was obtained and checked for conformance. The plan thoroughly details required information and complies with the reporting regulation.

### **Unspecified Imports**

-The entity reported unspecified imports from 24 generating facilities outside of California. The transactions are e-tagged. Transactions are managed on behalf of the City by Western Area Power Administration – Desert Southwest Region. The e-tags are compiled in an automated process by OATI. The entity requests a “Tags Sinking in Needles” report from OATI, which captures all e-tags delivered to the City. That data is then filtered to remove e-tags that are exempt from reporting. The removed tags include power originating in CA, and tags that are part of the DSWM Parker-Davis allocation sourced from Davis230. The DSWM tags are discussed under specified imports.

-Two sets of “metered” imports are also reported. These include the WALC Energy Imbalance Market transactions, and the Aggregated Energy Services group sharing transactions. These mechanisms are used to meet additional demand not covered by the tagged transactions. Meter reports from the City are used to calculate the transactions from these two sources, both of which originate outside of CA.

The verification team reviewed the complete OATI transaction data, and performed several additional data checks:

1. At the request of the verification team, a new query of the OATI data was re-run and sent to the verification team. The new data query matched the data used in the report exactly.
2. A random sample of e-tags was requested, and the actual tags reviewed. Extra focus was put on tags that were excluded from the report, to ensure that they were correctly excluded. Tags matched reported data, and excluded tags all sourced in CA. No issues were discovered.
3. Annual meter reports were requested and reviewed. The verification team was able to check the accuracy of the calculations used to determine the WALC energy imbalance and the AES group share transactions.
4. The verification team was made aware of one e-tag that was attested in 2023. This was determined to be due to an error made during tag creation. The attested tag corrected the error and was determined to be accurate.
5. The verification team checked the e-tag data for transactions that were reported as unspecified imports. Tags were checked for appropriate source and sink codes, and were

filtered by source and total MWh recalculated. Total CO2e was also recalculated. No issues were discovered.

### **Specified Imports**

-The entity reported specified imports from the DSWM Parker-Davis allocation sourced from Davis230. The City of Needles Parker-Davis Project allocation is delivered across the California border by WAPA-DSW using the DSWM01 PSE code and is reported on the City of Needles GHG Report as a specified import imported on behalf of the City of Needles. These transactions are hydroelectric power and have a zero CO2e value.

The verification team reviewed the e-tag data, and performed these data checks:

1. E-tags were checked for DSWM01 PSE codes. All tags were DSWM01.
2. Tags were totaled and checked against reported values. No issues were discovered.

### **Retail Sales**

-The entity reported retail sales as a retail utility provider. These sales are reported based on monthly totals of the utility retail meter readings. These transactions do contribute to the entity's CO2e total.

The verification team performed these data checks:

1. Monthly meter report was requested and reviewed. Total metered sales matched reported value exactly.

### **Material Misstatement Assessment**

-To determine the error in reported data discrepancies, omissions, and misreporting events were quantified and used:

$$\sum \frac{[Discrepancies + Omissions + Misreporting]}{Total\ Reported\ Covered\ Emissions} = \frac{[0 + 0 + 0]}{23,130\ MT\ CO2e} = 0$$

## **Verification Statement**

After evaluating the facility's GHG inventory program, data, and reported values, WZI Inc. can issue a **POSITIVE** verification statement. It is our opinion that the entity's report contains no material misstatement, and conforms to the requirements of the AB-32 reporting regulation.

### Attachments:

- Verification Plan
- Sampling Plan
- Risk Assessment
- Issues Log
- GHG Monitoring Plan Checklist
- Transactions data calculated by verification team w/ materiality testing



**Verification Plan**  
**City of Needles 2023 Report**  
**(AB-104462)**

**Verification of 2023  
Greenhouse Gas Emissions Report**

WZI Inc.  
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Bakersfield, CA 93301  
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## Executive Summary

WZI was contracted to perform Greenhouse Gas verification services for the 2023 calendar year. Transactions Data are required to be fully verified by an accredited verification body.

## Facility Overview

City of Needles is a power importer and retail provider in the state of California. Power transactions are managed on behalf of the City of Needles by the Western Area Power Authority.

The City of Needles reports transactions including specified and unspecified imports of hydroelectric and fossil-fuel generation, and retail sales.

## General Plan

The WZI verification team will take steps to become familiar with the entity’s trading operations in California. Transparency of data collection methods and how items are tracked will be scrutinized. Additionally, the team will scrutinize data collection methods, the personnel involved, and training methods in place that are meant to ensure precise data reporting. More details on information requested for verification to begin is detailed below in “Document Request.”

## Verification Team

Lead Verifier-	Rich Wilson
Verifier-	Jesse Frederick
Internal Reviewer-	Mary Jane Wilson

## Pre-Verification

WZI completed the required Conflict-of-Interest Form-A, which yielded a result of a “Low Conflict-of-Interest”. Form-A was submitted and was approved to begin verification.

## Verification Activities

### A. Desk review of Report

The first tool is the Greenhouse Gas Monitoring Plan which will be reviewed by WZI to understand the facility operation and the methods used to properly report data from both emissions and product. Additionally, WZI has developed a checklist to use while reviewing the Monitoring Plan to ensure all necessary information is complete pursuant to Sections 95105(c)(1) through 95105(c)(10) of the Mandatory Reporting Rule.

The 2018 summary report will be downloaded and reviewed for background and any broad issues.

### B. Kick-Off Meeting

Kick-off meetings will be conducted through conference calls. This will consist of a discussion of what WZI is looking for in the data that is provided by Needles and WAPA agents and a general plan for how WZI will proceed in the verification process. The Greenhouse Gas Verification plan is the first source of information that serves as a basis for this discussion.

### C. Document Request

A Document Request will be sent to the operator after the kick-off meeting. The operator will be asked to provide the requested documents in a timely manner. For the 2022 verification, the following information will be requested:

1. Greenhouse Gas Monitoring Plan;
2. Specified Import data;
3. Unspecified Export e-tags;
4. “GHG Quantities with Pivot” spreadsheet for 2023; and
5. 2023 EPE Workbook.

### D. Off-Site Data Review

The off-site data review will be conducted at the WZI offices, and will consist of the following:

#### 1. Create Sampling Plan

The Verification team will prepare a sampling plan based on data and documentation received from the operator. The sampling plan’s primary focus will be the specified imports.

## 2. Data Completeness Check

The team will verify that all required data was collected. This data includes all power transactions into, out of, and through CA. Once the data is obtained, the data will be scrutinized for inconsistencies and how the data was collected and tracked. The team will inspect any data transfers from one format or source to another, either manual or automatic, and ensure that data quality is maintained throughout. After the data collection and tracking methods are checked, the team will ensure that data was manipulated properly. This would include procedures such as conversion factors unique to the operation, unit conversion accuracy, or general calculations used to prepare data for reporting purposes. Finally, the team will ensure that the data submitted in the report corresponds to the data records tracked for this year.

## 3. Data/Calculation Conformance Check

The team will verify that the calculation methods selected by the operator conform to the reporting regulation. The team will run sample calculations to verify the accuracy of the operator's calculation methods. Any error in reporting will be noted, regardless of significance, into the issues log and an explanation will be provided in the final report if the cause of the error is known (i.e. rounding error). If, however, the numbers for reporting do not match it will be noted in the issues log and is subject to revision by the reporter.

## 4. Issues Log Review

The team will compile the issues log and determine the impact of any errors found. Each issue will be identified with the date of discovery; a detailed description of the issue found; the specific reference in the MRR related to the issue; the impact on reported data (non-conformance, misstatement, etc.) and, finally, the resolution of the issue after corrective action is taken by the reporter to satisfy the mandatory reporting rule.

## 5. Materiality/Conformity Analysis

The team will determine if any errors found would create a material misstatement or a non-conformance. This information will be noted in the issues log. In the case of missing data, the proper steps will be taken according to Section 95129 of the MRR. The team will prepare a draft statement.

## E. Site Visit

A site visit is not required for this reporting year.

#### F. Revisions (If Needed)

If the report requires revision, the team will set the report status to “Revision Requested”. After any revisions are complete, the verification will resume at step D.

#### G. Statement/Report Preparation

Materials from the off-site data review will be compiled into a draft verification report. The complete team will meet to determine the initial verification statement.

#### H. Internal Review

The report, issues log, and data will be submitted to the internal reviewer for final QA check. Depending on the internal reviewer’s assessment, the verification team may need to return to the assessment for clarification. This may involve more information to be requested from the facility and/or a deeper review of portions the internal reviewer may flag as something that needs further scrutiny. Once the internal reviewer signs off on the report, the final statement can be prepared.

#### I. Final Statement/Report

Any errors found by the internal reviewer will be corrected. The final verification report will be prepared and submitted to the operator. After the operator has had sufficient time to review the report, the statement will be submitted to ARB via the reporting tool.



## Risk Assessment: City of Needles 2023

Category	Description	Uncertainty/Risk Assessment	Follow-up
Data Acquisition Equipment	Meter data used to calculate EIM transactions and retail sales	Data uncertainty is moderate due to large volume of transactions.	Meter data was checked down to actual meter reports. E-tag data was re-queried and checked. No issues.
Data Sampling and Frequency	Unspecified import data is generated by direct query of OATI e-tags. Meter data is sampled monthly.	Data uncertainty is moderate due to large volume of transactions.	All e-tag data was re-queried and checked.
Data Processing and Tracking	Data is maintained by WAPA DSW personnel.	Data uncertainty is moderate due to large volume of transactions.	All e-tag data was re-queried and checked.
Emissions Calculations	Calculations are performed in the ONE workbook using ARB emissions factors for specified imports.	Low risk area.	N/A
Data Reporting	Data is reported in CAL e-GGRT in accordance with the MRR.	Low risk area.	N/A
Product Data	N/A	N/A	N/A
Management policies/practices	The entity maintains a compliant inventory plan and procedure.	Low risk area.	Plan was checked for conformance

Issues Log: City of Needles 2023

Issue	Date	Issue	Regulation Reference	Impact	Resolution
1	15-Jul	CARB QA Finding shows CAISO questions answered incorrectly or not answered	995111(a)(12)	Conformance	The report was unlocked and the questions were answered. Issue is resolved.
2					
3					
4					
5					
6					
7					
8					



## GHG Monitoring Plan Checklist: City of Needles 2023

Requirement	Check	Notes
1	X	
2	X	
3	X	
4	X	
5	X	
6	X	
7	X	
8	X	
9	X	
10	X	

## Final Verification Report Checklist

1	Verification report includes a detailed description of the reporting entity sources and boundaries §95131(c)(3)(A)(1)	
2	Verification report includes a detailed comparison of the data checks §95131(c)(3)(A)(4)	
3	Verification report includes log of issues §95131(c)(3)(A)(5)	
4	Material misstatement was evaluated correctly for emissions data §95131(c)(3)(A)(7) §95131(b)(12)(A)	
5	Conformance was evaluated correctly §95131(b)(10)	
6	The issues log provides an independent and objective analysis of the non-conformances with sufficient detail to allow for resolution of identified discrepancies by the reporting entity §95102(a) §95131(b)(11)	
7	The issues log indicates if issues were resolved §95131(b)(11)	
8	The issues log identifies the regulatory section for each non-conformance §95131(b)(11)	
9	The issues log includes information pertaining to whether each issue is a nonconformance or has a potential bearing on material misstatement §95131(b)(11)	
10	The verification body documented the evaluation of product data §95131(b)(8)(E), §95131(c)(3)(A)(2)	N/A
11	Data checks focused on the largest and most uncertain product data §95131(b)(8). The verifier must conduct an in-depth review for covered products identified as the highest risk, including detailed data checks and review of data management systems.	N/A
12	The verification body correctly evaluated material misstatement and conformance for product data §95103(l), §95131(b)(12) (Total Product Data)	N/A
13	The sampling plan adequately describes the risk of misreporting associated with product data §95131(b)(7)	N/A



Not In GHG Tags	Verified Properly Excluded	Verified Properly Included
41220989 WALC_DSWM01DTF1865_WALC	41220989 WALC_DSWM01DTF1865_WALC	41220989 WALC_DSWM01DTF1865_WALC
41241405 WALC_DSWM01DTF1027_WALC	41241405 WALC_DSWM01DTF1027_WALC	41241405 WALC_DSWM01DTF1027_WALC
41246588 WALC_DSWM01DTF1088_WALC	41246588 WALC_DSWM01DTF1088_WALC	41246588 WALC_DSWM01DTF1088_WALC
41249125 WALC_DSWM01DTF1034_WALC	41249125 WALC_DSWM01DTF1034_WALC	41249125 WALC_DSWM01DTF1034_WALC
41252032 WALC_DSWM01DTF1051_WALC	41252032 WALC_DSWM01DTF1051_WALC	41252032 WALC_DSWM01DTF1051_WALC
41257719 WALC_DSWM01DTF1213_WALC	41257719 WALC_DSWM01DTF1213_WALC	41257719 WALC_DSWM01DTF1213_WALC
41270687 WALC_DSWM01DTF1930_WALC	41270687 WALC_DSWM01DTF1930_WALC	41270687 WALC_DSWM01DTF1930_WALC
41276466 WALC_DSWM01DTF1993_WALC	41276466 WALC_DSWM01DTF1993_WALC	41276466 WALC_DSWM01DTF1993_WALC
41284691 WALC_DSWM01DTF1455_WALC	41284691 WALC_DSWM01DTF1455_WALC	41284691 WALC_DSWM01DTF1455_WALC
41288800 WALC_DSWM01DTF1620_WALC	41288800 WALC_DSWM01DTF1620_WALC	41288800 WALC_DSWM01DTF1620_WALC
41304971 WALC_DSWM01DTF1582_WALC	41304971 WALC_DSWM01DTF1582_WALC	41304971 WALC_DSWM01DTF1582_WALC
41310680 WALC_DSWM01DTF1667_WALC	41310680 WALC_DSWM01DTF1667_WALC	41310680 WALC_DSWM01DTF1667_WALC
41316680 WALC_DSWM01DTF1738_WALC	41316680 WALC_DSWM01DTF1738_WALC	41316680 WALC_DSWM01DTF1738_WALC
41321659 WALC_DSWM01DTF1806_WALC	41321659 WALC_DSWM01DTF1806_WALC	41321659 WALC_DSWM01DTF1806_WALC
41327431 WALC_DSWM01DTF1876_WALC	41327431 WALC_DSWM01DTF1876_WALC	41327431 WALC_DSWM01DTF1876_WALC
41340018 WALC_DSWM01DTF1960_WALC	41340018 WALC_DSWM01DTF1960_WALC	41340018 WALC_DSWM01DTF1960_WALC
41346230 WALC_DSWM01DTF1939_WALC	41346230 WALC_DSWM01DTF1939_WALC	41346230 WALC_DSWM01DTF1939_WALC
41352331 WALC_DSWM01DTF1112_WALC	41352331 WALC_DSWM01DTF1112_WALC	41352331 WALC_DSWM01DTF1112_WALC
41372647 WALC_DSWM01DTF1983_WALC	41372647 WALC_DSWM01DTF1983_WALC	41372647 WALC_DSWM01DTF1983_WALC
41378415 WALC_DSWM01DTF1920_WALC	41378415 WALC_DSWM01DTF1920_WALC	41378415 WALC_DSWM01DTF1920_WALC
41384742 WALC_DSWM01DTF1930_WALC	41384742 WALC_DSWM01DTF1930_WALC	41384742 WALC_DSWM01DTF1930_WALC

GHG Tags	MWH Verified	Verified Properly Included
41244844 DTFL055	88	88
41247232 DTFL112	88	88
41255004 DTFL171	85	176
41259415 DTFL255	69	163
41271789 DTFL355	88	88
41277228 DTFL422	82	176
41283500 DTFL486	176	176
41290374 DTFL554	160	160
41347326 DTFL066	66	160
41347681 DTFL241	88	88
41381415 DTFL313	88	88
41317164 DTFL064	32	32
41321665 DTFL080	32	32
41341359 DTFL091	18	48
41306596 DTFL031	128	128
41311814 DTFL068	64	24
41306612 DTFL631	64	64
41311814 DTFL068	32	32
41312136 DTFL076	24	24
41316849 DTFL076	64	64
41317343 DTFL073	16	16
41322014 DTFL829	88	88
41322452 DTFL854	32	64
41323099 DTFL931	128	128
41330411 DTFL935	64	64
41355879 DTFL158	96	248