



An Inefficient and Costly Patchwork of GHG Reporting

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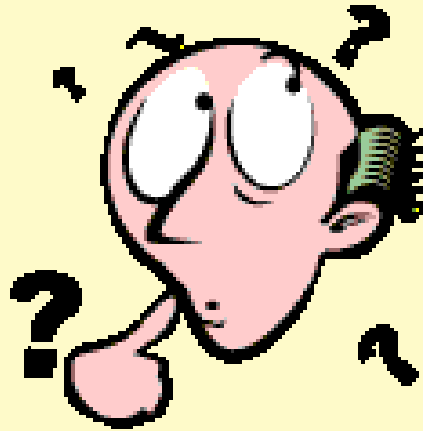


GHG Mandatory Reporting

California
AB 32

EPA MRR

EO 13514





Overview

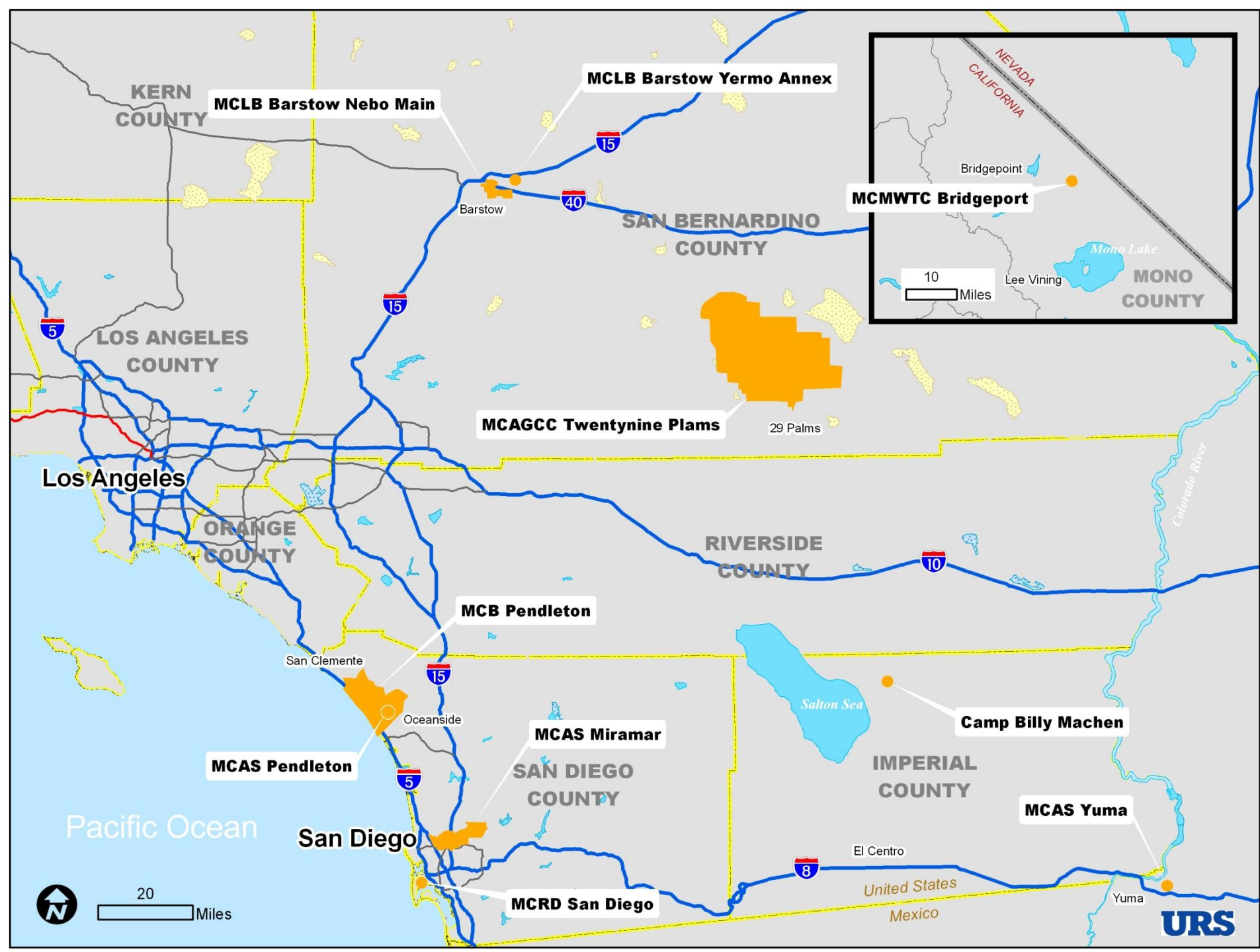
- Two case studies
- Substantial differences in numerous mandatory greenhouse gas reporting programs
- Data collection and management challenges are significant
- Little consistency between reporting programs and tools.
- Multiple reporting mechanisms do not provide benefits which are commensurate with the level of effort.



Case Study #1

Marine Corps Installations West:

- Eight bases in CA and AZ
- Subject to AB32, EPA MRR and EO 13514
- Large variety of operations and sources
- Project started in 2007





Technical Approach

Strategy for GHG Reporting:

- Evaluate all sources during initial GHG inventory
- Fenceline-to-fenceline assessment
- Regulations and reporting rqrmts are still evolving
- Tackle each report deadline chronologically
- Only report data required by each agency



Deadlines and Reporting Mechanisms

Reporting Scheme	Initial Deadline	Reporting Period	Reporting Mechanism
AB 32	4-1-09	CY	Online GHG Reporting Tool
EO 13514	1-31-11	FY	FEMP Workbook
EPA MRR	3-31-11	CY	e-GRRT (online)



Categories of Data Reported

Reporting Scheme	Scope 1	Scope 2	Scope 3
EPA MRR	Yes		
AB32	Yes	Yes	
EO 13514	Yes	Yes	Yes



New Requirements on the Horizon

- CARB's Executive Board voted on 12-16-10 to expand AB32 in order to:
- "Harmonize" with WCI requirements in preparation for cap-and-trade
 - Add five new industrial and four upstream supplier source categories
 - Lower threshold from 25,000 to 10,000 MT CO₂e
 - Change reporting and verification deadlines
 - Expanded data collection begins on 1-11-11



New Requirements on the Horizon (con't)

CEQ indicates that the following GHG emissions will be captured in the future for EO 13514:

- Operations associated with leased space
- Supply chains
- Production of fuels (i.e., lifecycle emissions)
- Carbon fluxes and biological sequestration
- Enteric fermentation & manure management
- Composting





Comparison of Reporting Protocols

Issue	EPA	AB32	EO 13514
Primary Schools	Not exempted	Exempted	Not exempted
Hospitals	Not exempted	Exempted	Not exempted
R&D Activities	Exempt	No specific exclusion	Not exempted
De Minimus Category	None	< 3% of emissions & < 20,000 MT CO ₂ e	None



Comparison of Requirements

Issue	EPA	AB32	EO 13514
Internal Audit	No requirement	Procedures Required	Optional as part of verification
Certificate of Representation	Required	Required	Required
Verification	EPA staff	3 rd party	Three options
Written QAPP	GHG Inventory Mgmt Plan	GHG Monitoring Plan	GHG Inventory Mgmt Plan
Biogenic emissions	Optional – can include	Include but must denote	Include but must denote



Comparison of Requirements (con't)

Issue	EPA	AB32	EO 13514
Abbreviated Report	Allowed in 2010 for GSC	Certain facilities with <25,000 MT CO ₂ e	Not allowed
Upstream Fuel Suppliers	Must report	Exempt	Future reporting category
Missing Data Computations	Specified by EPA	Specified by CARB	No requirements
Reporting Deadlines	March 31 st	Apr 1 st / June 1 st * (proposed: March 31 st)	Jan 31 st

* CARB has proposed significant changes in its rules to be effective 1-1-11.



Comparison of Requirements (con't)

Issue	EPA	AB32	EO 13514
Cogen Facilities	Threshold is 25,000 MT CO ₂ e	2,500 MT CO ₂ * (proposed: eliminate this category)	No threshold
Threshold Determination	CO ₂ e	Only CO ₂	None
Landfills	Active above a certain size and used after 1980	Regulated under landfill gas capture and control rule, not MRR	Include all landfills regardless of status

* CARB has proposed significant changes in its rules to be effective 1-1-11.



Comparison of Requirements (con't)

Issue	EPA	AB32	EO 13514
Functional Breakout for Military Facilities	Allowed	Allowed	Not Allowed
Mission-Critical Equipment	Excluded	Excluded	Excluded
Portable Equipment	Excluded	Excluded	Included
Mobile Sources	Excluded	Excluded	Included



Case Study #2

A Large Petrochemical Company Reports under:

- AB32 for California facilities
- EPA MRR nationwide
- SCAQMD (for Los Angeles facilities)
- Voluntary programs
 - TCR
 - CCAR



Another Example of Stove Piping

South Coast Air Quality Management District

- Already collects emission inventory data using AER-Web
- Can calculate many GHG emissions
- Not compatible with CARB's webtool
- 4th instance of reporting stove pipe !!!!!





Proposed Solution

The benefits of one national GHG reporting tool:

- Enter data once per year
- Standardized exemptions, definitions and emission factors
- Data could be sliced and diced per each agency
- Avoids year-round cycle of calculations, reporting and verification
- Huge reduction in labor and costs !!



Challenges of a National GHG Reporting Tool

- Concessions are likely needed by some agencies to standardize requirements
- Resistance of sub-national programs to possible pre-emption
- Complicated project to undertake
- Several years required to design and implement such a tool



Thank You

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