



**Robert Schlingman**  
Director, Environmental Policy and Programs

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Via Email and Electronic submittal - <http://www.arb.ca.gov/lispub/comm/bclist.php>

Mr. Richard Bode  
Chief, Greenhouse Gas Emission Inventory Branch  
California Air Resources Board  
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Sacramento, CA 95814  
Email: [rbode@arb.ca.gov](mailto:rbode@arb.ca.gov)

**Re: United Airlines, Inc.'s Comments Regarding Proposed Amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (Title 17, California Code of Regulations, section 95100, *et seq.*)**

Dear Mr. Bode:

United Airlines, Inc. ("United") appreciates the opportunity to comment on the proposed Amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas emissions (Mandatory Reporting Regulation, or "MRR"), which are scheduled for adoption by the California Air Resources Board ("ARB") on October 24, 2013. United's San Francisco Maintenance Center facility is currently subject to the MRR.

As discussed in detail below, United's principal concern is the proposed MRR amendment in section 95104(e). This proposed new section would require operators of affected facilities to report whether an increase in toxic air contaminants ("TACs") or criteria pollutants may have occurred from its facility, and to specify the reasons for such potential increases. Rather than including this new section in the MRR, United respectfully suggests that ARB should omit this proposed section and instead refer to the emissions inventory information that the California Air Districts and U.S. EPA maintain.

Proposed section 95104(e) would require operators of affected facilities to:

- Report whether a change in the facility's operations or status potentially resulted in an increase in emissions of criteria pollutants or toxic air contaminants in the previous data year;
- Specify the cause of the increase, choosing from a list of reasons (including changes to production, operations, efficiency, or other); and

- Describe how each listed change caused the increase.

The stated rationale behind proposed section 95104(e) is as follows: “This information will be used to support the Adaptive Management Plan for the Cap-and-Trade regulation. Specifically, the data collected will be used to provide on-going evaluation and adjustments to the Cap-and-Trade regulation, as it relates to localized air quality impacts due to implementation.” See Page 4 of ISOR, <http://www.arb.ca.gov/regact/2013/ghg2013/ghg2013isor.pdf>.

United has several concerns with this proposed new section. First, it appears to be beyond the scope of the MRR regulations. Second, it could potentially conflict with the existing California Air District emission inventory process. Third, the language of the proposed regulation is vague and such reporting will provide little commensurate benefit. Each of these issues is discussed in further detail below.

**1. Proposed Section 95104(e) is beyond the scope of the MRR.**

Proposed section 95104(e) is beyond the scope of the MRR. The MRR was originally developed pursuant to the Global Warming Solutions Act of 2006 (Assembly Bill 32, or AB 32) and adopted by ARB in 2007. Under California Health and Safety Code section 38530(a), ARB is required to “adopt regulations to require the reporting and verification of statewide *greenhouse gas emissions* and to monitor and enforce compliance with this program.” (Emphasis added). Section 38530(b)(1) provides further that such regulations shall “[r]equire the monitoring and annual reporting of greenhouse gas emissions from greenhouse gas emission sources beginning with the sources or categories of sources that contribute the most to statewide emissions.” Notably, section 38530 refers only to greenhouse gas emissions. It does not refer to or address toxic air contaminants or “criteria pollutants” (e.g., carbon monoxide, nitrogen dioxide, ozone, particulate matter, and sulfur dioxide).

ARB’s proposed expansion of the MRR to include mandatory reporting of a facility’s TACs and criteria pollutants is inconsistent with the scope and purpose of the pertinent enabling legislation noted above. Regulations already exist for purposes of tracking, monitoring and reporting criteria pollutant and TAC emission data. Furthermore, as is explained below, proposed section 95104(e) would add an additional layer of confusing and potentially conflicting emissions recordkeeping and reporting requirements for operators of facilities subject to the MRR.

In addition, the current proposal appears to extend beyond the relationship that may exist between criteria pollutant, TAC and greenhouse gas emissions. For example, changes in certain operations within a facility may result in changes to the emission of criteria pollutants, but may have little to no correlation to greenhouse gas emissions at the facility. Thus, as the proposal is

currently written, not only does it go beyond the scope of monitoring greenhouse gas emissions but it appears to attempt to collect information entirely unrelated to greenhouse gas emissions.

**2. Proposed section 95104(e) could potentially conflict with Air District emission inventory processes.**

Proposed section 95104(e) of the MRR could potentially conflict with the Bay Area Air Quality Management District's ("BAAQMD") processes for calculating emissions inventories because it appears to require the development of a new and extensive tracking, monitoring and reporting system to report criteria pollutants and TACs data. This information purportedly is required in order to support the Adaptive Management Plan for the Cap-and-Trade regulation. However, the Air Districts in California and U.S. EPA already have long-established programs pursuant to which they maintain and report this information, and may have different schedules and policies under which they calculate their annual criteria pollutant and TAC emission inventories.

For example, according to the BAAQMD's "2013 Annual Report: BAAQMD Toxic Air Contaminant Control Program," the BAAQMD maintains and manages an air toxics emissions inventory database. This database contains information concerning emissions of TACs from permitted stationary sources in the Bay Area. BAAQMD staff review the emissions information submitted by industry sources for accuracy prior to inclusion in the inventory. The data presented for each facility are sorted by county and city, and alphabetically by pollutant. The total inventory for the Bay Area is provided by county and by pollutant, and is sorted in several different ways. These are the BAAQMD's best estimates of TAC emissions, based on the information that facilities submitted in their annual update reports.

Proposed section 95104(e) of the MRR could potentially conflict with the BAAQMD's processes for calculating emissions inventories. To avoid such potential conflicts, ARB should eliminate proposed section 95104(e) and instead consider working with the Air Districts to formulate a process where information already managed and maintained by Air Districts can be used for ARB's Adaptive Management planning purposes. Adding additional and potentially conflicting data collection and reporting requirements should not be imposed through proposed section 95104(e).

**3. Proposed Section 95104(e) is vague and would impose an unreasonable requirement on affected facilities with little corresponding benefit.**

For several reasons, proposed Section 95104(e) is vague, ambiguous, and would impose an unreasonable additional data reporting requirement on affected facilities. First, under Section 95104(e)(2), operators must "specify which of the following reason(s) would be the cause of the increase in criteria pollutant, and/or toxic air contaminant emissions." There are many reasons why TAC and criteria pollutant emissions may increase or decrease on a yearly basis. Such reasons may be completely unrelated to the management or reduction of GHG emissions.

For example, every source at a given facility has different criteria pollutant emission factors, which are not proportional to GHG emissions. Thus, if, for example, United utilized more jet fuel in an engine test cell while coincidentally using exactly the same amount less of jet fuel in an auxiliary power unit (APU) test cell, there might be a net change of zero (0) emissions of GHGs. However, under such a scenario, a specific criteria pollutant, such as NO<sub>x</sub>, would almost certainly not net to a 0 change (*i.e.*, NO<sub>x</sub> might increase or decrease depending on NO<sub>x</sub> emission factors unique to each of the engines or APUs being tested).

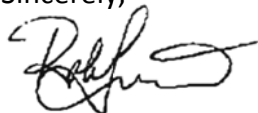
Second, proposed section 95104(e) would require facilities to undertake an expensive and time-consuming effort and the conclusion may be that there have been no changes in emissions. In addition, it may be difficult or next to impossible for an operator to accurately determine the causes of *any* increase of *any* TAC or criteria pollutant. Proposed section 95104(e) of the MRR lacks any guidance regarding how an operator should attempt to distinguish whether, and to what degree, potential increases of TAC and pollutant criteria emissions were caused by efficiency changes, ambient temperatures, other air regulations, changes in production and/or demand, etc. Year-over-year changes in TAC and criteria pollutant emissions can result from a multitude of changes in operations that are authorized by enforceable permit limitations. Further, the materials also do not explain what, if anything, would be required of facilities that have an emissions decrease of any TAC or criteria pollutant.

United is similarly concerned with other issues related to proposed section 95104(e). The rulemaking materials do not explain how ARB will review and evaluate the information submitted. Will the information submitted be subject to a verification requirement? What standards must an operator conform to when reporting? Will this information be subject to the penalty provisions in section 95107?

Based on the foregoing, United believes that ARB should eliminate proposed section 95104(e) in the MRR. Instead, ARB should refer to the emissions inventory information currently managed and maintained by the Air Districts in California and the U.S. EPA.

United appreciates the opportunity to comment on the proposed MRR amendments and urges consideration of the comments described above. Please contact David Weintraub, Air Specialist, at 650-634-4572 if you have any questions or would like additional information in connection with any of the items raised in these comments.

Sincerely,



Robert Schlingman  
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United Airlines, Inc.