

California Global Warming Solutions Act of 2006

Greenhouse Gas Mandatory Emissions Reporting

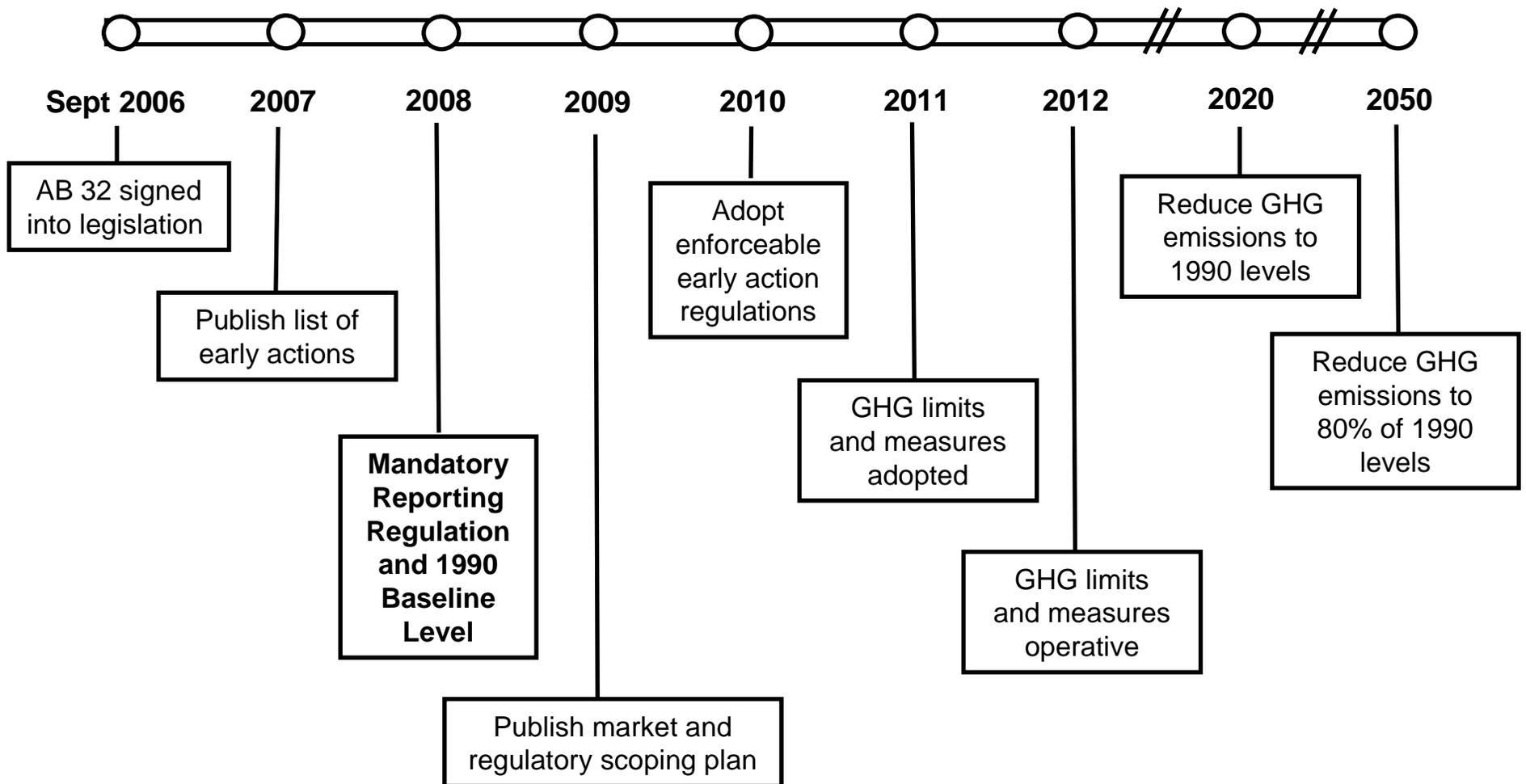
Reporting Greenhouse Gas Emissions Under AB 32

Briefing to the GHG Environmental Justice Committee
April 30, 2007 - Cal/EPA Headquarters

Presentation Overview

- AB 32 Reporting Requirements
- Ideas for Mandatory Reporting
- Protocols and Reporting Tools
- Next Steps and Schedule

California Global Warming Solutions Act of 2006 (AB 32)



AB 32 Statutory Requirements for Reporting



- Reporting regulation by January 1, 2008
- Begin with sources contributing the most to statewide emissions
- Account for all electricity consumed, including imports
- Provide reporting tools

Key Questions



- Who is subject to reporting
- Level of detail for of reporting
- Reporting schedule and tools
- Adopting mandatory GHG emission estimation protocols
- Verifying submitted data

What We Are Proposing

- Emissions reported at the facility level
- California GHG emissions for identified facilities
- All six Kyoto GHGs where methods exist
- Annual updates of reported emissions



Initial Reporting Facilities (proposed)

- Electric power generators/utilities
- Oil refineries
- Cement manufacturers
- Larger industrial/commercial combustion sources

Total includes over 90% of stationary CO₂ emissions



Possible Later Reporting

- Oil and Gas production/distribution
- Landfills
- Other sources...
- Sources added based on:
 - magnitude of emissions
 - availability of methods (protocols)
 - other factors

Emission Estimation Protocols

- Available protocols provide emission estimation techniques
- We are adapting protocols for the mandatory program
- Key requirements and methods to be included in reporting regulation
- Additional protocols are under development
- Receiving extensive stakeholder input

GHG Reporting Protocol Status

- General Reporting
 - Power/Utilities
 - Cement Production
- } Available California Registry protocols
- Refineries
 - Natural Gas Transmission and Distribution
- } Protocols under development for future use

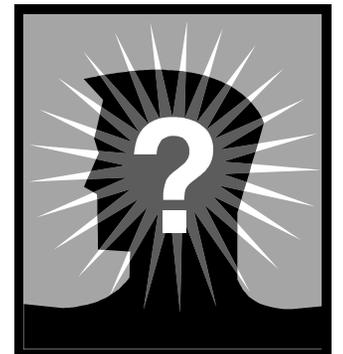
Timing for Reporting



- ARB regulatory hearing:
Dec 2007
- Effective date (OAL approved):
mid- 2008
- Earliest GHG emissions reporting
in mid-2009
- Reporting may phase-in as new
protocols developed

Questions for Upcoming Workshops

- How do we handle very small GHG emission sources at facilities
- How will reporting of emissions from purchased electricity be handled (indirect emissions)?
- What type of verification program should be used?



Emissions Reporting Tools

- Want to minimize reporting burdens
- Provide consistent tools and methods for those reporting
- California Climate Action Registry GHG reporting tool (CARROT) appears best option
 - Some modifications likely needed to meet ARB requirements

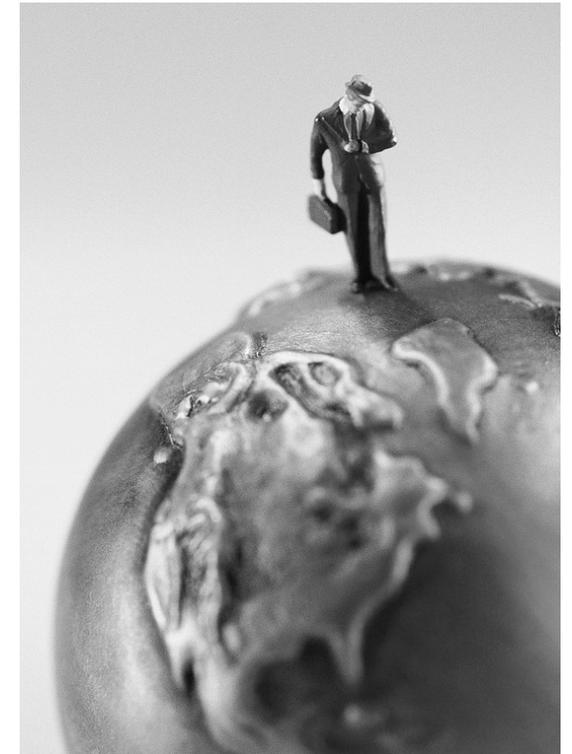


AB32 Inventory Mandate

- “By January 1, 2008, the state board shall...determine what the statewide greenhouse gas emissions level was in 1990, and approve in a public hearing, a statewide greenhouse gas emissions limit that is equivalent to that level, to be achieved by 2020.”
- Focus is on 1990 statewide emissions level
- Staff will use best available data to determine the 1990 level

Next Steps and Schedule

- Public workshop scheduled May 23
 - Mandatory reporting proposals
 - General reporting protocols overview
 - Sector protocol status update
- Additional workshops and workgroups in summer
- Staff Report & Regulation in October
- Board Hearing in December



ARB Contacts

Richard Bode – Chief
Emissions Inventory Branch
rbode@arb.ca.gov
(916) 323-8413

Doug Thompson – Manager
Climate Change Reporting Section
dthompson@arb.ca.gov
(916) 322-7062

Webster Tasat – Manager
Emission Inventory Analysis Section
wtasat@arb.ca.gov
(916) 323-4950

Robert Jenne – Legal Counsel
rjenne@arb.ca.gov
(916) 322-3762

GHG Mandatory Reporting Website
<http://www.arb.ca.gov/cc/ccei/ccei.htm>

