



Regulatory Advisory

March 2012



Regulation for the Mandatory Reporting of Greenhouse Gas Emissions Advisory PTSD 12-02

USE OF BEST AVAILABLE DATA AND METHODS FOR 2011 PRODUCT DATA REPORTING IN 2012

The purpose of this advisory is to announce that the California Air Resources Board (ARB) is allowing the use of best available data and methods for 2011 product data reported in 2012 under the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions, title 17, California Code of Regulations, section 95100 et seq. (MRR). In addition, 2011 product data are not subject to the complete *Measurement Accuracy Requirements* as specified in section 95103(k) of the MRR. These first-year adjustments are necessary to provide reporters with adequate time to effectively incorporate the newly mandated product data requirements into their business practices. For 2012 product data and onward, the full requirements of section 95103(k) apply.

Background

ARB first approved the MRR (title 17, California Code of Regulations, sections 95100-95133) in 2007. In 2010, ARB initiated a rulemaking to amend the MRR. The amendments (title 17, California Code of Regulations, sections 95100-95157) were considered at the December 16, 2010 ARB Board hearing and became effective on January 1, 2012. These amendments included new measurement accuracy requirements (section 95103(k)) and additional flexibility for the first year of reporting (2012) as specified in section 95103(h). Section 95103(h) includes the option for reporters to use the methods specified in the U.S. Environmental Protection Agency (U.S. EPA) Final Rule on Mandatory Reporting of Greenhouse Gases (Title 40, Code of Federal Regulations (CFR), Part 98) and the option to use best available data and methods for estimating and reporting *emissions data*. As provided in the MRR, these additional options defer the requirement for the application of the *Measurement Accuracy Requirement* in section 95103(k) for *emissions data*. However, this additional first-year flexibility was not provided for product data required to be reported under the MRR.

Current Action

This Regulatory Advisory extends the requirements of section 95103(h) to also include product data, allowing the use of best available data and methods if the complete requirements of section 95103(k) cannot be met for reporting 2011 product data during 2012. However, any required product data submitted during 2012 remains subject to the material misstatement verification requirements of the MRR (section 95131(b)(12) and section 95102(a)(235)). Product data errors greater than five percent, as applicable and

subject to verifier determination, may result in an adverse verification statement for the submitted product data.

What are “Best available data and methods”?

From section 95102(a)(28) of the MRR, "Best available data and methods" means ARB methods for emissions calculations set forth in this article where reasonably feasible, or facility fuel use and other facility process data used in conjunction with ARB provided emission factors and other data, or other industry standard methods for calculating greenhouse gas emissions.

As it applies to product data, best available methods may include financial transaction meters as described in section 95103(k)(7) of the MRR, engineering evaluations, sales or transfer records, industry standard protocols, or other methods of product data quantification. Methods used and product data accuracy are subject to verifier review.

Does this regulatory advisory apply to 2012 data submitted in 2013 if the requirements of 95103(k) cannot be met?

No. This advisory only applies to 2011 data reported in 2012.

What occurs if “product data” contains errors greater than 5 percent?

If the product data errors cannot be corrected through other acceptable best available data and methods to five percent or less, verified data would be subject to an adverse verification statement for the product data component of the 2012 report, subject to verifier evaluation.

Where can I find more information and documentation concerning this Regulatory Advisory?

The Regulation and relevant fact sheets and guidance are available here:
<http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep.htm>.