



## **Sent Electronically**

December 5, 2007

Clerk of the Board  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

### **RE: Mandatory Reporting of Greenhouse Gas Emissions**

The American Chemistry Council (ACC)<sup>1</sup> appreciates the opportunity to submit comments on the California Air Resources Board (CARB) proposed regulation for the mandatory reporting of greenhouse gas (GHG) emissions. As a trade organization with members in every state including California, our members will be impacted by this proposed carbon registry.

We commend CARB for undertaking such a large task in a fairly short amount of time, and by reaching out to stakeholder groups for input along the process. Based on the proposal, it is apparent that CARB strove to minimize the reporting burdens for the maximum number of facilities by requiring only certain types of facilities to report, and having a relatively high emissions threshold for reporting for most facilities.

That said, we are concerned that the reporting requirements for the California registry will differ from those of other registries, including The Climate Registry and the Chicago Climate Exchange. We also want to ensure consistency with registry protocols, such as the General Reporting Protocol developed by the California Climate Action Registry (CCAR) and the WRI Greenhouse Gas Protocol. It is very likely that in the not-too-distant future, all of the large emitters of GHGs in the U.S. will be reporting GHG emissions to a registry. In that many of our member companies operate a large number of facilities across the U.S., it is imperative that reporting requirements be consistent across the registries in order to reduce the reporting burden to these companies and to anticipate a seamless transfer of data between registries.

Our members are primarily impacted by the reporting requirements for General Stationary Combustion (GSC) facilities, although some will be covered under either the cogeneration

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<sup>1</sup> The American Chemistry Council (ACC) represents the leading companies engaged in the business of chemistry. ACC members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. ACC is committed to improved environmental, health and safety performance through Responsible Care<sup>®</sup>, common sense advocacy designed to address major public policy issues, and health and environmental research and product testing. The business of chemistry is a \$635 billion enterprise and a key element of the nation's economy. It is one of the nation's largest exporters, accounting for ten cents out of every dollar in U.S. exports. Chemistry companies are among the largest investors in research and development. Safety and security have always been primary concerns of ACC members, and they have intensified their efforts, working closely with government agencies to improve security and to defend against any threat to the nation's critical infrastructure.

category or the petroleum refineries category. For a GSC facility, we strongly urge CARB to require mandatory reporting only to those facilities emitting 100,000 metric tons or more of CO<sub>2</sub> from direct combustion, rather than the proposed 25,000 metric tons. A reporting threshold of 100,000 metric tons is consistent with the requirements of the European Union Emissions Trading Scheme registry for general industrial sources, as well as that of Canada's proposed registry.

We appreciate the effort that CARB put forth on developing "detailed and well-defined" emissions factors. However, we are concerned that the proposed emission factors and calculation methods specified by CARB are more prescriptive than necessary. In that these factors are California-specific, they will not be consistent with other emission factors already in use throughout the U.S. and the world for reporting GHG emissions. ACC recommends that CARB revises the reporting proposal in order to allow for more flexibility for companies to choose the most appropriate emission factors from the various accepted sources for emission factors, including EPA's AP-42, EIA, Climate Leaders, WRI, and The Climate Registry. By allowing facilities to choose the most appropriate emission factors, companies will be able to consistently report GHG emissions across all company operations.

As has already been raised by other stakeholders, we too are concerned about the sufficient availability of verifiers. We are heartened by CARB's acknowledgement of the concern and its intent to ease the burden on facilities by staggering reporting periods and having extended verification periods; however, we are still concerned that this will not go far enough in ensuring that there is an ample pool of verifiers. Continued emphasis on training should continue for the next few years. We also recommend that CARB look to streamline verification requirements wherever possible in order to reduce the reporting burden on regulated entities.

If you would like to discuss any of the comments in more detail, please contact me at (703) 741-5219 or [lorraine\\_gershman@americanchemistry.com](mailto:lorraine_gershman@americanchemistry.com).

Very truly yours,



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