

December 14, 2010

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

Subject: RRI Energy, Inc. Comments on the Proposed Amendments to the Regulation for the

Mandatory Reporting Of Greenhouse Gas Emissions

## To Whom It May Concern:

RRI Energy, Inc. (RRI) appreciates the opportunity to provide CARB with comments on its proposed amendments to the greenhouse gas (GHG) reporting regulation. RRI is one of the leading providers of electricity in competitive markets in the United States and is strongly committed to caring for the environment while providing reliable, affordable power to its customers. As a company, we are dedicated to efficiency and effectiveness and are committed to taking actions that improve plant efficiency and reduce emissions through operational excellence and the development and application of cost effective technology.

RRI is committed to being a leading industry example of developing inventive, market-based answers to energy and environmental challenges, and is therefore offering the following comments to CARB on the amendments to the GHG reporting regulation:

- Verification: Per the current GHG reporting regulation, CARB generally requires full verification every three years, meaning that facilities completing full verification in 2010 would not need to undergo this step again until 2013. In 95130(a)(1)(A) of the amended reporting regulation, CARB would require full verification of all GHG reports in 2012. This would require facilities that underwent full verification in 2010 to complete this extensive review one year in advance of when they would be required to do so under the current regulation. Because of the additional cost and burden associated with full verification (e.g., for site visits, etc), CARB should waive full verification in 2012 for facilities that received positive verifications in 2010 and 2011. Facilities could then proceed with full verification in 2013 as per the schedule in the current reporting regulation.
- **Portable Equipment**: CARB's previous guidance on portable equipment has been that any equipment "not bolted down" was considered as portable and therefore exempt from the reporting regulation. CARB is proposing to further restrict portable equipment with a time limitation by stating that equipment is not portable if it remains in the same location for 12 months. CARB should not impose this time limitation on portable equipment; if the equipment is not bolted down and emissions from the equipment are de minimis, it should not matter if the equipment resides at the same location for 12 months.

- <u>Fire Suppression Equipment</u>: RRI supports CARB's proposal to explicitly exempt fire suppression equipment from the reporting regulation. For electricity generators, fire pumps are de minimis sources for which data is time-consuming and difficult to collect for little gain in overall emissions data.
- Weekly Fuel Monitoring: In Section 95103(1) of the proposed reporting regulation, CARB describes weekly fuel monitoring and QA procedures. It is unclear in the current version of the proposed regulation which specific types of equipment and fuel usage will be subject to this requirement. For smaller (i.e., de minimis) equipment, CARB should not require weekly fuel monitoring in support of the missing data procedures if de minimis reporting methods are used.

Per recent correspondence with Patrick Gaffney of CARB, RRI understands that it is not CARB's intention to apply 95103(l) to utility meters—as those meters already have QA procedures through the California Public Utilities Commission (CPUC)—or to fuels measured prior to delivery by the fuel supplier. CARB should therefore ensure that Section 95103(l) is clarified in the final regulation to state that this requirement is specifically for measurement equipment operated by the reporter that is used for facility GHG calculation.

• Changes in Methodology: CARB proposes in Section 95103(m) to restrict reporters from making changes to GHG monitoring and calculation methods after January 1, 2013. This would be unnecessarily restrictive and would provide a disincentive to aim for a higher tier of data quality beyond 2013. CARB should consider offering some flexibility with this requirement, and should allow case-by-case consideration of upgrades to monitoring and reporting methods after January 1, 2013.

We look forward to working with CARB on development of this important regulation. Please contact me at (702) 407-4861 if you have any questions regarding this matter.

Sincerely,

Brian McQuown

Senior Air Quality Specialist

Bun (Mc)m

RRI Energy, Inc.