

COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

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Clerk of the Board California Air Resources Board 1001 I Street Sacramento, California 95812-2815

Dear Ladies and Gentlemen:

Comments on Amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions

The Sanitation Districts of Los Angeles County (Sanitation Districts) appreciate this opportunity to comment on CARB's Proposed Amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions. The Sanitation Districts provide environmentally sound, cost-effective wastewater and solid waste management for about 5.7 million people in Los Angeles County and, in the process, convert wastes into resources such as reclaimed water, energy, and usable recycled materials.

The Sanitation Districts support the goal of the proposed modification of the regulation, to harmonize with the U.S. Environmental Protection Agency (U.S. EPA) mandatory greenhouse gas reporting requirements contained in 40 CFR Part 98. In fact, we recommend that CARB continue the harmonization process until the CARB submittals can qualify as a U.S. EPA submittal without additional changes.

We do have some concerns with the proposed modifications, however, which are outlined below:

Confusion Regarding General Applicability (§ 95101)

The Applicability section of the regulation is being modified to now apply to the following entities: "Operators of facilities located in California with source categories included in Tables A-3 and A-4 in 40 CFR Part 98," and suppliers of fuels and carbon dioxide, electric power entities and operators of petroleum and natural gas systems. As a result of this new language there appears to be several sources in California that may not be required to report emissions under this modified regulation, specifically those electricity generating units that do not report CO₂ mass emissions year round through 40 CFR Part 75 and general stationary

combustion sources, since they are not listed in Tables A-3 and A-4. These sources are required to report to the U.S. EPA because of the criteria listed in 40 CFR Part 98.2(a)(3), which was previously referenced in your proposed Amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (posted October 28, 2010). We believe that CARB did not desire to have these facilities *not* report their greenhouse gas emissions. This belief is reinforced by proposed Section 95101 (b) (3), which not only references 40 CFR Part 98.2(a)(3), but lowers the thresholds for reporting.

Abbreviated Reporting and Verification (§ 95103)

In the proposed amended regulation, ARB has proposed an abbreviated reporting process for facilities emitting under 25,000 tons CO₂e per year, as well as no requiremens from third-party verification for these facilities. This change is to minimize costs while still providing CARB the capability of monitoring facilities that are not in the cap-and-trade program. This strongly implies that a primary purpose of the rigorous reporting and verification is to support the cap-and-trade program, and that facilities outside the cap warrant a different set of reporting procedures that still provides information, but is less costly to obtain. CARB, unlike U.S. EPA, requires reporting of both biogenic and anthropogenic CO2 emissions. U.S. EPA's reason for this is biogenic CO2 is considered "carbon neutral", not adding to the global levels of CO2. In fact, U.S. EPA, as part of their Tailoring Rule, has granted a three-year deferral to the inclusion of biogenic CO2 in Title V and PSD considerations while they study the option of making the deferral permanent. Therefore, consistent with U.S. EPA, we recommend that all facilities without a cap and trade compliance obligation and that emit less than 25,000 metric tons of anthropogenic CO₂e be exempt from verification requirements.

As an example of how this applies in our situation, all of the Sanitation Districts' landfills reporting under the current regulation have reported a combination of fossil fuel emissions and biomass emissions. While the total of this combination may be greater than 25,000 metric tons per year, emissions associated with biomass do not generate a compliance obligation under the cap and trade regulation. However, according to the proposed amendments to mandatory reporting, these facilities would still require third-party verification and would not be eligible for abbreviated reporting. We see no logic in requiring facilities to bear the additional expense of verification for emissions that are considered "carbon neutral", a position that is consistent with U.S. EPA.

Miscellaneous Comments:

- In § 95102 (Definitions) under the definition of "Global warming potential" the use of "trace substance" is confusing and should be replaced with a specific reference to the six regulated greenhouse gasses.
- The only reference regarding the "determination of CO₂ equivalence" using the global warming potentials in Table A-1 of the U.S. EPA regulation is

contained in the section for calculating and reporting of De minimis emissions. We suggest that this reference should instead be moved to the definition of "carbon dioxide equivalent."

- The first paragraph of Section 95105 has a reference to Section 95103(c), which should now refer to Section 95103(a)(9).
- Section 95105(c) contains two references to section 95105(c)(8).
- Section 95129(d) has a reference to subsection 95103(h) for an accuracy standard, which should now be 95103(k).

The Sanitation Districts appreciate the opportunity to comment on the proposed amendments to the Regulation. Please contact the undersigned at this office with any questions or comments.

Very truly yours,

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Jours lynn Frank Caponi

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FRC:TL:bb