

GREENHOUSE GAS ACCOUNTING AND REPORTING NEWS

Helping Federal leaders keep track of the world of GHG accounting.

National Developments

Biofuels and the Environment

The EPA released a [preliminary draft](#) of a report eventually headed to Congress on the environmental impact of current and future biofuel use. The draft report considers the entire biofuel supply chain and its inherent environmental impacts, including GHG emissions. The report indicates that EPA's Renewable Fuel Standard (RFS) will yield a 138 million MT CO₂e reduction by 2022 relative to the status quo reliance on petroleum-based fuels.

States are Ready to Implement Greenhouse Gas Permitting Requirements

Following the EPA's GHG endangerment finding and subsequent Prevention of Significant Deterioration (PSD) permitting requirements, states have been asked to review their ability to issue permits for GHGs under the Clean Air Act. A statement by the National Association of Clean Air Agencies on October 28, 2010, explains that most states have the right authorities in place, while 13 states will need to revise their State Implementation Plans to gain that authority. Only Texas has refused to comply with the GHG permitting plans, and previously sent the EPA its opinion in a [letter](#) (August 2, 2010). The NACAA statement is available [here](#).

Local, State, and Regional Developments

CDP Releases Report on City GHG Emissions Reporting

The recently released report, [The Case for City Disclosure](#), describes how cities can benefit from voluntary GHG emissions reporting. This report is based on a pilot program for city GHG emissions reporting

that included 18 US cities conducted by The Carbon Disclosure Project (CDP) and ICLEI-USA. Reporting through CDP helps cities present their data in a systematic way to their stakeholders. In addition, it allows cities to benchmark themselves against similar cities.

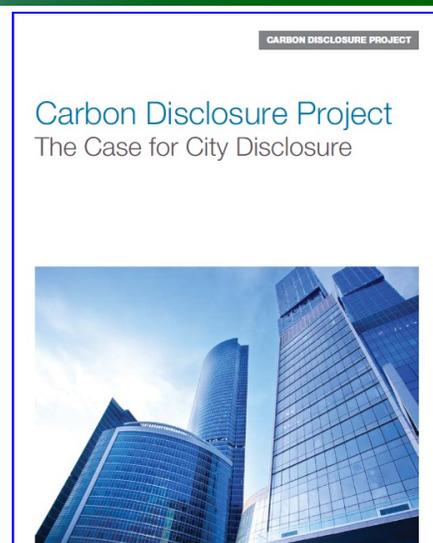
This type of comparison can be useful for national policy makers, as they "monitor progress over time, and [can] better understand the highest impact low-carbon initiatives."

TCR Releases a Summary of Federal, Regional, and State GHG Reporting Programs

The Climate Registry explores the array of reporting initiatives and outlines how federal, regional, state, and voluntary bodies are working together to address overlapping reporting requirements, reduce reporting burden, and deliver solutions. Key findings include:

- GHG programs are in the early stages of development
- Federal, regional, and state cooperation and collaboration will be essential for success
- Reporting requirements will continue to evolve, and remaining flexible
- Obama's goal of reducing GHG emissions by 83% by 2050, will take a cooperative effort among all levels of government and direct involvement from all sectors of the economy
- Continuing to encourage reporting programs that go beyond federal requirements will only support these efforts

The federal government is part of the solution and energy managers may want to be prepared to be flexible and continue to do their part in inventorying and reporting their GHG emissions.



Source: [The Case for City Disclosure](#), 2010. Cities have three key reasons for disclosing climate change related data. Disclosure can help cities improve their economic competitiveness; respond to climate change-related risks; and to meaningfully communicate their climate change strategy to stakeholders.

NY Governor Announces Plan to Lower Greenhouse Gas Emissions by 80 Percent

On November 8, 2010, New York Governor David A. Paterson (D) released a [climate action plan interim report](#) to reduce New York State's GHG emissions by 80 percent by 2050.

The plan's recommendations include accelerating the development of zero- and low-carbon sources of power, upgrading the power grid, developing low-carbon fuel standards and incentives for efficient car and light truck purchases, improving incentives and standards for greener building construction, and renewing transportation and transit infrastructure, including electricity-based public transportation and freight and high-speed rail.

Other states may begin to release similar GHG reduction goals. Energy managers may want to stay up to date on local and state reductions targets.

Oregon State Enacts Emissions Reporting System

On October 22, 2010, the Oregon Environmental Quality Commission adopted a final rule establishing a GHG emissions reporting system for facilities emitting 2,500 metric tons or more of GHGs a year. The requirements took effect January 1, 2011, and are an extension of 2008 rules that cover some industrial sources, power generators, landfills, wastewater treatment plants, and electricity and natural gas transmission and distribution systems. With the new rule, reporting requirements are being extended to electricity suppliers and fuel distributors, and affect about 215 facilities. In addition, new fees for air quality permits apply to 180 additional reporting entities.

The Oregon Department of Environmental Quality is currently finalizing the reporting protocols for each type of emitter. As time progresses more sectors may be required to report emissions. To read more and see the proposed reporting protocols, see the [Oregon DEQ website](#).

International Developments New Global Methane Initiative Launched

The Global Methane Initiative (GMI) is an expanded effort to focus government action on methane abatement, avoidance, capture and use from a broad range of sources. GMI focuses on more traditional sources of methane (coal mining, oil and gas development, landfills, agriculture) and new sources, such as municipal waste water, and a broader range of projects.

The US and Mexico led 36 other national governments, the European Commission, the Asian Development Bank and the Inter-American Development Bank in launching the GMI on October 1, 2010. Partner nations represent approximately 70 percent of estimated anthropogenic methane emissions globally. Along with the launch

come new resource commitments from partner nations, including \$50 million over five years from the US EPA.

Read more about the GMI [here](#) or read the [joint declaration](#) by government rep-

Methane's global warming potential is 25 times higher than CO₂, so reduction goals for methane will have a greater impact.

Methane is short-lived in the atmosphere, so reducing methane emissions is critical to short and long term action on climate change.

resentatives.

Offsets and Renewable Energy Credits

EPA Defers Permitting Requirements for Biogenic Sources

On January 12, 2010, EPA announced it will defer GHG permitting requirements for CO₂ emissions from biomass-fired and other biogenic sources for 3 years. This announcement gives states the authority to permit for now. Read more at [EPA's New Source Review page](#).

Global Forest Management in Focus

Replanting and restoring forests globally will be critical to fighting climate change, according to a [December 2010 report](#) by the Union of Concerned Scientists (UCS). A set of policies known as REDD+ (Reducing Emissions from Deforestation and Degradation, Plus Related Pro-forest Activities) are the focus of the report. The report explains how "a variety of forestry practices can be used to achieve 'the plus side' of REDD+ policies, while meeting strict standards for protecting the environment and local cultures." According to the report, applying the full range of REDD+ activities could turn global forests from a net carbon source into a net sink.

Relevant to the discussion is new US Forest Service data estimating the carbon

storage of US forests. According to the new data, US forests offset approximately 11 percent of the country's industrial GHG emissions and are currently a net carbon sink (with variation in individual forests). To read more about US forests and climate change, see [the Rocky Mountain Research Station \(US Forest Service\) website](#) and, for data on carbon stored in US forests, [the Forest Inventory and Analysis National Program site](#).



Forests: a carbon sink or source?

Technical Developments The World Resources Institute proposes guidelines for measuring scope 3 emissions

A draft Scope 3 Standard was recently released by World Resources Institute and World Business Council for Sustainable Development for public comment. The standard addresses defining and measuring scope 3 emissions specifically focused on a "step-by-step methodology for companies to quantify and report their corporate value chain (Scope 3) related GHG emissions, and is intended to be used in conjunction with the *GHG Protocol Corporate Accounting and Reporting Standard*". The draft standard can be found on the [WRI website](#).

Agencies may expect additional guidance and methodologies over the coming year regarding scope 3 emissions. CEQ has formed a working group to look into issues related to scope three accounting,

Green Buildings Sometimes Have a Large Carbon Footprint

The Center for Neighborhood Technology (CNT) has created a tool to help uniformly quantify the environmental benefits/drawbacks of location. After all, the location of a building has a big impact on its carbon footprint (no matter how "green" the building is) because of the commutes employees have to make to get there. The Transportation Energy Index estimates the energy required for this travel. The U.S. Green Building Council asked CNT to create the tool so that LEED standards could begin to take the transportation energy costs of buildings into account.