

PROPOSED MANDATORY GREENHOUSE GAS REPORTING RULE

FACT SHEET

ACTION

- Today, the U.S. Environmental Protection Agency (EPA) issued a proposed rule for mandatory greenhouse gas (GHG) reporting from large GHG emissions sources in the United States. The proposed rule will be published in the *Federal Register*. A pre-publication copy can be found on www.epa.gov/climatechange/emissions/ghgrulemaking.html

BACKGROUND

- EPA developed a proposed rule that would require mandatory reporting of GHGs from large emission sources in the United States, as required by the FY2008 Consolidated Appropriations Act.
- This is a reporting rule to collect accurate and comprehensive emissions data to inform future policy decisions.

REPORTING REQUIREMENTS

- In general, the proposed rule calls for suppliers of fossil fuels or industrial greenhouse gases, manufacturers of vehicles and engines, and facilities that emit 25,000 metric tons or more of GHG emissions per year to submit annual reports to EPA
- Generally, the proposed threshold for reporting is 25,000 metric tons or more of carbon dioxide (CO₂) equivalent per year
- 85-90% of total national U.S. GHG emissions, from approximately 13,000 facilities, would be covered by the proposed rule
- The first annual report would be submitted to EPA in 2011, for the calendar year 2010, except for vehicle and engine manufacturers, which would begin reporting for model year 2011
- Most small businesses would fall below the 25,000 metric ton threshold and would not be required to report GHG emissions to EPA
- Most emission sources from the agriculture sector would not be covered by the rule, with the exception of livestock operations with GHG emissions from manure management systems that meet or exceed the threshold of 25,000 metric tons. EPA modeling estimates that fewer than 50 very large livestock operations would meet this threshold.
- EPA would be responsible for verifying the data
- EPA estimates the average cost of reporting under this proposed rule would be approximately \$0.04 per metric ton
- Reporting methods for the proposed rule were built extensively upon existing GHG reporting programs and guidance documents including:
 - National programs such as DOE's 1605b, EPA's Acid Rain Program, voluntary partnerships such as Natural Gas STAR, and the U.S. Greenhouse Gas Inventory
 - State and regional programs such as The Climate Registry, The Regional Greenhouse

Gas Initiative, and GHG programs in States such as California, New Mexico, and New Jersey

- Protocols developed by nongovernmental organizations such as World Resources Institute/World Business Council for Sustainable Development
- Programs from industrial trade organizations, such as the American Petroleum Institute and the Cement Sustainability Initiative
- International programs, including the Intergovernmental Panel on Climate Change, the European Union's Emissions Trading System, and the Environment Canada reporting rule

PUBLIC INVOLVEMENT

- EPA staff held more than 100 meetings with over 250 stakeholders including trade associations, industries, states, and state- and regional-based groups during the development of the proposed rule.
- The public will be able to comment on the proposed rule for 60 days following publication in the *Federal Register*.
- EPA plans to conduct two public hearings: April 6 and 7, 2009, at the EPA Potomac Yard Conference Center, Arlington, VA; and April 16, 2009, at the Sacramento Convention Center, Sacramento, CA.

NEXT STEPS

- The preamble and proposed regulatory text will be available at www.regulations.gov after it is published in the *Federal Register*.
- EPA will post a pre-publication copy of the signed package on the EPA website when it is available at URL: www.epa.gov/climatechange/emissions/ghgrulemaking.html

MORE INFORMATION

- Information will be available electronically at www.regulations.gov, EPA's electronic public docket and comment system. The Docket ID number is: EPA-HQ-OAR-2008-0508.
- Information is also available at the EPA Docket Center (EPA/DC) Public Reading Room. Please call 202-566-1744 between the hours of 8:30 A.M. and 4:30 P.M. Eastern Standard Time for more information.
- Information may also be found at:
www.epa.gov/climatechange/emissions/ghgrulemaking.html.

For more information contact Carole Cook (GHGreportingrule@epa.gov or 202-343-9263).