

sector for program administration, while 95 percent fall upon the private sector. General stationary combustion sources, which are widely distributed throughout the economy, are estimated to incur approximately 18 percent of ongoing costs; other sectors incurring relatively large shares of costs are oil and natural gas systems (21 percent of ongoing costs), and iron and steel manufacturing (11 percent).

The threshold, in large part, determines the number of entities required to report GHG emissions and hence the costs of the rule. The number

of entities excluded increases with higher thresholds. Table VIII-2 of this preamble provides the cost-effectiveness analysis for the various thresholds. Three metrics are used to evaluate the cost-effectiveness of the emissions threshold. The first is the average cost per metric ton of emissions reported (\$/metric ton CO<sub>2</sub>e). The second metric for evaluating the threshold option is the incremental cost of reporting emissions. The incremental cost is calculated as the additional (incremental) cost per metric ton starting with the least stringent option and moving successively from

one threshold option to the next. The third metric shown is the marginal cost of reported emissions. For this analysis, the marginal cost of reporting indicates the cost per metric ton of each threshold option relative to the 25,000 metric ton CO<sub>2</sub>e proposed threshold). For more information about the first year capital costs (unamortized), project lifetime and the amortized (annualized) costs for each subpart, please refer to section 4 of the RIA and the RIA cost appendix. Not all subparts require capital expenditures but those that do are clearly documented in the RIA.

TABLE VIII-1. ESTIMATED COVERED ENTITIES, EMISSIONS AND COSTS BY SUBPART (2006\$)

Subpart	Number of covered entities	Downstream emissions		First year capital costs		First year total annualized costs <sup>2</sup>	
		(Million of MtCO <sub>2</sub> e)	Share (%)	(Million)	Share (%)	(Million)	Share (%)
Subpart A—General Provisions							
Subpart B—Reserved							
Subpart C—General Stationary Fuel Combustion Sources .....	3,000	220.0	6	\$12.7	15	\$29.0	17
Subpart D—Electricity Generation .....	1,108	2,262.0	58	0.0	0	3.3	2
Subpart E—Adipic Acid Production .....	4	9.3	0	0.0	0	0.1	0
Subpart F—Aluminum Production .....	14	6.4	0	0.0	0	0.4	0
Subpart G—Ammonia Manufacturing .....	24	14.5	0	0.0	0	0.4	0
Subpart H—Cement Production .....	107	86.8	2	5.4	6	6.9	4
Subpart I—Electronics Manufacturing .....	96	5.7	0	0.0	0	3.6	2
Subpart J—Ethanol Production .....	85	0.0	0	0.3	0	0.5	0
Subpart K—Ferroalloy Production .....	9	2.3	0	0.0	0	0.3	0
Subpart L—Fluorinated Gas Production ..	12	5.3	0	0.0	0	0.0	0
Subpart M—Food Processing .....	113	0.0	0	0.0	0	0.6	0
Subpart N—Glass Production .....	55	2.2	0	0.0	0	0.6	0
Subpart O—HCFC-22 Production .....	3	13.8	0	0.0	0	0.0	0
Subpart P—Hydrogen Production .....	41	15.0	0	0.0	0	0.6	0
Subpart Q—Iron and Steel Production ...	121	85.0	2	0.0	0	18.2	11
Subpart R—Lead Production .....	13	0.8	0	0.0	0	0.3	0
Subpart S—Lime Manufacturing .....	89	25.4	1	4.9	6	5.3	3
Subpart T—Magnesium Production .....	11	2.9	0	0.0	0	0.1	0
Subpart U—Miscellaneous Uses of Carbonates .....	0	0.0	0	0.0	0	0.0	0
Subpart V—Nitric Acid Production .....	45	17.7	0	0.2	0	0.9	1
Subpart W—Oil and Natural Gas Systems .....	1,375	129.9	3	37.8	43	32.5	19
Subpart X—Petrochemical Production ...	88	54.8	1	0.0	0	1.6	1
Subpart Y—Petroleum Refineries .....	150	204.7	5	1.6	2	3.7	2
Subpart Z—Phosphoric Acid Production ..	14	3.8	0	0.8	1	0.8	0
Subpart AA—Pulp and Paper Manufacturing .....	425	57.7	1	14.8	17	9.2	5
Subpart BB—Silicon Carbide Production ..	1	0.1	0	0.0	0	0.0	0
Subpart CC—Soda Ash Manufacturing ...	5	3.1	0	0.0	0	0.0	0
Subpart DD—Sulfur Hexafluoride (SF <sub>6</sub> ) from Electric Power Systems .....	141	10.3	0	0.0	0	0.4	0
Subpart EE—Titanium Dioxide Production .....	8	3.7	0	0.0	0	0.1	0
Subpart FF—Underground Coal Mines ...	100	33.5	1	0.6	1	2.3	1
Subpart GG—Zinc Production .....	5	0.8	0	0.0	0	0.1	0
Subpart HH—Landfills .....	2,551	91.1	2	7.9	9	15.3	9
Subpart II—Wastewater .....	0	0.0	0	0.0	0	0.0	0
Subpart JJ—Manure Management .....	43	1.5	0	0.0	0	0.2	0
Subpart KK—Suppliers of Coal and Coal-based Products & Subpart LL—Suppliers of Coal-based Liquid Fuels ...	1,237	( <sup>1</sup> )	0	0.0	0	11.0	7
Subpart MM—Suppliers of Petroleum Products .....	214	( <sup>1</sup> )	0	0.0	0	2.0	1
Subpart NN—Suppliers of Natural Gas and Natural Gas Liquids .....	1,554	( <sup>1</sup> )	0	0.0	0	2.1	1
Subpart OO—Suppliers of Industrial Greenhouse Gases .....	121	464.1	12	0.0	0	0.4	0