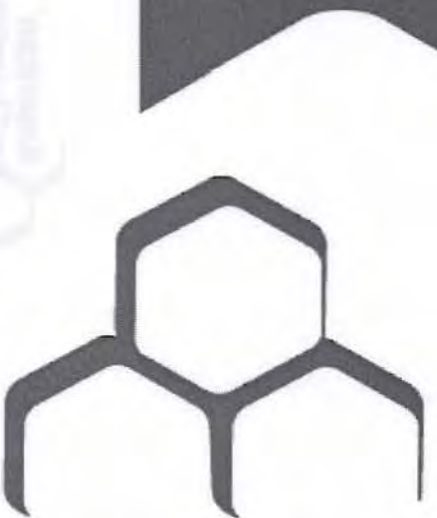


ACC Position on Proposed GHG Reporting Rule

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ACC GHG Reporting Rule Discussion Points

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Reporting By Facility

- As required by other registries and EPA programs, emissions should be reported on a facility basis, not individual units.
- While we strongly support EPA verifying GHG emissions in lieu of third party verification, it is not necessary to submit the volumes of supporting data used to calculate GHG emissions.
- Some of the requested supporting data will be CBI, which will add additional burdens to EPA and facilities.
- A better solution would be for facilities to submit final GHG emissions data, and maintain and store the supporting data to be provided to EPA upon request. This is consistent with other reporting programs (e.g. TRI, the Climate Registry, EPA Climate Leaders).



2010 Reporting Year

- For 2010, facilities should be allowed to utilize existing instrumentation, engineering practices, process knowledge, estimates and judgment in reporting emissions.
- Given the complexity of this rule, we recommend that entities be required to submit detailed reports no earlier than 2012 for calendar year 2011 emissions.
- The proposed rule requires the installation and calibration of monitors prior to 12/31/09. There is not sufficient time to do this. For example, this will require many unanticipated process shutdowns to install or calibrate monitors. In addition, the huge surge of orders for purchase and installation of monitors will likely overwhelm instrument suppliers.



Annual Reporting

- Reporting of data should be on an annual basis.
- Facilities already have numerous reporting deadlines in the first quarter of the year.
- In lieu of the proposed March 31 reporting deadline, EPA should allow a minimum of six months for complex facilities to submit their annual emission reports.
- ACC proposes a July 1 reporting deadline which will align with other existing registries and reporting requirements, such as TRI, the Climate Registry, and EPA's Climate Leaders.



De Minimis Level

- EPA's position in TSD: "... some facilities that exceed the reporting threshold could have some small sources of certain GHG species. The existing GHG reporting programs provide simplified emissions estimation methods for these small sources, but still require that emissions for all sources have to be reported. This appears to be a practical and feasible approach for the Federal mandatory rule as well."
- ACC recommends that EPA allow emissions from these small point sources to be estimated rather than subjecting them to the onerous and expensive monitoring requirements. EPA should allow a facility to estimate emissions from sources that collectively comprise less than 5% of a site's total emissions. Otherwise, emissions from hot water heaters, lab furnaces, welding machines, etc., will need to be individually calculated.
- Both California and the Climate Registry allow for the use of alternative calculation methods for *de minimis* sources.



Once In, Always In

- The “once in, always in” policy is a disincentive for facilities to voluntarily reduce their GHG emissions.
- There is no reason why any facility subject to a reporting threshold should have to report emissions once they are reduced to below that threshold. Even without this provision, the facility emission baseline will be continually changing due to facility ownership, process, and technology changes.
- EPA should adopt California’s position: facilities stop reporting once their emissions drop below the mandated threshold for three years.



Ethylene Production Facilities

- Ethylene production facilities should be removed from the Petrochemical Production (Subpart X) source category. Emissions associated with these facilities are essentially all combustion related and would be covered under Subpart C of the proposed rule. Subpart X would require these facilities to perform weekly material balances that will not significantly change the reported emissions or their accuracy.
- As an alternative to excluding ethylene units from Subpart X, EPA could allow facilities to calculate combustion emissions based on fuel consumption rather than perform weekly material balances.



Fluorinated GHG Definition

- EPA should revise the PFC definition to indicate that PFCs are compounds of carbon and fluorine and all carbon bonds are fully saturated where IPCC has identified a GWP.
- EPA should revise the HFC definition to only include those liquid or gaseous compounds containing between 1 and 6 hydrogen, fluorine, and carbon compounds identified by IPCC with a GWP.
- EPA should exempt from reporting any fluorinated compounds that are not placed into subsequent emissive uses, as was done in the ozone-depleting substance program.



Hydrogen Production – Subpart P

- EPA should clarify that this subpart is only applicable to commercial hydrogen production facilities, and not those units that incidentally produce hydrogen or hydrogen-containing byproduct gases that are typically combusted.
- Furthermore, EPA should clarify the reporting responsibility for “captive” hydrogen plants – those plants associated with a facility, but not owned/operated by the facility. It is unclear in the proposed rule who is responsible for reporting. ACC proposes that the operator of the hydrogen plant should assume the reporting responsibility.