



EPA Proposes Greenhouse Gas Reporting Rule and Seeks Assistance on Protocols

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Next week, the EPA will propose a rule mandating the reporting of greenhouse gas (GHG) emissions across the country. The proposal is tremendously expansive in both its breadth and depth, covering dozens of sectors of the economy and requiring hundreds of pages to describe. If adopted, the rule would require tens of thousands of facilities to summarize and report their GHG emissions on an annual basis. In addition, any entity required to report under the rule would also have to keep for five years a wide array of records related to their reports and reportable activities. Facilities would be covered by the rule if they emit 25,000 metric tons or more of carbon dioxide (CO₂) per year or fall into a prescribed industrial sector. This amount of CO₂ is created by burning about 30 MMBTU/hr or about 2.5 million gallons of fuel per year. Affected sectors, which must report regardless of their CO₂ emissions, include:

- Manufacturers of electronics, lime, pulp, paper, vehicles and engines;
- Producers of aluminum, cement, ethanol, glass, iron, steel, lead, phosphoric acid, magnesium, nitric acid, and petrochemicals;
- Suppliers of coal, coal-based liquid fuels, petroleum products, natural gas and natural gas liquids; and
- Food processors, petroleum refiners, coal mines, landfills, oil and natural gas systems, wastewater treatment facilities, and manure management operations

This list is not exhaustive.

As drafted, the rule would cover the transportation sector through information provided by vehicle and engine

manufacturers and fuel suppliers. Thus, it would not require reporting from individual or fleet vehicle operators. However, the EPA is specifically seeking comment on whether it should change this approach. The EPA is also seeking comment on an unusually wide range of additional questions, many more so than in a typical rulemaking. The EPA has asked for comment on over 100 items, including:

- Whether the EPA should collect information on electricity purchases (it is not planning on it);
- Whether vehicle fleet operators should report their emissions (as proposed, they will not);
- Whether biomass fuel suppliers should have to report emissions (as drafted, they will not);
- What GHGs should be covered by the rule;
- For several industrial sectors, which of several suggested calculation methodologies should be used and, for some, if emission estimates should be deemed sufficient;
- Whether coal mines should be required to have continuous emissions monitoring systems;
- How the EPA should collect, manage, and disseminate data under the rule; and
- How the EPA can assist the public in complying with the rule

Thus, many of the specifics of the rule remain open to input, discussion, and change.

EPA will accept comments on these, and any other aspects of the proposal, for 60 days after publishing it. In addition, public meetings will be held in the Washington DC area on April 6 and 7 and in Sacramento on April 16.

For more information on how your industry or business can respond to the proposal, please contact Lowell Rothschild, Bob Smith, or Doug Green.

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