The Climate Registry, GHG reporting and related updates

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What is The Climate Registry

- Incorporated in March 2007 as a non-profit
- Founded by discussions among states considering state or regional GHG registries
- Set consistent GHG calculation methodologies
- Help organizations manage and reduce their GHG emissions
THE BOARD:
- All Canadian provinces & territories
- 41 U.S. states & Washington D.C.
- 6 Mexican states
- 4 Native American Tribes

MEMBERS:
- 345+ leading corporations, local governments and NGOs
How can The Climate Registry help?

- Prepare to comply with new GHG regulations
- Calculate, report and reduce your emissions
- Ensure credible data from your suppliers and to those you supply
- Access to Best Practices from other members
“At PG&E, we view publicly reporting third-party verified greenhouse gas emissions as the essential first step for any company engaged in the fight against climate change. We began reporting our emissions with the California Climate Action Registry in 2002 and are pleased to continue reporting to The Climate Registry on a voluntary basis moving forward.”

-Robert Parkhurst, Climate Protection and Analysis Manager, PG&E
“Reporting on an annual basis is not only an effective way to measure the emissions associated with our operation, but it is a way to see where opportunities for improvement exist as well as whether or not we have been successful in our reduction practices. Annual reporting also ensures that mandatory requirements are being met.”

-Cheri Chastain, Sustainability Coordinator, Sierra Nevada Brewing Co.
US EPA action

EPA Mandatory GHG Reporting Rule

- **Timeline**: Final rule signed September 22, 2009
- Takes effect January 1, 2010
- **Data required**: First annual report due March 2011 for 2010 emissions data
- **Coverage**: Approximately 10,000 facilities covered, 85% of U.S. emissions
- **Applicability**: Sources emitting >25,000 metric tonnes CO$_2$e, including specific sectors and sources
EPA Mandatory GHG Reporting Rule

- Will not pre-empt state and tribal GHG reporting programs
- The Registry is working with EPA to harmonize federal reporting with state mandatory, voluntary and international reporting programs
- Single GHG data exchange mechanism
“Waxman-Markey” bill passed House in June

- **GHG reduction targets:** 17% reduction by 2020; 83% reduction by 2050 (baseline year 2005)

- **Data required:** First GHG emissions reports due in 2011 for 2010 emissions data; cap and trade to start in 2012

- **Applicability:** Cap applies to sources emitting >25,000 Mt CO$_2$e/year; mandatory reporting for sources >10,000 Mt

- State/regional cap&trade programs pre-empted 2012-2017
US Federal - Congress

Senate: “Kerry-Boxer” Bill

- **GHG reduction targets:** 20% reduction by 2020; 83% reduction by 2050 (baseline year 2005)
- **Key Provisions:** Leaves many sections blank – to be negotiated (i.e., allocation of allowances, trade and import issues)
- **Timeline:** Committee mark-up end of Oct.
- **Data required:** First annual emissions reports due in 2011 for 2010 emissions data; cap and trade to start in 2012
- **Applicability:** Cap applies to sources emitting >25,000 Mt CO₂e/year; mandatory reporting for sources >10,000 Mt CO₂e/year
- **State/regional cap& programs would be pre-empted 2012-2017**
Federal Action on Climate Change: Securities and Exchange Commission

- May require corporations to disclose information and risk related to GHG emissions and climate change planning
- Petitions from environmental groups, state officials, investment advisers, institutional investors, CERES (2007 and 2008)
- New York State Attorney General Andrew Cuomo actions
North America Regional GHG trading Initiatives

Large % of NA active in creation of trading programs and working with TCR

Regional Greenhouse Gas Initiative (and observers)

Western Climate Initiative (and observers)

Midwest Cap-and-Trade Accord (and observers)

(Observers shown with hatch marks)
The Registry’s GHG Reporting Program

- Philosophy: “best practices” reporting
- Based on internationally accepted standards

Reporting Requirements
- All GHG emissions in North America
- Corporate or “Entity-wide” emissions at the facility-level
- All six Kyoto GHGs
- All direct emissions and indirect emissions
- Annual 3rd Party Verification
The Climate Registry
How to participate:
Step One – Gather data

- Collect data by facility
- Annually, on calendar year basis
- All 6 Kyoto gases (CO$_2$, CH$_4$, N$_2$O, HFCs, PFCs, SF$_6$)
- Direct: stationary, mobile, process and fugitive
- Indirect: electricity consumption and steam
- Estimation permitted for up to 5% of emissions
- Operational control, financial control or equity share
How to participate:
Step One -- Gather data (2)

- Geographic scope: All North America
  - Transitional reporting: At least CO₂ for one state/province for first two years of participation

- Historic data may be submitted
  - Must be third-party certified
  - Minimum: CO₂ from all stationary sources for one state/province

- Tracking mostly through utility bills and vehicle fuel
How to participate: Step Two – Verify

- Have your data reviewed by an approved independent verifier annually
- Accreditation process being managed by ANSI
  - Linked to ISO process
- List of accredited verifiers and prospects can be found at [www.theclimateregistry.org](http://www.theclimateregistry.org) under Verification
Climate Registry Fee Structure

**Commercial and Industrial Organizations with Revenues:**

- Over $2 billion ............................................................ $10,000
- From $500 million - $2 billion ......................................... $6,000
- From $100 million - $500 million .................................... $3,500
- From $20 million - $100 million ...................................... $1,700
- Under $20 million ............................................................ $600

**Non-profit, Government and Academic Organizations with Budgets:**

- Over $2 billion ............................................................ $5,000
- From $500 million - $2 billion ......................................... $3,500
- From $100 million - $500 million .................................... $2,500
- From $20 million - $100 million ...................................... $850
- Under $20 million ............................................................ $450
Who are the Members?
Registry Tools & Services

- General Reporting Protocol
- **Climate Registry Information System (CRIS) Online**
  GHG calculation, reporting, and verification tool
- Reporter technical assistance help line
- Regular web-based training
- Policy Updates
- Community of Members
Environmental Leaders Are...

- Managing their carbon footprint as a major piece of their sustainability plans
- Calculating and publicly reporting their GHG emissions (carbon footprint)
- Requiring major suppliers to calculate and disclose their emissions
Why Voluntary Reporting Is Important

You may be regulated:

- Prepare for regulation and potential trading
- Understand your emissions sources
- Understand how policies may affect you
- Get a seat at the table
- Practice makes perfect – discover weaknesses in data now rather than face penalties
- Document baseline and early actions
- Provide confidence in the carbon footprint given to investors, employees, management
Why Voluntary Reporting Is Important

*Not regulated? It’s still important to:*

- **Demonstrate environmental leadership** – be part of the solution
- Identify waste, inefficiencies, cost-effective reductions
- Reduce risk and exposure to cost of carbon
- **Provide credible data to customers and stakeholders interested in your footprint & sustainable practices** (supply chain and product labeling)
- Strengthen green marketing
- Prepare for potential future regulatory changes

The Climate Registry
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