



Frequently Asked Questions (FAQ)
EPA Mandatory Reporting of Greenhouse Gas Emissions Rule
Updated 12/10/09

EPA Administrator Lisa Jackson signed EPA's Mandatory Greenhouse Gas (GHG) Reporting Rule on September 22, 2009. The rule will be final on December 29, 2009. Under the rule, suppliers of fossil fuels or industrial greenhouse gases, manufacturers of vehicles and engines, and facilities that emit 25,000 metric tons of carbon dioxide equivalents (mtCO₂e) or more per year are required to submit annual reports to EPA.

This FAQ is intended to be a resource for Iowa facilities that have questions on how the EPA rule will impact DNR's mandatory GHG reporting program and does not address all requirements of the EPA rule. EPA's final rule is available at - <http://www.epa.gov/climatechange/emissions/downloads09/GHG-MRR-FinalRule.pdf>.

When are facilities required to submit their first GHG emissions report to EPA?

The rule requires covered entities to report their greenhouse gas emissions directly to EPA using a new electronic reporting system. The first report will be for calendar year (CY) 2010 emissions, and will be due March 31, 2011.

What GHG's will need to be reported?

The gases covered by the rule are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulfur hexafluoride (SF₆), and other fluorinated gases including nitrogen trifluoride (NF₃) and hydrofluorinated ethers (HFE).

Will my company be required to report GHG emissions to both EPA and DNR?

No. The GHG inventory for CY 2009 emissions that is due March 31, 2010 will be submitted to DNR. In order to avoid duplicate reporting, DNR will then transition to conducting a statewide greenhouse gas estimate using statewide activity data.

Starting with the CY 2010 GHG emissions report due March 31, 2011, subject facilities will begin reporting **directly** to EPA rather than DNR. DNR estimates that 98% of the GHG emissions reported in previous DNR GHG inventories will be subject to EPA's mandatory reporting rule.

If my facility is not subject to the EPA GHG Mandatory Reporting Rule is my facility required to report GHG emissions from future years to DNR after the CY 2009 report?

No. As noted above, the DNR estimates that 98% of the GHG emissions reported in previous DNR GHG inventories will be subject to EPA's mandatory reporting rule. DNR anticipates focusing more of its efforts on developing a statewide "top-down" GHG inventory using statewide activity data.

What method do I use submit by CY 2009 GHG Inventory to DNR?

DNR will continue to use the reporting spreadsheet method that was used for 2007 and 2008. The DNR expects to make only minor revisions to the spreadsheets. The final spreadsheets for reporting CY 2009 GHG emissions and instructions will be posted to the DNR website (<http://www.iowadnr.gov/air/prof/ghg/ghg.html>) no later than January 4, 2010.

How does EPA's rule differ from DNR's current mandatory GHG reporting rule?

EPA's rule is more comprehensive than DNR's current mandatory GHG reporting program. EPA's rule covers more source categories, requires additional monitoring and recordkeeping, and in some cases requires unit-level reporting.

Applicability

DNR's current GHG reporting program requires all Title V facilities, all ethanol plants, and several other industrial source categories (cement manufacturing, lime manufacturing, ammonia production and urea application, nitric acid production, iron and steel production, and soda ash use) to complete and submit an annual GHG inventory. There is no de minimus level for reporting.

EPA's rule requires reporting from the source categories listed below. The rule applies to any facility that falls into any of four groups:

1. §98.2(a)(1) - A facility that contains any of the following source categories:
 - Electricity generation
 - Adipic acid production
 - Aluminum production
 - Ammonia manufacturing
 - Cement production
 - HCFC-22 production
 - HFC-23 destruction processes
 - Lime manufacturing
 - Nitric acid production
 - Petrochemical production
 - Petroleum refineries
 - Phosphoric acid production
 - Silicon carbide production
 - Soda ash production
 - Titanium dioxide production
 - Municipal solid waste landfills that generate $\text{CH}_4 \geq 25,000 \text{ mtCO}_2\text{e/year}$
2. §98.2(a)(2) – A facility that contains any of the following source categories and emits $\geq 25,000 \text{ mtCO}_2\text{e/year}$ in combined emissions from stationary fuel combustion units, miscellaneous uses of carbonate, or any of these source categories:
 - Ferroalloy production
 - Glass production
 - Hydrogen production
 - Iron and steel production
 - Lead production
 - Pulp and paper manufacturing
 - Zinc production
3. §98(a)(3) – A facility that meets all three of these conditions
 - Does not meet the requirements of §98.2(a)(1) or §98.2(a)(2)
 - The aggregate maximum rated heat capacity of stationary fossil fuel combustion units at the facility is $\geq 30 \text{ MMBtu/hour}^1$
 - The facility emits $\geq 25,000 \text{ mtCO}_2\text{e/year}$ in combined emissions from all stationary fossil fuel combustion units.
4. §98(a)(4) – A supplier of various fossil fuels, industrial greenhouse gas emissions, or carbon dioxide – see rule for requirements

Level of Reporting

The DNR's current GHG program requires facility-wide reporting. The level of reporting required by EPA's rule varies from unit-level to facility-level depending on the subpart. The EPA rule also requires reporting of activity data in some cases.

¹ 30 MMBtu/hr is the worst-case scenario, which is coal. The maximum capacity for natural gas is approximately 50 MMBtu/hr, and the maximum capacity for #2 fuel oil is approximately 35 MMBtu/hr.

Facilities should note that Subpart 98 Subpart C – General Stationary Fossil Fuel Combustion requires **unit-level** reporting. However, it does contain a provision §98.3(d)(3) that allows a facility that is only subject to Subpart C to submit a facility-wide emissions report for the first year only.

Monitoring and Recordkeeping

DNR's current GHG reporting program does not contain any additional monitoring or recordkeeping requirements. The EPA rule does include these requirements, including fuel sampling and a monitoring plan. For more information see the EPA website

(<http://www.epa.gov/climatechange/emissions/ghgrulemaking.html>).

Are ethanol plants subject to EPA's GHG Reporting Rule?

Yes, in most cases. The proposed rule included Subpart J – Ethanol Production that required ethanol producers to report GHG emissions from stationary fossil fuel combustion, onsite landfills, and onsite wastewater treatment. EPA did not finalize Subpart J in the final rule so that further analysis can be performed and alternative data collection methods considered.

However, ethanol production facilities are required to report fossil fuel GHG emissions, as required by §98 Subpart C – General Stationary Fossil Fuel Combustion, if their fossil fuel GHG emissions exceed the 25,000 mtCO₂e threshold. Ethanol producers are not required to report GHG emissions from fermentation processes.

Does the rule require my facility to report GHG emissions from mobile sources?

The EPA rule requires all engine and vehicle manufacturers outside of the light-duty sector to report CO₂ emissions beginning with model year 2011 and all other GHGs in subsequent model years. This includes manufacturers of various types of engines and vehicles including snowmobiles, motorcycles, marine engines, etc.

The EPA rule does not require reporting of GHG emissions from vehicle fleets.

Who can I contact with questions?

EPA has posted fact sheets for each of the subject source categories and FAQ's at <http://www.epa.gov/climatechange/emissions/ghgrulemaking.html>. Further outreach and assistance will be announced on this website.

Please direct additional questions pertaining to this rule to EPA's Rule Help Center (http://www.epa.gov/climatechange/emissions/ghgrule_contactus.htm) or Marnie Stein at DNR (Marnie.Stein@dnr.iowa.gov or 515-281-8468).