



Climate Leaders Partner Meeting

Update on Department of Energy's Voluntary Reporting of Greenhouse Gases (1605(b)) Program

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President's February 14, 2002, Directive

1. Reduce U.S. greenhouse gas emissions intensity 18% by 2012.
2. Improve DOE's voluntary GHG reporting program.
3. Develop recommendations for protecting real reductions against future climate policy and on giving transferable credits.
3. Challenged businesses to take action (Climate VISION, Climate Leaders).



Revision Process

- Established interagency working groups.
- Issued a public Notice of Inquiry, May 2002.
- Held workshops; met with stakeholder groups.
- Proposed General Guidelines (November 2003).
- Will reissue General Guidelines, with Draft Technical Guidelines, fall 2004.
- EIA developing forms and instructions, also for public review.
- Initiate revised program in 2005.



Revision Objectives

- Encourage entities to provide a more accurate, consistent, complete and transparent record of emissions and emission reductions;
- Recognize entities that contribute to President's goal of reducing emissions intensity of U.S. economy;
- Create a central program for public reports of emissions and reductions by entities participating in Climate Leaders and Climate VISION;
- Accommodate a broad range of different entities (large, small, generators, users, manufacturers, farms, service providers, households), with different motivations; and
- Balance rigor with practicality and flexibility.



Key Elements of 1605b Reports under Proposed Guidelines

Entity Statements

- Name, legal basis, boundaries
- Just *reporting* – or *registration* of post-2002 reductions
- Large emitter or small emitter (<10,000 tons of CO₂ per year)

To register reductions, large emitters must report (annually):

- **Complete emission inventories**, and
- **Net, entity-wide reductions**

Offset reductions possible

Small emitters exempted from entity-wide requirements

Emission inventory methods to be specified and rated

Reductions to be calculated from changes in intensity, absolute emissions, avoided emissions or carbon stocks or on effects of specific actions

Entities must certify accuracy of reports (independent verification encouraged).



Framework of Revised Program

All Reporters: Require Legal Basis for Entity; 'Encourage' Highest Level

Small Emitters

Large Emitters

"Reporting Only" Entities

Inventory of Emission
for Selected Activities

Entity-wide Emission Inventory

Calculate Reductions
for Relevant Activities,
e.g. forested land

Calculate Reductions
Across Entire Entity (may include sub-entity
reductions such as plants, facilities, projects)

Calculate Reductions at
any level for any year:
project; facility; pre-2002,
etc. (Inventory not
required)

Potential
Offset

Oil and Gas
Production
Activities

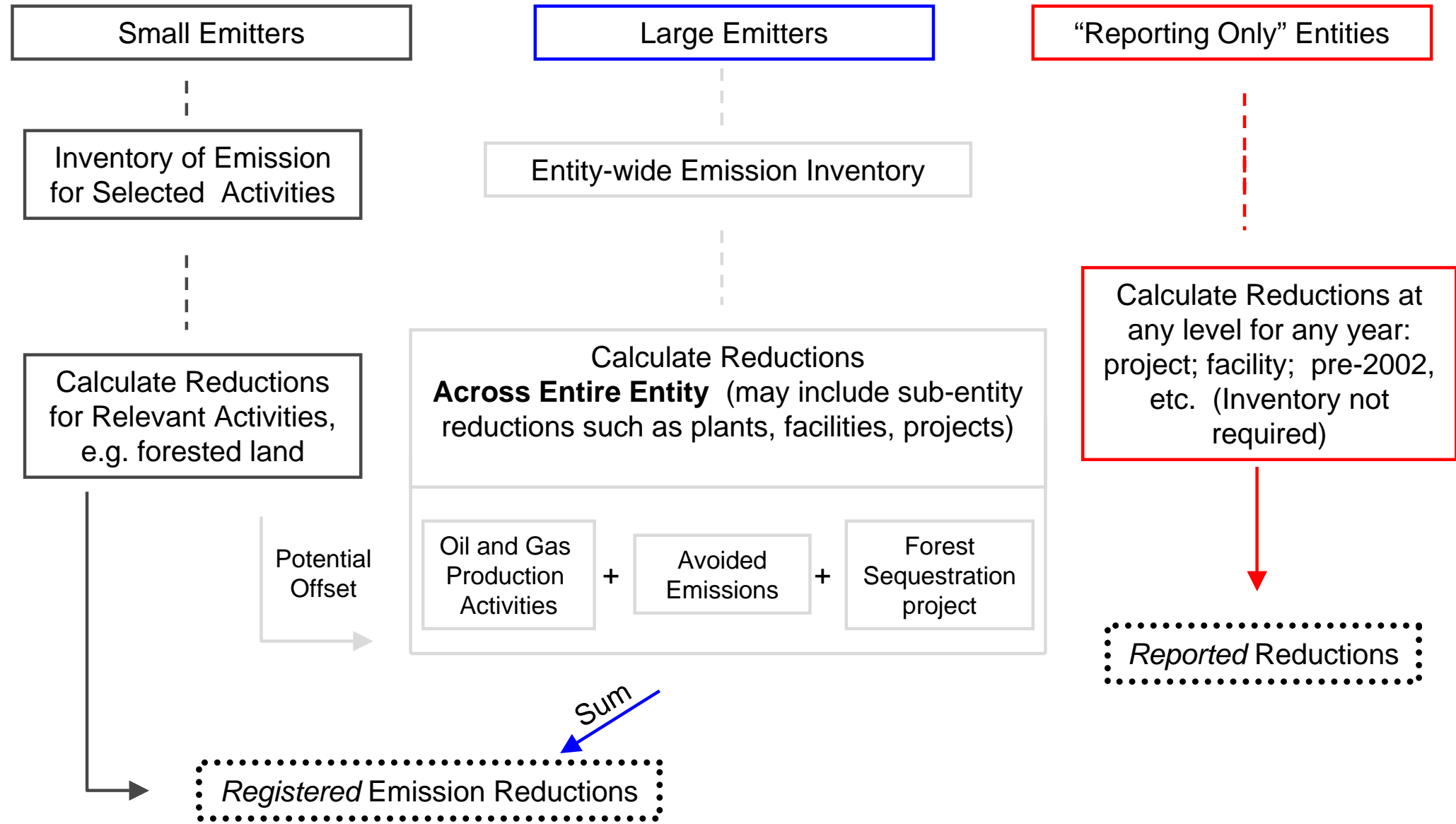
Avoided
Emissions

Forest
Sequestration
project

Reported Reductions

Registered Emission Reductions

Sum





Some recommendations made by comments:

- Allow reporting of non-U.S. emissions/reductions
- Permit exclusion of *de minimis* emissions
- Maintain balance between flexibility and rigor
- Ensure consistency with Climate Leaders and Climate
VISION



Steps to Effective GHG Reporting and Management:

- **Inventory emissions** (all gases, range of methods, completeness and quality)
- **Determine how to track progress** (different business units may require different methods: intensity, absolute, carbon storage, avoided emissions or action-specific)
- **Review options and take action**
- **Evaluate progress and take corrective action**



Schedule:

- Fall 2004, reissue General Guidelines and Technical Guidelines for public comment
- Hold another public workshop (December?)
- Issue final guidelines by early 2005
- Issue new forms and instructions by spring 2005

For more information:

- On revised guidelines:
<http://www.pi.energy.gov/enhancingGHGregistry/>
- On existing reporting program:
<http://www.eia.doe.gov/oiaf/1605/frntvrgg.html>