
Ecology & Parks Committee

HB 2545

Brief Description: Directing the department of ecology to adopt rules requiring entities to report the emissions of greenhouse gases.

Sponsors: Representatives Upthegrove and Chase; by request of Department of Ecology.

Brief Summary of Bill

- Requires the Department of Ecology to modify its greenhouse gas emissions reporting rules.
- Requires persons who emit 10,000 metric tons of carbon dioxide equivalent annually from a single facility, source, or site, or from fossil fuels sold in Washington by a single supplier, to report their greenhouse gas emissions to the Department of Ecology.
- Requires persons who are required to file tax reports of motor vehicle fuel sales, persons required to report periodic tax reports for special fuel sales, and distributors of aircraft fuel to report their the annual greenhouse gas emissions to the Department of Ecology.
- Requires the Department of Ecology's rules to be consistent with the greenhouse gas reporting regulations adopted by the U. S. Environmental Protection Agency.

Hearing Date: 1/12/10

Staff: Jaclyn Ford (786-7339).

Background:

The Department of Ecology (DOE) must adopt rules requiring a person to report their greenhouse gas (GHG) emissions. Owners or operators of a fleet of on-road motor vehicles that emit at least 2,500 metric tons of direct GHG emissions annually in the state, and a source or combination of sources that emit at least 10,000 metric tons of direct GHG emissions annually in the state, must report to the DOE their total annual GHG emissions beginning in 2010 for their

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2009 emissions.

The DOE rules must establish an annual reporting schedule where reports are submitted by October 31 each year. The DOE may phase in the reporting requirements until either the threshold is met or by January 1, 2012, whichever occurs first. The DOE has discretion to amend the rules to include other persons that emit less than the annual GHG emission levels required to report in order to comply with federal reporting requirements. The DOE may also include GHG emissions that result from upstream and downstream sources. With the assistance of the Washington State Department of Transportation, the DOE must identify a mechanism to report an aggregate estimate of the annual GHG emissions generated from or emitted by otherwise unreported on-road motor vehicles.

The DOE may defer the reporting requirements for emissions associated with the interstate commercial aircraft, rail, or marine vessels until either there is a federal requirement to report the emissions or the DOE finds there is a generally accepted reporting protocol for determining interstate emissions.

The Energy Facility Site Evaluation Council (EFSEC) must adopt rules that require the same GHG emissions reporting requirements in site certifications on persons operating or responsible for the operation of a facility permitted by the EFSEC.

If the federal government adopts rules governing the reporting of GHG emissions, the DOE must propose amendments to its rules to ensure administrative consistency and non-duplicative reporting.

Any fees for reporting must be determined by the DOE and deposited into the Air Pollution Control Account. If persons fail to report or fail to pay the required reporting fee, penalties may be imposed.

By December 31 of each even-numbered year beginning in 2010, the DOE and the Department of Commerce must report to the Governor and the Legislature the total GHG emissions for the preceding two years, and totals in each major source sector.

Summary of Bill:

Persons who emit 10,000 metric tons of carbon dioxide equivalent annually from a single facility, source, or site, or from fossil fuels sold in Washington by a single supplier, must report their GHG emissions to the DOE. In their reporting rule, the DOE may phase in the requirement to report GHG emissions until the reporting threshold is met. However, the reporting threshold must be met by January 1, 2012.

Greenhouse gas emissions resulting from the combustion of biomass must be reported separately than GHG emissions resulting from the combustion of fossil fuels.

Reporting must start in 2010 for 2009 emissions; reports are due before October 31 each year. Beginning in 2011, a person who is required to report GHG emissions to the U. S. Environmental Protection Agency (EPA) must submit that report and any data or corrections reported to the EPA concurrently to the DOE.

Persons who are required to file periodic tax reports of motor vehicle fuel sales, persons required to report periodic tax reports for special fuel sales, and distributors of aircraft fuel must report to the DOE the annual GHG emissions associated with the complete combustion or oxidation of liquid motor vehicle fuel, special fuel, or aircraft fuel that is sold in Washington. The DOE rules may allow this information to be aggregated when reported to the DOE. The DOE and the Department of Licensing (DOL) may enter into an interagency agreement to share reported information and protect proprietary information. Any proprietary information exempt from disclosure when reported to the DOL remains exempt from disclosure when shared with the DOE.

The DOE rules must be consistent with the regulations adopted by the EPA. The DOE may exempt persons who are required to report GHG emissions to the EPA from the state reporting requirement if the DOE finds that the reporting is not necessary to advance the understanding of GHG emissions in the state.

The DOE must review and update its rules whenever the EPA adopts final amendments to their GHG reporting rule in order to ensure consistency with federal reporting requirements.

Definitions for "direct emissions," "indirect emissions," and "total emissions of greenhouse gases" are eliminated. The definition of "greenhouse gas" now includes the ability for the DOE to designate by rule any other gas or gases.

A "person" includes: (1) an owner or operator, as those terms are defined by the EPA in its GHG reporting regulation; (2) a motor vehicle fuel supplier or a motor vehicle fuel importer; (3) a special fuel supplier or a special fuel importer; and (4) a distributor of aircraft fuel.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date: The bill contains an emergency clause and takes effect immediately.