



September 23, 2009



## EPA Issues Final Rule on Greenhouse Gas Reporting Requirements

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**The U.S. Environmental Protection Agency (“EPA”) issued a final rule on September 22, 2009, that will require covered industry sources to report their greenhouse gas (“GHG”) emissions annually. The GHG reporting requirements will cover approximately 85% of nationwide emissions. The EPA estimates that roughly 10,000 facilities will fall within the rule’s mandatory reporting requirements.**

The GHG reporting rule does not require any actual emission reductions. Rather, covered entities – facilities that emit more than 25,000 metric tons of carbon dioxide equivalent annually – must submit data to the EPA showing their tracked emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulfur hexafluoride (SF<sub>6</sub>), and other fluorinated gases, including nitrogen trifluoride (NF<sub>3</sub>) and hydrofluorinated ethers (HFE). Most facilities must begin tracking those emissions on January 1, 2010, in preparation for the reporting deadline of March 31, 2011. The EPA delayed reporting requirements for the following industries: Electronics Manufacturing, Ethanol Production, Fluorinated GHG Production, Food Processing, Magnesium Production, Oil and Natural Gas Systems, Sulfur Hexafluoride (SF<sub>6</sub>) from Electrical Equipment, Underground Coal Mines, Industrial Landfills, Wastewater Treatment, and Suppliers of Coal.

The reporting requirements will capture GHG emissions from mobile sources at the manufacturing level rather than the consumer or operations level. Fleet operators and state or local governments do not fall under the GHG reporting requirements. Manufacturers of vehicles and engines outside of the light-duty sector (i.e., heavy-duty trucks, motorcycles, and non-road engines) will begin reporting CO<sub>2</sub> emissions for model year 2011. The EPA delayed reporting requirements for other GHGs in subsequent model years as part of existing EPA certification programs.

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Light-duty vehicle manufacturers do not fall within this rule and will instead be subject to a later rulemaking specific to that sector.

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The EPA GHG reporting requirements do not preempt state or local reporting requirements, and they do not preempt any state efforts to require GHG reductions. To reduce the reporting burden, the EPA is working with states and other regional bodies to coordinate data sharing and verification procedures. However, reporting entities must submit emission data directly to the EPA in order to comply with the rule.

The EPA GHG reporting rule does not require reporting from facilities that emit fewer than 25,000 metric tons of CO<sub>2</sub> equivalent annually. The 25,000 threshold is equivalent to the annual GHG emissions from the energy use of approximately 2,300 homes, or the annual GHG emissions of approximately 4,600 passenger vehicles. The EPA estimates that the majority of commercial building owners and small businesses will not fall within the mandatory reporting requirements. The EPA website provides an applicability tool that entities can use to estimate whether they will be required to report as a covered entity under the rule.

To view the EPA website, please click [here](#).

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