



**CROSS CUTTING ISSUES TECHNICAL WORKING GROUP
DRAFT GHG REPORTING DESIGN CHARACTERISTICS MATRIX
JULY 11, 2006**

FOR REFERENCE:

WRI/WBCSD *GHG* PROTOCOL'S

PRINCIPLES FOR GHG ACCOUNTING AND REPORTING:

1. RELEVANCE
2. COMPLETENESS
3. CONSISTENCY
4. TRANSPARENCY
5. ACCURACY
6. ENABLE OTHER GOALS

POTENTIAL GOALS OF GHG REPORTING:

1. IDENTIFYING REDUCTION OPPORTUNITIES
2. REDUCING RISKS (E.G., START LEARNING CURVE)
3. TRACKING GHG EMISSIONS, ASSISTING THE STATE IN CONSTRUCTING ANNUAL INVENTORIES
4. PARTICIPATING IN VOLUNTARY PROGRAMS
5. PARTICIPATING IN – OR PREPARING FOR – MANDATORY PROGRAMS
6. PRECURSOR FOR REGISTRY PARTICIPATION
7. OPPORTUNITIES FOR RECOGNITION
8. PUBLIC REPORTING
9. CONSISTENCY WITH OTHER PROGRAMS
10. OTHERS?

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#	Design Element	Characteristics	Design Considerations	Preliminary Recommendation
1.	Type of Program	<ul style="list-style-type: none"> • Voluntary • Mandatory 	<ul style="list-style-type: none"> • May need or want to constrain mandatory applicability to certain sectors and/or sources pending availability of accepted quantification protocols. • Mandatory reporting is in place in some states for permitted sources (ME, CT, etc.); anticipated soon for several others in Northeast and far West. 	<ul style="list-style-type: none"> •
2.	Sectors	<ul style="list-style-type: none"> • All sectors eligible • Limited to certain sectors 	<ul style="list-style-type: none"> • Participation may be limited by availability of quantification methods; may need to “stage” sector participation. • WRI calculation protocols: Stationary combustion, mobile, electric power, cement, iron & steel, aluminum, pulp & paper, wood products, lime, ammonia, purchased heat or power, others. 	<ul style="list-style-type: none"> •
3.	Sources	<ul style="list-style-type: none"> • All • Stationary combustion emissions • Mobile combustion emissions • Process emissions • Fugitive emissions 	<ul style="list-style-type: none"> • Could limit sources even within sectors, (e.g., via types, size thresholds, etc.). • Broader array promotes inventory building, public information, identification of GHG strategies, etc. 	<ul style="list-style-type: none"> • From catalog 2.5: Require mandatory GHG reporting for permitted sources
4.	Organizational Boundary	<ul style="list-style-type: none"> • Entity-wide (e.g., corporation-wide) • Facility • Emissions unit or source point • Other (?) 	<ul style="list-style-type: none"> • Clear definitions needed to avoid double counting where shared ownership exists. • Should strive to have design be consistent with possible future directions (e.g., mandatory reporting would not be enforceable above the facility level). • Combinations are possible (e.g., finer resolution aggregated to a greater whole). 	<ul style="list-style-type: none"> • From catalog 2.2: Report NC emissions from state facilities & vehicles to public & 1605(b)

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5.	Reporting Period	<ul style="list-style-type: none"> • Annual <ul style="list-style-type: none"> - Calendar - Fiscal • Other 	<ul style="list-style-type: none"> • Should strive for consistency with other reporting programs. 	<ul style="list-style-type: none"> •
6.	Greenhouse Gases Included	<ul style="list-style-type: none"> • Six “Kyoto gases” (CO₂, HFCs, CH₄, N₂O, PFCs, SF₆) • Black Carbon • Other 	<ul style="list-style-type: none"> • Should strive for consistency with other reporting programs. • Broader array promotes inventory building, public information, identification of GHG strategies, etc. 	<ul style="list-style-type: none"> • From catalog 2.3: Include non-CO₂ GHGs
7.	Scope of Emissions Covered	<ul style="list-style-type: none"> • Direct <ul style="list-style-type: none"> - “Scope 1” • Indirect <ul style="list-style-type: none"> - “Scope 2” - Indirect from purchased Heat & Electricity - “Scope 3” - other indirect (e.g., outsourced activities, employee travel, etc.) • Both 	<ul style="list-style-type: none"> • May need or want to “stage” coverage (e.g., start small & expand). • direct emissions most like current reporting requirements, but may omit GHG reduction opportunities or encourage direct-indirect trade-offs. • For many entities, most GHG emissions are from indirect emissions sources. 	<ul style="list-style-type: none"> •
8.	Emissions Quantification & Monitoring	<ul style="list-style-type: none"> • Calculation methods & tools • Direct measurement (e.g., CEMs, Stack Testing) 	<ul style="list-style-type: none"> • Should strive to use current best practice methods, such as <i>GHG Protocol</i> calculation tools, and to have consistency with other reporting programs. • Some “other” or “home grown” approaches may be necessary (e.g., Flashing emissions; IPIECA¹, API’s² SANGEA™ GHG Emissions Software). 	<ul style="list-style-type: none"> •
9.	Verification	<ul style="list-style-type: none"> • State verification 	<ul style="list-style-type: none"> • If mandatory, the state may be able to use current 	<ul style="list-style-type: none"> •

¹ IPIECA is the International Petroleum Industry Environmental Conservation Association.

² API is the American Petroleum Association.

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		<ul style="list-style-type: none"> • 3rd party verification • Self-certification 	<p>verification procedures for criteria pollutants.</p> <ul style="list-style-type: none"> • DAQ does 3rd party verification. 	
10.	Public Access & Reports	<ul style="list-style-type: none"> • Internet access and/or Online reports • Paper reports • Both 	<ul style="list-style-type: none"> • “Confidential Business Information” (CBI) concerns 	<ul style="list-style-type: none"> •
11.	Project Level Reporting or “Offsets”	<ul style="list-style-type: none"> • Yes/No • Constrain 	<ul style="list-style-type: none"> • WRI: Raises quantification, baseline, “additionality,” secondary effects, reversibility, and double-counting issues. • Location of co-benefits achieved. • May be most useful when there is an externally-imposed constraint (e.g., a “Cap”). 	
12.	Funding	<ul style="list-style-type: none"> • State-funded • Mandated requirement • Emission-based fees (would require legislative approval). • Other? A combination? 	<ul style="list-style-type: none"> • Reporting is a necessary cornerstone for a GHG registry, so it may be appropriate to have registry participants share support costs. 	<ul style="list-style-type: none"> •
13.	Other?	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> •