

EPA proposes mandatory GHG reporting rule

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On April 12, 2010, just six months after finalizing the Mandatory Greenhouse Gas Emissions Reporting Rule, EPA issued a supplemental proposed rule to create 40 CFR Part 98, Subpart W. This expansion of the Mandatory GHG Reporting Rule would require certain facilities within the petroleum and natural gas industry to monitor and report GHG emissions if they emit 25,000 metric tons or more of CO₂e through fugitive, vented or flare combustion sources. 75 Fed. Reg. 18608. As such, Subpart W is proposed by EPA as a 98.2(a)(2) threshold source category.



EPA first proposed mandatory GHG reporting requirements for petroleum and natural gas systems (under 40 CFR, part 98, subpart W) in April 2009, but because of the substantial number of comments that EPA received on this initial proposal, the Agency decided not to finalize the rule for petroleum and natural gas systems, and instead decided to propose a supplemental rule. The industry segments within Subpart W include onshore petroleum and natural gas production, offshore petroleum and natural gas production, natural gas processing, natural gas transmission compressor stations, underground natural gas storage, liquefied natural gas (LNG) storage, LNG import and export terminals, and distribution.

As with the final mandatory reporting rule, the proposed Subpart W requires only that sources above the threshold level monitor and report emissions. Under the supplemental proposed rule, data collection would begin in 2011 and the first annual report would be due by March 31, 2012. While the proposed Subpart W would amend the mandatory rule by adding another source category under 40 CFR Part 98, the new subpart does not have a provision for best available monitoring methods as did the original source categories. Therefore, sources meeting the applicability requirements of 98.2(a) of the proposed rule would be required to begin monitoring of emissions using the methods of the proposed rule.

While EPA considered comments on the initial proposed rule in formulating the supplemental proposed rule, stakeholders wanting to comment on the supplemental proposed rule must submit comments specific to the new proposed Subpart W. The rule would become final later in 2010.

LINKS

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