

Final Rule: Revisions to Reporting and Recordkeeping Requirements, and Final Confidentiality Determinations under the Greenhouse Gas Reporting Program

ACTION

- The U.S. Environmental Protection Agency (EPA) is finalizing amendments to the Greenhouse Gas Reporting Program (GHGRP). These amendments are the result of an evaluation of the inputs to emission equations for which the reporting deadline was deferred until March 31, 2015 (hereinafter referred to as “inputs to equations” data elements.)¹ Where the Agency identified disclosure concerns, the EPA is finalizing amendments to reporting and recordkeeping requirements and an alternative electronic verification approach.
- The amendments will maintain the EPA’s ability to verify data and ensure compliance without requiring reporting of data elements for which disclosure concerns have been identified; under the final amendments, such data will be kept as records rather than reported to the EPA.
- Reporting requirements for “inputs to equations” data elements for which disclosure concerns were not identified (and that will still be useful to the EPA) are not being amended in this action. For these “inputs to equations” data elements, the deferral will expire in March 2015, and the EPA will collect these data.

BACKGROUND

- The GHGRP collects greenhouse gas data from 41 source categories and currently has several years of data from these sources, including reports from more than 8,000 direct emitters and suppliers of greenhouse gases (GHGs).
- The GHG emissions from direct emitters are calculated using a variety of methods, including direct measurement, mass balance, and the use of emission factors. For these reporters, the use of equations is required to calculate emissions unless direct measurement is used. The data entered into these equations often include process or production data specific to each facility’s operations and play an important role in the EPA’s ability to verify facility-level emissions and ensure compliance with the GHGRP.
- In July 2010, the EPA proposed confidentiality determinations for the data required to be reported for most source categories of the GHGRP. In that action, the EPA proposed that inputs to emission equations are emission data. The Clean Air Act precludes “emission data” from being treated as confidential. The EPA received comments to the proposal indicating significant stakeholder concerns regarding potential release of these data. In response to these

¹ The process for the above-mentioned evaluation was documented in the final deferral notice (76 FR 53057, August 25, 2011) and the accompanying memorandum entitled “Process for Evaluating and Potentially Amending Part 98 Inputs to Emission Equations” (Docket ID No. EPA-HQ-OAR-2010-0929).

comments, the EPA deferred the reporting deadline for inputs to emission equations to allow time to fully evaluate the concerns regarding the potential release of these data and to address such concerns as appropriate.²

ALTERNATIVE VERIFICATION APPROACH

- As discussed above, the EPA is finalizing an alternative verification approach that includes:
 - Adding a requirement that reporters using “inputs to equations” data elements to calculate reported GHGs under 23 subparts must use an EPA-provided electronic inputs verification tool (IVT). IVT will be deployed within the GHGRP’s electronic greenhouse gas reporting tool (e-GGRT) and will be used as part of the annual reporting process. IVT will not retain the entered “inputs to equations” data elements; instead, it will calculate emissions using entered “inputs” and conduct verification checks at the time of data entry. IVT will generate a verification summary that will be accessible to the EPA once the annual report is submitted.
 - Adding approximately 20 new data reporting elements to facilitate verification. (In this action, the EPA is also finalizing confidentiality determinations for these new data elements).
 - Enhancing the recordkeeping requirements by changing the format for maintaining records of “inputs to equations” data elements and lengthening the record retention period from three to five years for all subparts that apply to the reporters required to use IVT.
 - In the Petroleum and Natural Gas Systems source category (subpart W), providing an option for, in certain situations, six “inputs to equations” data elements to be reported two years after the standard reporting year due to disclosure concerns associated with information regarding exploratory wells.
- The EPA will provide a compliance assistance “sandbox” period in advance of the open reporting period for reporting year 2014. The EPA will offer “sandbox” testing from October through December 2014, providing testing by subpart on a rolling basis. The compliance assistance “sandbox” will operate in a manner similar to that used previously for e-GGRT testing and will provide reporters additional lead time to sync their systems with IVT prior to the open reporting period. “Sandbox” participants will also have the opportunity to provide feedback to the EPA regarding their IVT testing experience.
- Facilities for which the EPA is requiring use of IVT in lieu of reporting certain “inputs to equations” data elements include those subject to the following subparts:

Subpart C (Stationary Fuel Combustion Sources excluding stationary fuel combustion sources that contain at least one combustion unit connected to a fuel-fired electric generator owned or operated by an entity that is subject to regulation of customer billing rates by the public utility commission (excluding generators	Subpart Q (Iron and Steel Production) Subpart R (Lead Production) Subpart S (Lime Manufacturing) Subpart U (Miscellaneous Uses of Carbonate) Subpart V (Nitric Acid Production) Subpart X (Petrochemical Production) Subpart Y (Petroleum Refineries) Subpart Z (Phosphoric Acid Production)
---	---

² 76 FR 53057 published August 25, 2011.

connected to combustion units subject to 40 CFR part 98, subpart D) and are that are located at a facility for which the sum of the nameplate capacities for all such electric generators is greater than or equal to 1 megawatt electric output)³

Subpart E (Adipic Acid Production)
Subpart F (Aluminum Manufacturing)
Subpart G (Ammonia Manufacturing)
Subpart H (Cement Production)
Subpart K (Ferroalloy Production)
Subpart N (Glass Production)
Subpart O (HFC-22 Production and HFC-23 Destruction)
Subpart P (Hydrogen Production)

Subpart AA (Pulp and Paper Manufacturing)
Subpart BB (Silicon Carbide Production)
Subpart CC (Soda Ash Manufacturing)
Subpart EE (Titanium Dioxide Production)
Subpart GG (Zinc Production)
Subpart TT (Industrial Waste Landfills)

MORE INFORMATION

- **For additional information on the GHGRP** and a prepublication version of this action please visit our Web site at: www.epa.gov/climatechange/emissions/ghgrulemaking.html.
- For additional information on the “sandbox” testing, including a schedule of when testing will occur for each of the 23 subparts, please see <http://www.epa.gov/ghgreporting/reporters/training/inputs-verifier.html>.

³ Subpart C sources that do not meet this exclusion may elect to report “inputs to equations” rather than use IVT.