

2SHB 2119 - H AMD 229

By Representative Morris

WITHDRAWN 03/18/2003

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The purpose of the Washington climate
4 action registry is to assist entities that voluntarily choose to record
5 their greenhouse gas emission inventories in order to gain recognition
6 for emission reductions under any future federal regulatory regime and
7 to trade emission credits. To that end, the Washington climate and
8 rural energy development center may:

9 (1) Provide technical and educational resources to registrants;

10 (2) Publish basic definitions and protocols and identify
11 organizations qualified to provide technical assistance to registrants;
12 and

13 (3) Assist registrants, if requested by the registrant, to devise
14 protocols, reporting formats, and verification procedures as may be
15 sought by the registrant to ensure the credibility of the information
16 recorded in the registry.

17 NEW SECTION. **Sec. 2.** The definitions in this section apply
18 throughout this chapter unless the context clearly requires otherwise.

19 (1) "Center" means the Washington climate and rural energy
20 development center established in RCW 28B.30.642.

21 (2) "Direct emissions" are emissions from sources, sinks, and
22 activities that an entity owns or has direct or effective control over,
23 such as, but not limited to, on-site combustion and process equipment
24 emissions.

25 (3) "Emissions" means the net of release and absorption of
26 greenhouse gases into or from the ambient air.

27 (4) "Emissions inventory" means the report of emissions and
28 normalized emissions for a calendar year.

1 (5) "Entity" means a for-profit or a nonprofit corporation filing
2 a separate federal income tax return, a city or county, each state
3 government department and agency, and all political subdivisions of the
4 state.

5 (6) "Greenhouse gases" means those gaseous constituents of the
6 atmosphere, both natural and anthropogenic, that absorb and emit
7 radiation at wavelengths within the spectrum of infrared radiation
8 emitted by the earth's surface, atmosphere, and clouds.

9 (7) "Normalized emissions" means a ratio of emissions per unit time
10 divided by a factor such as, but not limited to, revenues,
11 expenditures, energy use, or production for the same time period and
12 for the same scope as the emissions.

13 (8) "Normalized emissions for electrical generation facilities"
14 means a measurement of emissions based on pounds, or the metric
15 equivalent of pounds, of emissions per megawatt hour.

16 (9) "Primary greenhouse gas" means carbon dioxide,
17 hydrofluorocarbons, methane, nitrous oxide, perfluorocarbons, and
18 sulfur hexafluoride.

19 (10) "Registrant" means an entity that has voluntarily filed with
20 the registry information, notified the center that it intends to record
21 emissions inventories, and has paid the necessary fees.

22 (11) "Registry" means the Washington climate action registry.

23 (12) "Scope" means the sources, sinks, and activities creating
24 emissions designated by the center.

25 (13) "Subsidiary" means an entity effectively under the control of
26 a parent entity, including but not limited to, public and private
27 nonprofit and for-profit corporations, whose board of directors or
28 similar managing authority is composed of a majority of persons
29 appointed by either the legislative or executive authority, or both, of
30 the parent entity. However, each department and independent agency of
31 the state and each municipal electric utility may not be considered a
32 subsidiary of a parent entity for the purpose of this chapter.
33 "Subsidiary" includes entities that are joint ventures with other
34 entities with emissions assigned to the parent entities according to
35 mutual agreement or in the absence of an agreement in proportions
36 determined by the protocols of the registry.

1 NEW SECTION. **Sec. 3.** (1) The center may establish and maintain
2 the registry to assist entities that voluntarily register emission
3 inventories in receiving recognition under any future federal
4 regulatory scheme relating to greenhouse gases and trading emissions
5 credits. An entity operating in the state may voluntarily register
6 with the center and use the services of the center.

7 (2) To the extent necessary to assist registrants, the center may:
8 (a) Adopt protocols for defining the scope of emissions inventories,
9 and for measuring, calculating, reporting, and verifying emissions,
10 normalized emissions, and emission inventories; (b) adopt a uniform
11 format for reporting emissions inventories; and (c) maintain a record
12 of verified emissions inventories submitted by active registrants.

13 (3) The center may adopt procedures for delisting registrants, and
14 fees to recover any costs necessary to maintain the registry and
15 provide assistance to registrants.

16 (4) All records or other information furnished to the registry by
17 a registrant remain the property of the registrant in perpetuity.
18 Nothing in this chapter may be construed to affect in any way the right
19 of privacy and confidentiality of a registrant's records or other
20 information.

21 NEW SECTION. **Sec. 4.** (1) A registrant that voluntarily reports
22 its emission inventories with the center may report emissions for which
23 it may seek recognition under any future regulatory scheme or for
24 credit trading.

25 (2) Registrants may file with the registry as an entity and may
26 report emission inventories for subsidiaries, individual facilities, or
27 projects, as a subset of an entity's entire emissions inventory report.
28 A registrant may separately report emissions inventories for
29 subsidiaries, facilities, projects, or portions of the entity in other
30 countries, and it may report emissions inventories for subsidiaries or
31 individual facilities located in the state or report emissions
32 inventory for its entire operations. A registrant's scope may include
33 all activities, sources, and sinks in the state and may include the
34 remainder of the entity in the United States. A registrant may report
35 verified emissions inventories for sequential multiple years after
36 January 1, 1990, from facilities or activities outside the entity for
37 which it claims ownership of the net change in emissions.

1 (3) Registrants may record an emissions inventory by calendar year.
2 Registrants that have sufficiently complete data for prior years that
3 can be verified may record emissions inventories for consecutive years
4 before the first year for which they report, but not before January 1,
5 1990.

6 (4) Registrants may separately identify within their annual
7 emissions inventories any rights or ownership to emissions or emissions
8 credits by year, that have been acquired from or transferred to: (a)
9 Other entities located within or outside the state; or (b) within the
10 registrant entity, including its subsidiaries, to or from locations
11 outside the state that would not otherwise be included in a
12 registrant's report. An explanatory note may be included in the
13 registry to prior years' data when there is a change in the procedures
14 or protocols by which a registrant's emissions inventories are created.
15 Registrants may record emissions inventories with separately identified
16 adjustments to report any change in scope. Registrants may record
17 verified revised emissions inventories for prior years to conform to
18 current protocols or current scope. Where the scope of the registrant
19 changes significantly during the year, the center may record with the
20 registry for the year in which the scope change occurs an emissions
21 inventory including only the scope of the prior year and shall add an
22 explanatory note to the record.

23 (5) Registrants should identify and quantify any portion of the
24 emissions inventory that is being reported to any other registry of
25 greenhouse gas emissions, any differences between the reports, and the
26 name and address of the other registry.

27 (6) Registrants may hire, at their own expense, a third-party
28 organization or person qualified under this chapter to independently
29 verify and attest to the accuracy of the emission results reported by
30 the registrant to the registry.

31 (7) In addition to the provisions of this section, a registrant may
32 request that protocols be developed for the specific economic sector in
33 which the registrant files its emissions inventory. The center shall
34 develop protocols for that specific economic sector. In developing the
35 protocols, the center must take into consideration input from other
36 potential registrants, public and private sector interests, and any
37 source necessary to accomplish the goals of this chapter. Protocols
38 must be developed for defining the scope of emissions inventories, and

1 for measuring, calculating, reporting, and verifying emissions,
2 normalized emissions, and emissions inventories for a specific economic
3 sector. The center may certify only those inventories of registrants
4 that choose to record greenhouse gas emissions inventories using the
5 protocols developed by the center under this section for a specific
6 economic sector.

7 NEW SECTION. **Sec. 5.** (1) The center may develop a procedure for
8 identifying and qualifying third-party organizations or persons who can
9 provide registrants competent technical assistance and advice in any or
10 all of the areas of verifying emission inventories, measuring,
11 monitoring, and calculating greenhouse gas emissions, and identifying
12 appropriate emissions reduction targets. The center may limit its
13 recognition of the organization or person to specific areas of
14 competency. The center may reopen the qualification process
15 periodically to enable new organizations and persons to be added to the
16 list.

17 (2) All records or other information furnished to or reviewed by a
18 person under this section remain the property of the registrant in
19 perpetuity. Nothing in this chapter may be construed to affect in any
20 way the right of privacy and confidentiality of a registrant's records
21 or other information.

22 NEW SECTION. **Sec. 6.** If a mandatory federal greenhouse gas
23 emissions registry is enacted, the director of the center must report
24 to the legislature as soon as practical on any conflicts with this
25 chapter. The center shall certify the date on which a mandatory
26 federal greenhouse gas registry becomes operational. As of the date
27 certified by the center, the center may no longer accept emissions
28 inventories for registration with the state greenhouse gas emissions
29 registry.

30 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act constitute
31 a new chapter in Title 43 RCW."

32 Correct the title.

EFFECT: (1) Changes the approach to establishing a greenhouse gas

emission registry from one that requires voluntary participants to report, measure, and calculate emissions according to protocols developed by the Washington Climate and Rural Energy Development Center through a public process to one that allows each voluntary participant to develop inventories unique to the participant with the assistance of the center if necessary; (2) changes the requirement that inventories be verified by an independent third party at no cost to the registrant to a voluntary verification by an independent third party paid for by the registrant; (3) allows for a registrant to request that the Center develop protocols for the registrant's specific economic sector and provides that the Center may certify registrants who comply with these protocols in developing and recording their greenhouse gas emissions inventories; and (4) adds a definition of normalized emissions for electrical generation facilities.

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