Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Technology, Telecommunications & Energy Committee

HB 2119

Brief Description: Establishing the Washington climate action registry.

Sponsors: Representatives Linville, Morris, Romero, Kagi, Kirby, Edwards, Wallace, Chase, Cooper, Hunt and Upthegrove.

Brief Summary of Bill

Directs the Washington Climate and Rural Energy Development Center to establish and maintain a Washington Climate Action Registry.

Hearing Date: 3/3/03

Staff: Pam Madson (786-7166).

Background:

A number of states have taken action to adopt voluntary or mandatory programs to reduce carbon emissions in recent years. One of the tools being developed is a greenhouse gas emissions (GHG) registry. A registry receives information from companies, government agencies, and organizations that identifies the greenhouse gas emissions released by their operations.

Discussion of how best to implement a greenhouse gas registry is occurring at the state and national level. California, New Hampshire, New Jersey, and Wisconsin have registries in place. They vary in their design and operation. In 2001, environmental organizations, state, and federal agencies met to discuss issues related to state registries.

In the 1992 Energy Policy Act, a voluntary emissions reduction registration program was established and is managed by the Department of Energy. This year, federal agencies are developing recommendations to improve and expand this registry. The Environmental Protection Agency has launched a program called Climate Leaders to promote voluntary commitments from companies to reduce emissions using long-term strategies.

Summary of Bill:

The Washington Climate and Rural Energy Development Center (Center) is directed to establish and maintain a Washington Climate Action Registry. The Registry is a centrally located and defined process by which businesses, organizations, and government agencies may voluntarily record an inventory of their greenhouse gas emissions.

Purpose of the Registry and duties of the Center

The Center is directed to develop procedures for registering greenhouse gas emissions inventories and developing basic definitions and protocols so that inventories are consistent and can be verified by third parties.

The Registry that is developed must be designed to ensure that registrants receive the greatest possible consideration under any future federal regulatory system relating to greenhouse gases and provide registrants with greater opportunities to participate in trading greenhouse gas emissions reduction credits.

The Center must provide services such as technical and educational resources for recording emissions and resources to help registrants increase energy efficiency to help reduce greenhouse gases.

The Center must also encourage broad participation in the registry and recognize those who do participate.

Funding and operation

The Center must develop a fee schedule for registry services that will cover the cost of operating the registry.

Requirements of the emissions inventories recorded by a business, organization, or government agency

Inventories must be consistent across an economic sector but may be different for different sectors. They must be complete, accurate, and verifiable.

The Center must use a public process for adopting protocols that define the scope of the inventories and determine how emissions are measured, reported, and verified. Only records and inventories that are developed using the protocols established by the Center will be accepted for registration.

The Center must record all verified emissions inventories. If a registrant certifies that the information submitted would adversely affect the competitive position of the registrant, the information shall only be used by the Center and the third party conducting the verification review.

A registrant must include in its inventory all carbon dioxide emissions for the first three years. Direct and indirect emissions from acquired energy and electricity for the scope of the registrant's operations must also be reported. After three years of reporting, a registrant must report all primary greenhouse gases. Primary greenhouse gases include carbon dioxide, hydrofluorocarbons, methane, nitrous oxide, perfluorocarbons, and sulfur hexafluoride.

The inventory must cover the entire business, organization, or government agency's operations and not a just a subsidiary operation. The scope of the reporting must include all activity within the state. However, initially, a business, organization, or government agency may report for a subsidiary if they commit in writing to a total inventory for the business, organization, or government agency by the third reporting year.

Emissions are reported by calendar year and inventories may be submitted for consecutive years back to 1990 if the registrant has sufficient verifiable data to do so.

The Center will note on an inventory if there is a significant change in scope of activity reported by the registrant. Registrants will be removed from the registry if they do not submit complete inventories.

Third party verification

A registrant must provide, at its own expense, a third-party verification of its inventory. The Center will adopt a list of qualified persons who can complete an inventory verification.

Reports

Beginning in 2005 and each biennium thereafter, the Center must report to the Governor and appropriate committees of the Legislature on the number of organizations participating in the registry, the percentage of state emissions represented by the registry, and the reductions achieved in greenhouse gas emissions.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is

passed.