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## CROSS CUTTING ISSUES TECHNICAL WORKING GROUP GHG REPORTING DESIGN OPTIONS MATRIX

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### FOR REFERENCE:

#### **WRI/WBCSD *GHG* PROTOCOL**

#### **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?

	<b>DESIGN ELEMENT</b>	<b>OPTIONS</b>	<b>DESIGN CONSIDERATIONS</b>	<b>PRELIMINARY TWG RECOMMENDATION TO CCAG</b>
1.	<b>TYPE OF PROGRAM</b>	<ul style="list-style-type: none"> <li>• VOLUNTARY</li> <li>• MANDATORY</li> </ul>	<ul style="list-style-type: none"> <li>• MAY NEED OR WANT TO CONSTRAIN SECTORS AND/OR SOURCES (E.G., APPLICABILITY) AND/OR “PHASE IN” REPORTING REQUIREMENTS.</li> </ul>	<ul style="list-style-type: none"> <li>• <u>MANDATORY</u>, CONDITIONED ON: (A) STANDARD QUANTIFICATION PROTOCOLS &amp; TOOLS (I.E., STRIVE TO AVOID DIFFERING PROTOCOLS OVER MULTIPLE JURISDICTIONS); AND (B) DETERMINATION OF RESPONSIBLE PARTIES IN SECTORS WHERE NECESSARY (E.G., RESIDENTIAL, TRANSPORTATION). APPLY COMMON SENSE.</li> <li>• “PHASE IN” MANDATORY REPORTING BY SECTOR, BUT <u>ALLOW VOLUNTARY</u> REPORTING BY OTHER SECTORS &amp; SOURCES UNTIL THEY ARE REQUIRED TO REPORT.</li> </ul>
2.	<b>SECTORS</b>	<ul style="list-style-type: none"> <li>• ALL SECTORS ELIGIBLE</li> <li>• LIMITED TO CERTAIN SECTORS</li> </ul>	<ul style="list-style-type: none"> <li>• PARTICIPATION IN SOME SECTORS MAY BE LIMITED BY AVAILABILITY OF STANDARD QUANTIFICATION METHODS.</li> <li>• MAY NEED OR WANT TO “STAGE” PARTICIPATION (E.G., START SMALL &amp; EXPAND).</li> <li>• IF LIMITED, TO WHICH SECTORS?</li> </ul>	<ul style="list-style-type: none"> <li>• <u>INCLUDE ALL SECTORS</u>, BUT ONLY AS QUANTIFICATION PROTOCOLS AND DATA AVAILABILITY ENABLES EQUALLY RIGOROUS TREATMENT ACROSS SECTORS (IN ORDER TO HAVE CONSISTENCY &amp; INTEGRITY WHEN ULTIMATELY LINKED TO A REGISTRY).</li> <li>• RECOMMEND “<u>PHASING IN</u>” OF SECTORS AS QUANTIFICATION PROTOCOLS AND DATA BECOME AVAILABLE.</li> </ul>

	DESIGN ELEMENT	OPTIONS	DESIGN CONSIDERATIONS	PRELIMINARY TWG RECOMMENDATION TO CCAG
3.	SOURCES	<ul style="list-style-type: none"> <li>• ALL</li> <li>• STATIONARY COMBUSTION EMISSIONS</li> <li>• MOBILE COMBUSTION EMISSIONS</li> <li>• PROCESS EMISSIONS</li> <li>• FUGITIVE EMISSIONS</li> </ul>	<ul style="list-style-type: none"> <li>• COULD LIMIT SOURCES EVEN WITHIN SECTORS, (E.G., VIA TYPES, SIZE THRESHOLDS, ETC.).</li> <li>• BROADER ARRAY PROMOTES INVENTORY BUILDING, PUBLIC INFORMATION, IDENTIFICATION OF GHG STRATEGIES, ETC.</li> </ul>	<ul style="list-style-type: none"> <li>• REPORTING SHOULD BE OPEN TO <u>ALL SOURCES</u>.</li> <li>• AS WITH SECTORS, “<u>PHASE IN</u>” MANDATORY REPORTING BASED ON AVAILABILITY OF: (A) STANDARD QUANTIFICATION PROTOCOLS; AND (B) ADEQUATE BASE DATA (E.G., FOR DIFFERENT FUELS, ETC.) FOR SPECIFIC SOURCE TYPES.</li> <li>• FOR MANDATORY SOURCES, APPLY <u>COMMON SENSE REGARDING DIMINISHING RETURNS</u> (E.G., DE MINIMIS EMISSIONS, CUTPOINTS, ETC.).</li> </ul>
4.	ORGANIZATIONAL BOUNDARY	<ul style="list-style-type: none"> <li>• ENTITY-WIDE (E.G., CORPORATION-WIDE)</li> <li>• FACILITY OR FIELD</li> <li>• EMISSIONS UNIT OR SOURCE POINT</li> <li>• OTHER (?)</li> </ul>	<ul style="list-style-type: none"> <li>• CLEAR DEFINITIONS NEEDED TO AVOID DOUBLE COUNTING WHERE SHARED OWNERSHIP EXISTS.</li> <li>• SHOULD STRIVE TO HAVE DESIGN BE CONSISTENT WITH POSSIBLE FUTURE DIRECTIONS (E.G., MANDATORY REPORTING WOULD NOT BE ENFORCEABLE ABOVE THE FACILITY LEVEL).</li> <li>• COMBINATIONS ARE POSSIBLE (E.G., FINER RESOLUTION AGGREGATED OR “ROLLED UP” TO A GREATER WHOLE).</li> </ul>	<ul style="list-style-type: none"> <li>• REPORTING GOAL: “<u>ORGANIZATION-WIDE EMISSIONS WITHIN NM</u>” WITH GREATEST POSSIBLE “GRANULARITY” TO FACILITATE BASELINE PROTECTION.</li> <li>• NORMALLY, THIS EQUATES TO EMISSIONS FROM IN-STATE FACILITIES, BUT NOT ALL SOURCES ARE “FACILITIES” (E.G., GAS PRODUCTION HAS “FIELDS”).</li> <li>• “ROLLED UP” TOTAL OF “FACILITY” &amp; “FIELD” EMISSIONS REPORTS IN A REPORTING DATABASE WOULD PROVIDE TOTAL “ORGANIZATION-WIDE EMISSIONS IN NM.”</li> </ul>

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5.	REPORTING PERIOD	<ul style="list-style-type: none"> <li>ANNUAL</li> <li>CALENDAR</li> <li>FISCAL</li> <li>OTHER</li> </ul>	<ul style="list-style-type: none"> <li>SHOULD STRIVE FOR CONSISTENCY WITH OTHER REPORTING PROGRAMS.</li> </ul>	<ul style="list-style-type: none"> <li>ANNUAL EMISSIONS ON A CALENDAR YEAR BASIS.</li> </ul>
6.	GREENHOUSE GASES INCLUDED	<ul style="list-style-type: none"> <li>SIX "KYOTO GASES" (CO<sub>2</sub>, HFCs, CH<sub>4</sub>, N<sub>2</sub>O, PFCs, SF<sub>6</sub>)</li> <li>OTHER</li> </ul>	<ul style="list-style-type: none"> <li>SHOULD STRIVE FOR CONSISTENCY WITH OTHER REPORTING PROGRAMS.</li> <li>BROADER ARRAY PROMOTES INVENTORY BUILDING, PUBLIC INFORMATION, IDENTIFICATION OF GHG STRATEGIES, ETC.</li> </ul>	<ul style="list-style-type: none"> <li>INCLUDE ALL SIX "KYOTO GASES" (EMITTED ABOVE DE MINIMIS LEVELS)</li> <li>INCLUDE, OR PROVIDE A PLACEHOLDER FOR, REPORTING BLACK CARBON EMISSIONS AS WELL.</li> </ul>
7.	SCOPE OF EMISSIONS COVERED	<ul style="list-style-type: none"> <li>DIRECT</li> <li>"SCOPE 1"</li> <li>INDIRECT</li> <li>"SCOPE 2" - INDIRECT FROM PURCHASED HEAT &amp; ELECTRICITY</li> <li>"SCOPE 3" - OTHER INDIRECT (E.G., OUTSOURCED ACTIVITIES, EMPLOYEE TRAVEL, ETC.)</li> <li>BOTH</li> </ul>	<ul style="list-style-type: none"> <li>MAY NEED OR WANT TO "STAGE" COVERAGE (E.G., START SMALL &amp; EXPAND).</li> <li>DIRECT EMISSIONS ARE MOST LIKE TYPICAL REPORTING REQUIREMENTS, BUT MAY OMIT GHG-REDUCING OPPORTUNITIES OR ENCOURAGE DIRECT-VS-INDIRECT TRADE-OFFS.</li> <li>FOR MANY ENTITIES, MOST GHG EMISSIONS ARE FROM INDIRECT SOURCES.</li> </ul>	<ul style="list-style-type: none"> <li>GOAL: GREATEST DETAIL AND GREATEST CONSISTENCY, APPLIED WITH COMMON SENSE (E.G., TO EMISSIONS ABOVE DE MINIMIS LEVELS).</li> <li>REQUIRE REPORTING OF DIRECT "SCOPE 1" EMISSIONS ASAP.</li> <li>"PHASE IN" REQUIRED REPORTING OF INDIRECT "SCOPE 2" EMISSIONS, BUT REPORT THEM SEPARATELY FOR GREATER TRANSPARENCY.</li> <li>ALLOW VOLUNTARY REPORTING OF "SCOPE 3" VOLUNTARY; PHASE IT IN IF/WHEN SIMILARLY RIGOROUS PROTOCOLS EXIST.</li> </ul>

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8.	EMISSIONS QUANTIFICATION & MONITORING	<ul style="list-style-type: none"> <li>CALCULATION METHODS &amp; TOOLS</li> <li>DIRECT MEASUREMENT (E.G., CEMS, STACK TESTING)</li> </ul>	<ul style="list-style-type: none"> <li>SHOULD STRIVE TO USE CURRENT BEST PRACTICE METHODS, SUCH AS <i>GHG PROTOCOL</i> CALCULATION TOOLS.</li> <li>STRIVE FOR CONSISTENCY WITH OTHER GHG REPORTING PROGRAMS.</li> <li>SOME “OTHER” OR “HOME GROWN” APPROACHES MAY BE NECESSARY IN NM (E.G., FLASHING EMISSIONS; IPIECA; API’S SANGEA; ETC.).</li> </ul>	<ul style="list-style-type: none"> <li>DEVELOP A “<u>HIERARCHY OF CONSISTENCY</u>,” WHEREBY QUANTIFICATION PROTOCOLS ARE APPLIED IN A PRIORITY ORDER (E.G., EPA, IPCC, WRI/WBCSD, IPIECA/API, ...).</li> <li>MAXIMIZE <u>CONSISTENCY WITH EXISTING REPORTING REQUIREMENTS</u> (E.G., CO<sub>2</sub> REPORTING FOR ACID RAIN SOURCES SHOULD ECHO THEIR CURRENT CO<sub>2</sub> REPORTING TO EPA).</li> </ul>
9.	VERIFICATION	<ul style="list-style-type: none"> <li>STATE VERIFICATION</li> <li>3<sup>RD</sup> PARTY VERIFICATION</li> <li>SELF-CERTIFICATION</li> </ul>	<ul style="list-style-type: none"> <li>IF MANDATORY, THE STATE MAY BE ABLE TO USE CURRENT VERIFICATION PROCEDURES FOR CRITERIA POLLUTANTS.</li> <li>CCAR DOES 3<sup>RD</sup> PARTY VERIFICATION.</li> </ul>	<ul style="list-style-type: none"> <li>FOR REPORTING, ALLOW “<u>SELF-CERTIFICATION</u>,” AND HAVE NMED DO <u>SPOT INSPECTIONS</u>.</li> <li>FOR ULTIMATE REGISTRY PURPOSES, HAVE <u>3<sup>RD</sup>-PARTY VERIFICATION</u>.</li> </ul>
10.	PUBLIC ACCESS & REPORTS	<ul style="list-style-type: none"> <li>INTERNET ACCESS AND/OR ONLINE REPORTS</li> <li>PAPER REPORTS</li> <li>BOTH</li> </ul>	<ul style="list-style-type: none"> <li>“CONFIDENTIAL BUSINESS INFORMATION” (CBI) CONCERNS</li> </ul>	<ul style="list-style-type: none"> <li>ALLOW SOURCES TO <u>REPORT GHG EMISSIONS ELECTRONICALLY</u>.</li> <li>PROVIDE ELECTRONIC PUBLIC ACCESS TO GHG EMISSIONS REPORTING DATA THAT IS “ROLLED UP” TO A LEVEL SUCH THAT CBI IS REASONABLY PROTECTED.</li> </ul>

	<b>DESIGN ELEMENT</b>	<b>OPTIONS</b>	<b>DESIGN CONSIDERATIONS</b>	<b>PRELIMINARY TWG RECOMMENDATION TO CCAG</b>
11.	<b>PROJECT LEVEL REPORTING OR "OFFSETS"</b>	<ul style="list-style-type: none"> <li>• YES/NO</li> <li>• CONSTRAIN IN SOME FASHION</li> </ul>	<ul style="list-style-type: none"> <li>• MAY BE MOST USEFUL WHEN THERE IS AN EXTERNALLY-IMPOSED CONSTRAINT (E.G., A "CAP").</li> <li>• LOCATION OF CO-BENEFITS ACHIEVED (MAY NOT BE IN NM).</li> <li>• RAISES QUANTIFICATION, BASELINE, "ADDITIONALITY," SECONDARY EFFECTS, REVERSIBILITY, OWNERSHIP, DOUBLE-COUNTING, AND VERIFICATION ISSUES.</li> </ul>	<ul style="list-style-type: none"> <li>• PRIMARILY USEFUL AS A REGISTRY FUNCTION.</li> <li>• NEEDS ACCEPTED PROJECT-BASED QUANTIFICATION TOOLS &amp; PROTOCOLS (NOW STARTING TO ARRIVE, E.G., WRI/WBCSD).</li> <li>• <u>ALLOW FOR VOLUNTARY</u> REPORTING OF PROPERLY QUANTIFIED MITIGATION PROJECTS.</li> </ul>