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CROSS CUTTING ISSUES TECHNICAL WORKING GROUP GHG REGISTRY DESIGN OPTIONS MATRIX

APRIL 6, 2006

NOTES:

- **BUILDS UPON GHG REPORTING DESIGN OPTIONS MATRIX**
- **SOME REPORTING PREFERENCES COULD BE OUTWEIGHED BY REGISTRY NEEDS, PARTICULARLY IF A REGIONAL REGISTRY USES DIFFERENT SPECIFICATIONS.**
- **KEY: ENSURE FLEXIBILITY, SO AS TO BE ABLE TO REGISTER REDUCTIONS FROM POLICIES (E.G., CAP & TRADE), PROGRAMS (E.G., STATE EE/DSM, SEQUESTRATION, ETC.), PROJECTS, AND OFFSETS.**
- **NOTE: EFFORTS TO DEVELOP A NATIONAL APPROACH VIA A “REGISTRY ALLIANCE” ARE INCREASING.**

POTENTIAL GOALS OF A GHG REGISTRY:

1. **RECORDING OF GHG REDUCTIONS (VS. EMISSIONS)**
2. **A CENTRAL, INDEPENDENT REPOSITORY FOR CREDIBLE INFO ABOUT GHG EMISSIONS ACTIVITIES**
3. **A “TRANSACTION LEDGER” – PROVIDING DATA MANAGEMENT & ACCOUNTING CRITICAL FOR TRADING (WITH OR WITHOUT A CAP)**
4. **“BASELINE PROTECTION” – ENABLING EARLY ACTION CURRENT OR FUTURE CREDIT FOR TRADING**
5. **AN INCENTIVE TO TRACK & MANAGE EMISSIONS, SEEK PRODUCTIVITY AND ENERGY EFFICIENCY GAINS, & ACCELERATE LEARNING CURVE REGARDING COMPETITIVENESS & CARBON MARKETS**
6. **ENHANCE PUBLIC RECOGNITION AND DEMONSTRATE GOOD CORPORATE CITIZENSHIP**
7. **POSSIBLE VEHICLE FOR REGIONAL, MULTI-STATE, & CROSS-BORDER COOPERATION**
8. **OTHERS?**

GHG REGISTRY DESIGN OPTIONS MATRIX, NM CC TWG – APRIL 6, 2006

	DESIGN ELEMENT	OPTIONS	DESIGN CONSIDERATIONS	PRELIMINARY RECOMMENDATION
1.	KEY DESIGN CRITERIA (BEYOND <i>GHG REPORTING DESIGN OPTIONS MATRIX</i>)			
1.1	DEFINE GEOGRAPHICAL BOUNDARIES	<ul style="list-style-type: none"> NEW MEXICO REGIONAL (OR BROADER) 	<ul style="list-style-type: none"> SPAN OF CONTROL COST, ECONOMIES OF SCALE, & BROADER = BETTER? 	<ul style="list-style-type: none"> STATEWIDE AT LEAST, BUT AS BROAD AS POSSIBLE, CONSISTENT WITH BEST PRACTICES
1.2	VERIFICATION	<ul style="list-style-type: none"> STATE VERIFICATION THIRD-PARTY VERIFICATION 	<ul style="list-style-type: none"> SEE <i>GHG REPORTING DESIGN OPTIONS MATRIX</i> 	<ul style="list-style-type: none"> THIRD-PARTY VERIFICATION
1.3	BASE YEAR	<ul style="list-style-type: none"> SINGLE SPECIFIED YEAR SINGLE ENTITY-CHOSEN YEAR AVERAGE OF MULTIPLE YEARS ADJUSTMENT RULES? 	<ul style="list-style-type: none"> FLEXIBILITY VS. SIMPLICITY MUST HAVE GOOD DATA FOR BASE YEAR. NM EXECUTIVE ORDER 	<ul style="list-style-type: none"> UNLESS OTHERWISE REQUIRED FOR A SPECIFIC PURPOSE, ALLOW ENTITY TO CHOOSE BASE YEAR. (THIS ALLOWS ENTITIES TO GO BACK AS FAR AS GOOD DATA EXISTS.)
1.4	PROJECT-LEVEL SUBMITTALS	<ul style="list-style-type: none"> YES / NO / CONSTRAIN 	<ul style="list-style-type: none"> AGAINST WHAT BASELINE? ADDITIONALITY ISSUES (WHAT WOULD HAVE HAPPENED ANYWAY?) 	<ul style="list-style-type: none"> YES, KEEP AS OPEN AND FLEXIBLE AS POSSIBLE, BUT HAVE THIRD PARTY VERIFICATION AND REQUIRE SOLID QUANTIFICATION PROTOCOLS.
1.5	“OFFSETS”	<ul style="list-style-type: none"> YES / SOME / NO 	<ul style="list-style-type: none"> CO-BENEFITS LOCATION? NATURE / CHARACTER? 	<ul style="list-style-type: none"> YES; DOOR SHOULD BE OPEN TO SPUR OTHERS TO ACT AND POSSIBLE REGIONAL ACTION. OFFSETS ASSUME A GHG REDUCTION OBLIGATION, THEN WORK IN CONCERT WITH IT.
1.6	START DATE	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> ESTABLISH A “TO BE IN OPERATION” DATE? 	<ul style="list-style-type: none"> MANDATORY REPORTING STARTING IN 2008; REGISTRY TO FOLLOW ASAP FOR SECTORS/SOURCES AS HIGH QUALITY QUANTIFICATION PROTOCOLS ALLOW.

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1.7	OWNERSHIP	<ul style="list-style-type: none"> EXAMPLE: WHO OWNS REDUCTIONS FROM ENERGY EFFICIENCY? 	<ul style="list-style-type: none"> RISK OF DOUBLE-COUNTING 	<ul style="list-style-type: none"> MUST HAVE ADEQUATE SAFEGUARDS AND PROTOCOLS TO ENSURE NO DOUBLE COUNTING.
1.8	TRANSPARENCY	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> MUST HAVE ADEQUATE TRANSPARENCY TO ENSURE QUALITY.
1.9	OTHERS?	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> STRIVE FOR CONSISTENCY AND COMPATIBILITY WITH RELATED PROGRAMS (AS DONE WITH RENEWABLE ENERGY CERTIFICATES (RECs)).
2. TECHNICAL ISSUES				
2.1	TREATMENT OF MINORITY OWNERSHIP	<ul style="list-style-type: none"> MULTIPLE WAYS OK (E.G., EQUITY SHARE, FINANCIAL CONTROL), BUT MUST BE CONSISTENT 	<ul style="list-style-type: none"> <i>GHG PROTOCOL</i> 	<ul style="list-style-type: none"> COMPORT WITH <i>GHG PROTOCOL</i>.
2.2	MERGER & ACQUISITION ISSUES	<ul style="list-style-type: none"> SUCH CHANGES OFTEN REQUIRE RECALCULATION. 	<ul style="list-style-type: none"> <i>GHG PROTOCOL</i> 	<ul style="list-style-type: none"> COMPORT WITH <i>GHG PROTOCOL</i>.
2.3	QUALITY ASSURANCE; UNCERTAINTY ANALYSIS	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> <i>GHG PROTOCOL</i> 	<ul style="list-style-type: none"> COMPORT WITH <i>GHG PROTOCOL</i>.
2.4	REGULATORY GUIDANCE (PROTOCOLS, GUIDANCE DOCUMENTS, ETC.)	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> NEW MEXICO SHOULD OFFER REASONABLE GUIDANCE AND TOOLS TO ENCOURAGE PARTICIPATION.
2.5	DATA FLOW; FILING METHODS, ETC.	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> CONFIDENTIAL BUSINESS INFORMATION(CBI), LEGAL AUTHORITY, ETC. 	<ul style="list-style-type: none"> RETAIN STATE AUTHORITY, ENSURE ADEQUATE DATA PROTECTION, AND USE WEB FILING TO THE GREATEST EXTENT POSSIBLE.
2.6	OTHERS?	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none">

	DESIGN ELEMENT	OPTIONS	DESIGN CONSIDERATIONS	PRELIMINARY RECOMMENDATION
3.	ADMINISTRATIVE & OPERATIONAL ISSUES			
3.1	LOCATION (AGENCY)	<ul style="list-style-type: none"> • NMED • OTHER AGENCY? • NEW ENTITY? 	<ul style="list-style-type: none"> • POTENTIAL FOR A REGIONAL REGISTRY 	<ul style="list-style-type: none"> • WITHIN NEW MEXICO, NMED IS PROBABLY THE BEST PLACE TO HOUSE THE REGISTRY (BUT ADEQUATE RESOURCES WILL BE NECESSARY). • IF REGIONAL, THEN TDB.
3.2	SOFTWARE; WEB INTERFACE, ETC.	<ul style="list-style-type: none"> • NM-SPECIFIC • CCAR, RGGR, CCX, ERT, EATS? • OTHER? 	<ul style="list-style-type: none"> • MULTIPLE NEEDS (EMISSIONS INVENTORY, ALLOWANCES, MANDATORY, VOLUNTARY, ETC.) • RAPIDLY CHANGING “STATE OF THE ART” 	<ul style="list-style-type: none"> • STRIVE FOR: (A) CONSISTENCY WITH OTHER REGISTRY EFFORTS; (B) FLEXIBILITY TO SERVE BOTH MANDATORY AND VOLUNTARY PARTICIPANTS & SECTORS; (C) ABILITY TO CHANGE AS REGISTRIES EVOLVE; AND (D) MAXIMUM IMPLEMENTATION VIA WEB CAPABILITIES.
3.3	COST	<ul style="list-style-type: none"> • TRANSACTION FEES • PARTICIPANT DUES • PUBLICLY SUPPORTED? • OTHER? 	<ul style="list-style-type: none"> • DEVELOPMENT COSTS • ONGOING OPERATING COSTS 	<ul style="list-style-type: none"> • COSTS SHOULD BE BORNE PRINCIPALLY BY PARTICIPANTS.
3.4	OVERSIGHT & MANAGEMENT	<ul style="list-style-type: none"> • NMED • PUBLICLY APPOINTED BOARD? • OTHER? 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • EITHER NMED OR PUBLIC BOARD OK; BUT MUST MAINTAIN CURRENT POSITIVE MOMENTUM. • IF REGIONAL, THEN TDB.
3.5	REPORTING OF RESULTS; RECOGNITION	<ul style="list-style-type: none"> • LOW-KEY RESULTS • PRO-ACTIVELY RECOGNIZE ACHIEVERS 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • REGISTRY SHOULD REACH OUT WITH RESULTS AND RECOGNITION.
3.6	OTHERS?	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> •