



PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (June 2004)
(Implements RCW 34.05.310)
Do NOT use for expedited rule making

Agency: Department of Ecology AO #10-08

Subject of possible rule making: This rule making will propose to adopt a mandatory greenhouse gas reporting rule for persons operating:

1. A single facility, source, or site that emits at least 10,000 metric tons of greenhouse gases annually in the state; or
2. A supplier of liquid motor vehicle fuel, special fuel, or aircraft fuel that supplies products equivalent to at least 10,000 metric tons of carbon dioxide annually in the state.

This rule making will establish a new chapter, Chapter 173-441 WAC – Reporting of Emissions of Greenhouse Gases.

Statutes authorizing the agency to adopt rules on this subject:

Chapter 146, Laws of 2010 (Substitute Senate Bill No. 6373), Greenhouse Gas Emissions
Chapters 70.235 RCW and 70.94 RCW

Reasons why rules on this subject may be needed and what they might accomplish:

The state of Washington has taken several steps to begin responding to climate change. Engrossed Second Substitute House Bill 2815 (ESSHB 2815), passed by the 2008 Legislature as part of the Governor’s Climate Change Framework and is primarily codified in Chapters 70.235 RCW and 70.94 RCW. ESSHB 2815 requires the state to meet goals for the statewide reduction of emissions of greenhouse gases within Washington over the next several decades and includes additional actions to reduce emissions of greenhouse gases and build a clean energy economy. Substitute Senate Bill No. 6373 (SSB 6373) was passed in 2010 to amend ESSHB 2815 to emphasize consistency with The Environmental Protection Agency’s (EPA) greenhouse gas reporting program. One element of this legislation is a requirement for persons operating large stationary sources of greenhouse gases or supplying certain types of fuels to begin reporting emissions, beginning with 2009 emissions reported in 2010. Ecology is directed by statute to adopt rules to develop and implement a reporting system for those entities required to report. Establishing an inventory of greenhouse gas emissions will support future policy initiatives to meet the emissions reductions established in RCW 70.235.020.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies:

EPA finalized a federal greenhouse gas reporting rule on December 29, 2009 and published a draft of additions and revisions on March 22, 2010. SSB 6373 directs Ecology to maintain consistency with the EPA program to the extent possible under state law. Ecology is working with EPA to develop an electronic reporting system that will work for both rules. Ecology will also work with the Washington Department of Licensing to simplify reporting for fuel suppliers; Local Air Authorities on data sharing and possibly enforcement; and the Energy Facility Site Evaluation Council (EFSEC), who is required to adopt a similar reporting rule for facilities they permit.

Process for developing new rule (check all that apply):

- Negotiated rule making
- Pilot rule making
- Agency study

Other (describe) The proposed rule will be drafted and reviewed by a stakeholder group and internally by staff. The public and interested parties will have the opportunity to comment on the proposed rule. At least one public hearing will be held and the proposed amendments will be posted on the agency website and provided to interested parties.

How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:

Interested parties can access more information on this rule making by contacting the Ecology staff member listed below or accessing the Ecology website: <http://www.ecy.wa.gov/laws-rules/index.html>

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DATE 5/18/2010

NAME (TYPE OR PRINT)
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SIGNATURE

TITLE
Air Quality Program Manager

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STATE OF WASHINGTON
FILED

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