## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2007

H HOUSE BILL 1467\*

Sponsors: Representatives Allen, Faison, Weiss (Primary Sponsors); Glazier, Jones,

(Public)

and Wainwright.

Short Title: Funds to Monitor GHG Emissions.

Referred to: Appropriations.

## April 16, 2007

## A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO MONITOR AND REPORT GREENHOUSE GAS EMISSIONS AT FACILITIES AT FOUR SELECTED STATE DEPARTMENTS.

Whereas, in 1995 the United States Department of Energy (DOE) and the United States Environmental Protection Agency (EPA) established a five-year research program in 11 states called "Climate Wise." The main goal was to research the best practices on how industries could reduce greenhouse gas emissions. Other goals of the Climate Wise Program were to show industries how to increase energy efficiency and process efficiency and how to voluntarily report their greenhouse gases emissions through the DOE Voluntary Reporting of Greenhouse Gas (VRGG) Program. Funds for the Climate Wise Program were matched at both the state and federal level, with North Carolina receiving the largest amount of \$60,000 for the years 2000 to 2001; and

Whereas, at the end of the Climate Wise pilot program, the states were expected to continue the Program, using state and private monies. The State of North Carolina provided \$50,000 in 2001 through 2002 and dropped all support in June 2002 due to a budget shortfall; and

Whereas, North Carolina did not continue this program after the funds ran out; Climate Wise was cancelled due to State budget restraints; and

Whereas, with the data collected from 41 facilities for the 2001 year, both the DOE and the EPA gave the Director of the Climate Wise Program permission to continue the reporting research with private loans and other sources. The reporting continued from North Carolina with continuous early-action recognition; and

Whereas, Global Warming Initiatives (GWI) was incorporated on January 6, 2003, as a 501(c)3 nonprofit, public-benefit corporation for the purpose of continuing the research initiated under the Climate Wise Program and continuing to report the 41 facilities to DOE. GWI organized in the same manner as California and other state and regional programs but with private funding and loans; and

Whereas, GWI currently works with industries of any size and plans to expand in order to assist in matters related to greenhouse gas emissions from agriculture, forestry, transportation, and residential housing; and

Whereas, North Carolina has led the nation each year since 1998 in the number of industrial facilities reporting each year to the VRGG Program. In December 2005, there were more textile facilities reporting than in all the other states together; and

Whereas, in 2005, the General Assembly provided GWI with \$10,000 in support for one year; Now, therefore,

The General Assembly of North Carolina enacts:

**SECTION 1.** Global Warming Initiatives (GWI), a nonprofit corporation, shall select four departments of State government of various sizes and shall collect data from each of these four State departments for the purpose of calculating the absolute emissions and intensity emission reductions of greenhouse gases. In cooperation with the State Energy Office and the State Construction Office of the Department of Administration, GWI shall establish a standard procedure for reporting greenhouse gas emissions, itemized for each facility. GWI shall make this data available to any State and federal agency that has a program regarding the emission of greenhouse gases or global warming. Further, GWI shall project the energy usage of each of these four State departments and recommend for each department a goal for greenhouse gas emissions.

**SECTION 2.** The data collection, conversion, and report forms used by GWI under Section 1 of this act shall be consistent with the DOE, EPA, and World Resource Institute Greenhouse Gas Protocol and shall allow for instant change from any reporting system in either British thermal units (BTUs) or metric tons of carbon dioxide equivalent (MTCO<sub>2</sub>e).

**SECTION 3.** GWI may do any one or more of the following:

- (1) Meet with top management of industry to inform them of the programs that are available within North Carolina regarding energy efficiency, environmental performance, and process improvement, and to give industry an overview of how these programs can reduce greenhouse gas emissions.
- (2) Collect data from industry, calculate the absolute emissions of greenhouse gas emissions and the emissions' intensity levels, and report the results in both the federal VGGR Program and in GWI's publication, the North Carolina Global Warming Registry.
- (3) Continue to publish the North Carolina Global Warming Registry and include a listing of programs that aid in the reduction of greenhouse gases.
- (4) Host annual seminars across the State on global warming issues and the benefits of participating in reporting greenhouse gas emissions and explain what is required of a reporting entity.
- (5) Heighten awareness of the cap and trade programs whereby industries that emit less than a maximum allowed level of greenhouse gases receive credits that may be sold to industries that emit more than their allowed level.

**SECTION 4.** No later than June 30 of 2008 and 2009, present an annual report on GWI's activities under Section 1 and Section 2 of this act to the Division of Air Quality of the Department of Environment and Natural Resources, State Energy Office of the Department of Administration, the Department of Commerce, the Department of Agriculture and Consumer Services, the Energy Policy Council, the Environmental Review Commission, and the Fiscal Research Division. This report shall include an itemized account of how the funds appropriated under this act were used, how GWI accomplished the requirements under this act, the success of each activity, and any findings or recommendations regarding activities in reducing greenhouse gas emissions.

**SECTION 5.** There is appropriated from the General Fund to Global Warming Initiatives, a nonprofit corporation, the sum of three hundred thousand dollars (\$300,000) for the 2007-2008 fiscal year and the sum of three hundred thousand dollars (\$300,000) for the 2008-2009 fiscal year to implement the requirements under this act. It is the intent of the General Assembly that each State department selected under Section 1 of this act will continue to monitor and report the emissions of greenhouse gas emissions, using continuing funds available to each department.

**SECTION 6.** This act becomes effective July 1, 2007.