

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 1466

Short Title: Greenhouse Gas Emission Funds/Small Entities. (Public)

Sponsors: Representatives Allen, Faison, Weiss (Primary Sponsors); Jones and Wainwright.

Referred to: Environment and Natural Resources, if favorable, Appropriations.

April 16, 2007

A BILL TO BE ENTITLED

1
2 AN ACT TO APPROPRIATE FUNDS TO PROVIDE MATCHING GRANT FUNDS
3 FOR THE EXPENSES OF VOLUNTARILY MONITORING AND REPORTING
4 GREENHOUSE GAS EMISSIONS AT SMALL FACILITIES.

5 The General Assembly of North Carolina enacts:

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

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

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

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

25 Whereas, Global Warming Initiatives (GWI) was incorporated on January 6,
26 2003, as a 501(c)3 nonprofit, public-benefit corporation for the purpose of continuing
27 the research initiated under the Climate Wise Program and continuing to report the 41

1 facilities to DOE. GWI organized in the same manner as California and other state and
2 regional programs but with private funding and loans; and

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

6 Whereas, North Carolina has led the nation each year since 1998 in the
7 number of industrial facilities reporting each year to the VRGG Program. In December
8 2005, there were more textile facilities reporting than in all the other states together; and

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

11 The General Assembly of North Carolina enacts:

12 **SECTION 1.** Global Warming Initiatives (GWI), a nonprofit corporation,
13 shall select small entities within North Carolina for the purpose of calculating the
14 absolute emissions of greenhouse gases and intensity emission reductions at the
15 facilities of these entities. GWI shall establish a standard procedure for reporting
16 greenhouse gas emissions, itemized for each facility. GWI shall make this data available
17 to any State and federal agency that has a program regarding the emission of greenhouse
18 gases. Further, GWI shall project the energy usage of each of these facilities and
19 recommend a goal for reducing greenhouse gas emissions.

20 **SECTION 2.** The data collection, conversion, and report forms used by
21 GWI under Section 1 of this act shall be consistent with the DOE, EPA, and World
22 Resource Institute Greenhouse Gas Protocol and shall allow for instant change from any
23 reporting system in either British thermal units (BTUs) or metric tons of carbon dioxide
24 equivalent (MTCO₂e).

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

- 26 (1) Meet with top management of small businesses to inform them of the
27 programs that are available within North Carolina regarding energy
28 efficiency, environmental performance, and process improvement, and
29 to give an overview of how these programs can reduce greenhouse gas
30 emissions.
- 31 (2) Collect data from facilities of small businesses, calculate the absolute
32 emissions of greenhouse gas emissions and the emissions' intensity
33 levels, and report the results in both the federal VRGG Program and in
34 GWI's publication, the North Carolina Global Warming Registry.
- 35 (3) Continue to publish the North Carolina Global Warming Registry on
36 its Internet Web site and include a listing of programs that aid in the
37 reduction of greenhouse gases.
- 38 (4) Host annual seminars across the State on global warming issues and
39 the benefits of participating in reporting greenhouse gas emissions and
40 explain what is required of a reporting entity.
- 41 (5) Heighten awareness of the cap and trade programs whereby industries
42 that emit less than a maximum allowed level of greenhouse gases
43 receive credits that may be sold to industries that emit more than their
44 allowed level.

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

11 **SECTION 5.** There is appropriated from the General Fund to Global
12 Warming Initiatives, a nonprofit corporation, the sum of four hundred thousand dollars
13 (\$400,000) for the 2007-2008 fiscal year and the sum of four hundred thousand dollars
14 (\$400,000) for the 2008-2009 fiscal year to implement the requirements under this act.

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