

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**HOUSE BILL 1466**  
**Committee Substitute Favorable 5/7/07**

Short Title: GHG Emission Funds/Small Facilities.

(Public)

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Sponsors:

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Referred to:

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April 16, 2007

A BILL TO BE ENTITLED

1  
2 AN ACT TO APPROPRIATE FUNDS TO GLOBAL WARMING INITIATIVES FOR  
3 MONITORING AND REPORTING GREENHOUSE GAS EMISSIONS AT  
4 SMALL FACILITIES.

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

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

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

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

24       Whereas, Global Warming Initiatives (GWI) was incorporated on January 6,  
25 2003, as a 501(c)3 nonprofit, public-benefit corporation for the purpose of continuing  
26 the research initiated under the Climate Wise program and continuing to report the 41  
27 facilities to DOE. GWI organized in the same manner as California and other state and  
28 regional programs but with private funding and loans; and

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

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

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

9 The General Assembly of North Carolina enacts:

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

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

23           **SECTION 3.** GWI may:

- 24           (1) Meet with top management of small business facilities to inform them  
25 of the programs that are available within North Carolina regarding  
26 energy efficiency, environmental performance, and process  
27 improvement and give an overview of how these programs can reduce  
28 greenhouse gas emissions.
- 29           (2) Collect data from small business facilities, calculate the absolute  
30 emissions of greenhouse gases and the emissions' intensity levels and  
31 report the results in both the federal VRGG Program and in GWI's  
32 publication, the North Carolina Global Warming Registry.
- 33           (3) Continue to publish the North Carolina Global Warming Registry on  
34 its Internet Web site and include a listing of programs that aid in the  
35 reduction of greenhouse gases.
- 36           (4) Host annual seminars across the State on global warming issues and  
37 the benefits to small business facilities of participating in reporting  
38 greenhouse gas emissions and explain what is required of a reporting  
39 facility.
- 40           (5) Heighten awareness of the cap and trade programs whereby facilities  
41 that emit less than a maximum allowed level of greenhouse gases  
42 receive credits that may be sold to facilities that emit more than their  
43 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 of the General  
7 Assembly. This report shall include an itemized account of how the funds appropriated  
8 under this act were used, how GWI accomplished the requirements under this act, the  
9 success of each activity, and any findings or recommendations regarding activities in  
10 reducing greenhouse gas emissions by small business facilities.

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.