

February 21, 2020
9:00AM – 12:00PM

AGENDA

Greenhouse Gas Monitoring and Reporting Rule Stakeholder Meeting

- | | |
|---------------|--|
| 9:00 – 9:15 | Registration |
| 9:15 – 9:25 | Welcome & Opening Remarks: Paul Baldauf, Assistant Commissioner, AQES |
| 9:25 – 9:30 | Ground Rules: Tanya Oznovich, Facilitator, Office of Communications |
| 9:30 – 9:45 | Introductions and Background: Robert Kettig, Assistant Director, CCCES |
| 9:45 – 10:15 | Fossil Fuel & Electric Generation: Ky Asral, Chief, Bureau of Sustainability |
| 10:15 – 10:30 | Natural Gas Operations: Ky Asral, Chief, Bureau of Sustainability |
| 10:30 – 11:30 | Other Significant GHG Sources: Ky Asral, Chief, Bureau of Sustainability |
| 11:30 – 11:55 | Open Discussion |
| 11:55 – 12:00 | Closing Remarks |



Greenhouse Gas Monitoring and Reporting Rule Stakeholder Meeting

February 21, 2020



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PROTECTING AGAINST
CLIMATE THREATS:**

Dramatically cut
emissions of
greenhouse gases.



Welcome and Opening Statement



Paul Baldauf, Assistant Commissioner,
Air Quality, Energy and Sustainability Program

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emissions of
greenhouse gases.



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- On Jan. 27, 2020, Governor Murphy signed Executive Order 100, directing the Department to establish a greenhouse gas (“GHG”) monitoring & reporting program to identify all significant sources of Statewide GHG emissions and monitor progress towards limits in accordance with the Global Warming Response Act (“Act”).
- The same day, Commissioner McCabe issued Administrative Order 2020-01, directing the Department to propose such regulations within 12 months and if appropriate, adopt within 18 months.



Stakeholder Meeting Ground Rules



Tanya Oznovich, Facilitator
Office of Communications

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Introduction of Rule Team



Robert Kettig, Assistant Director,
Climate Change, Clean Energy &
Sustainability Element

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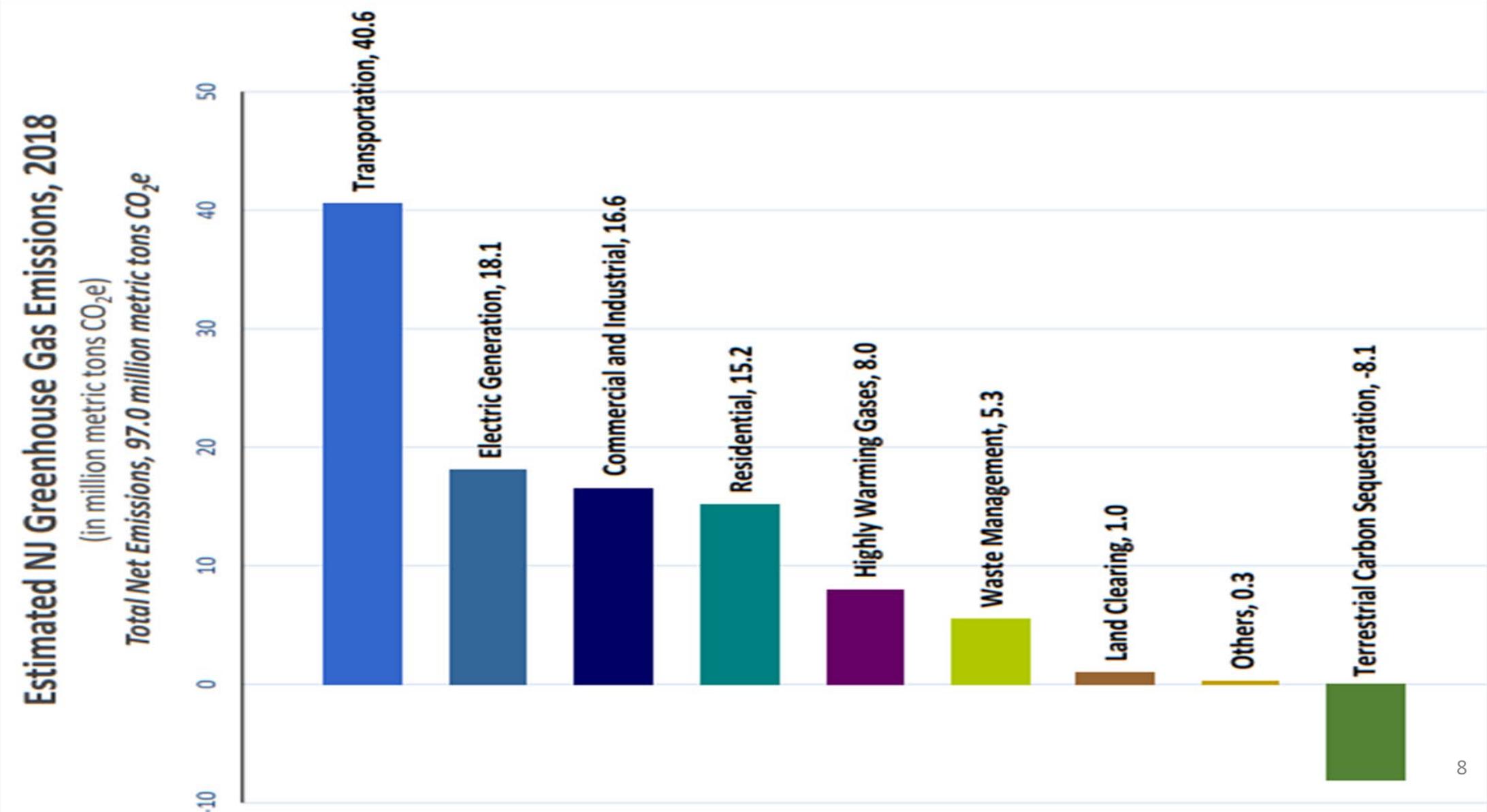


Public Comments



- Accepted through March 6, 2020
- Send to GHGMRR@dep.nj.gov

NJ 2018 GHG Emissions Inventory





Discussion Rulemaking Focus Areas



Ky Asral, Rule Manager
Chief, Bureau of Sustainability

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Statutory Requirements



manufacturers and distributors of fossil fuels

EGUs in State and out of State for end use in the State

**Must Report
GHG Emissions**

any gas public utility

significant emitters of GHGs including SLCP, as determined by the Department



Fossil Fuels



Require reporting of GHG emissions: manufacturers and distributors of fossil fuels



fossil fuel distributors currently report information to the Federal government



similar annual NJ reporting will be required as part of this rulemaking



Direct reporting of data State will allow more timely compilation of inventory



Fossil Fuels



The Department intends to require similar Federal reporting of fossil fuel information from manufacturers and distributors, but directly to the Department as required by the legislation. Fossil fuel manufacturers and distributors subject to reporting may include:

- oil refineries, oil storage facilities,
- natural gas pipelines,
- fuel wholesale and retail distributors.



Fossil Fuels



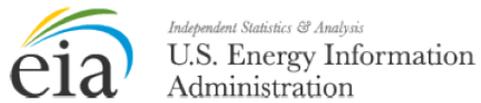
Fossil fuel monitoring & reporting will collect information on the following:

- Fuel type: e.g., diesel, kerosene, gasoline, and other distillates of petroleum.
- Fuel use: e.g., commercial, industrial, residential, off-road diesel, transportation and other uses.

The Department will utilize this information to calculate GHG emissions from this sector.



Fossil Fuels



U.S. DEPARTMENT OF ENERGY
U.S. ENERGY INFORMATION ADMINISTRATION
Washington, DC 20585

FORM EIA-821 ANNUAL FUEL OIL AND KEROSENE SALES REPORT REFERENCE YEAR 2018

39	Diesel ≤ 15 ppm Sulfur, Ultra Low		
40	Diesel > 15 and ≤ 500 ppm Sulfur, Low		
	Off-highway Use: Construction:		
41	No. 2 Diesel ≤ 500 ppm Sulfur, Low (include Ultra Low Sulfur)		
42	No. 2 Diesel > 500 ppm Sulfur, High		
43	Other Distillate		
	Off-highway Use: Other (Specify e.g., Logging):		
44	No. 2 Diesel ≤ 500 ppm Sulfur, Low (include Ultra Low Sulfur)		
45	No. 2 Diesel > 500 ppm Sulfur, High		
46	Other Distillate		
47	All Other Uses (Specify):		
48	Sold to Dealers, Resellers, and Refiners:		
49	Total Distillate (Add Lines 8 thru 48)		

FORM EIA-782C MONTHLY REPORT OF PRIME SUPPLIER SALES OF PETROLEUM PRODUCTS SOLD FOR LOCAL CONSUMPTION

PART 4. STATE DATA		
PRODUCT (Refer to Definitions)	PRODUCT CODE	MONTHLY SALES (Thousand Gallons) (For the report period, enter the total volume sold into the State where delivery of product occurs.)
Reformulated Gasoline		
Regular	153	
Midgrade	154	
Premium	155	
Conventional Gasoline		
Regular	159	
Midgrade	160	
Premium	161	
No. 1 Distillate	467	
Kerosene	311	
No. 2 Fuel Oil	470	
No. 2 Diesel Fuel		
15 ppm sulfur and under	472	
Greater than 15 ppm to 500 ppm sulfur (incl.)	468	
Greater than 500 ppm sulfur	469	
Aviation Gasoline (Finished)	111	
Kerosene-Type Jet Fuel	213	
No. 4 Fuel Oil	471	
Residual Fuel Oil ≤ 1% sulfur	501	
Residual Fuel Oil > 1% sulfur	510	
Propane, Consumer Grade	624	



Stakeholder Feedback



- a) Are there additional obstacles or costs associated with reporting fuel sales directly to the Department?
- b) Are there any concerns in proceeding as described for this sector?
- c) Are there better ways to collect GHG monitoring and reporting information from fossil fuel manufacturing and distribution that the Department should consider?



Electric Generation



Require monitoring & reporting of GHG emissions: from any entity generating electricity for end use in the State



GHG emissions reported through emission statements



out of State GHG emissions calculated by the Department



Electric Generation



The Department intends to require monitoring & reporting of GHG emissions from any entity generating electricity in the State and from any entity that generates electricity outside the State that is delivered for end use in the State.

- Currently, in-State sources producing electricity and permitted as a major facility report greenhouse gas information through air emission statements.
- No additional requirements are anticipated for this sector as they already report information necessary to account for their GHG contributions



Stakeholder Feedback



a) Any concerns with intended approach?



Gas Public Utility



Require monitoring & reporting of GHG emissions:
from any gas public utility



GHG information is currently
reported on Federal forms



similar annual NJ reporting will be
required as part of this rulemaking



Gas Public Utility



The Department intends to require monitoring & reporting of GHG emissions from any gas public utility. "Gas public utility" means a public utility, that distributes gas to end users within the State.

- The Act also requires reporting from fossil fuels used in the State and specifically identifies natural gas pipelines.
- The Department accordingly intends to require comprehensive reporting from natural gas operators.



Gas Public Utility



Reporting from natural gas operators will collect information on the following:

- Volume of gas received, distributed and stored
- Number of customers and fuel use (e.g., residential, commercial, industrial, electric power, vehicle fuel).
- GHG emissions from natural gas operations: e.g., equipment leaks from valves, connectors, open ended lines, pressure relief valves, and meters; blowdowns, venting, flaring, storage tanks, compressing and other operational activities regulated under Federal GHGRP for natural gas operators.



Stakeholder Feedback



- a) Are there additional obstacles or costs associated with monitoring & reporting GHG emissions directly to the Department?
- b) Are there any concerns in proceeding as described for this sector?
- c) Currently, transmission line emissions are estimated by loss factors per mile linear pipe. Are there other methods that should be employed to estimate these emissions?
- d) Are there better ways to collect greenhouse gas monitoring and reporting information from natural gas operators and gas public utilities that the Department should consider?



Other Significant Sources



Require reporting of GHG emissions from any significant emitters of greenhouse gases, as determined by the Department



Methane: Landfills, Natural Gas System Losses



HFCs: Refrigerants



Black Carbon: Diesel Emissions



Methane Emissions



The Department intends to require monitoring & reporting from sources of significant methane emissions, which may include:

- landfills,
- natural gas system losses,
- biogas generation.



Methane Emissions



Methane reporting will be collected through various methods.

- The Department intends to amend N.J.A.C. 7:27-21 allowing major emitters of methane to submit emission statements annually.
 - Emitters of methane over 100 tons/yr hold Title V air permit. These methane sources will now submit emission statement reporting.
 - This will include landfill gas, biogas generation and other sources of methane emissions of 100 tpy or more.
- Methane emissions from natural gas system losses will be reported under the same forms used for gas public utilities.



Stakeholder Feedback



The Department would like to understand the following:

- a) Are there other significant sources of methane emissions that the Department should consider for this rulemaking?
- b) Are there better ways to collect GHG monitoring and reporting information from methane emission sources that the Department should consider?

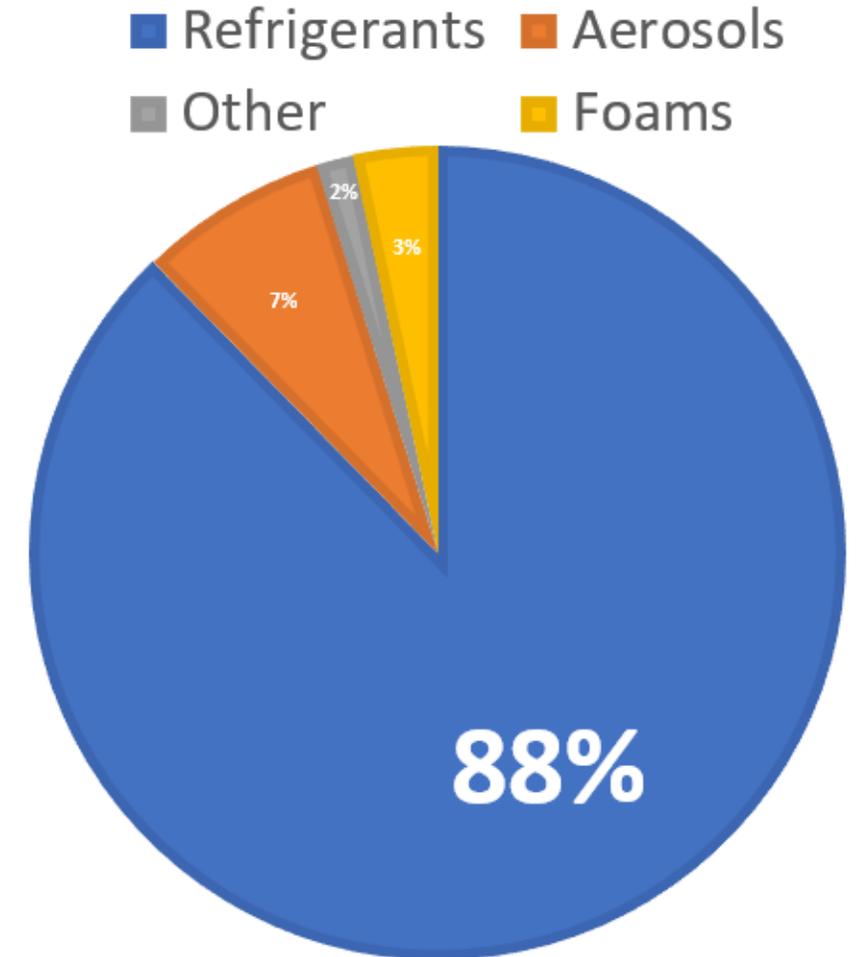


HFC Emissions



The Department intends to require reporting from significant emitters of hydrofluorocarbons (“HFCs”).

- HFCs are used in refrigeration, heating/cooling systems, aerosols, and foam manufacturing.
- Refrigerants make up more than 87.7% of NJ’s overall HFC inventory and **are** considered significant.





HFC Emissions

HFC reporting will be collected from manufacturers and distributors of HFCs within the State.

- Refrigerants are used in refrigeration and air-conditioning to cool & heat and/or dehumidify a substance or space, like a refrigerator cabinet, room, office building, or warehouse.
- The Department intends to develop reporting forms to collect HFC sales from manufacturers and distributors. This information will be used to estimate emissions from repairs and leaks.



Stakeholder Feedback



- a) Are there additional obstacles or costs associated with reporting HFC sales directly to the Department?
- b) Are there any concerns in proceeding as described for this sector?
- c) Are there other significant sources HFC emissions that the Department should consider for this rulemaking?
- d) Are there better ways to collect GHG monitoring and reporting information from HFC sources that the Department should consider?



Black Carbon Emissions



Black carbon is a short-lived climate pollutant. Since diesel emissions are the main contributing source of black carbon, the Department intends to calculate black carbon emission from diesel fuel usage data.

- Data will be collected from fossil fuel manufacturers and distributors on State reporting forms.
- The Department will calculate black carbon emissions based on the fuel use and volume.



Stakeholder Feedback



- a) Are there other significant sources black carbon emissions that the Department should consider for this rulemaking?
- b) Are there better ways to collect black carbon monitoring and reporting information from diesel sources that the Department should consider?



Open Discussion



We value your input.

GHG monitoring and reporting required from specific sources and those determined to be significant by the Department.

Is there anything we have not yet covered that should be addressed for this rulemaking?



Next Steps



- Comments accepted through March 6, 2020
- Send to GHGMRR@dep.nj.gov
- Rule proposal in January 2021
- Rule adoption in July 2021



Thank You



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