



May 11, 2007

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Re: Comments on April 24th Draft Version of 20.2.87 NMAC – Greenhouse Gas Reporting

El Paso Corporation (El Paso) submits these comments on the draft rule [20.2.87 NMAC] regarding Greenhouse Gas (GHG) reporting, presented to the various stakeholders at the New Mexico Climate Change workgroup meeting held on April 24, 2007.

El Paso is organized around two core businesses—pipelines and exploration and production. El Paso's Pipeline group comprises over 20% of the interstate gas pipeline infrastructure in the country. Four pipeline companies, consisting of El Paso Natural Gas, Tennessee Gas Pipeline, Colorado Interstate Gas, and Southern Natural Gas, operate under the El Paso umbrella and service a network of nearly 43,000 miles of pipeline. El Paso has operations in over thirty (30) states and several federal jurisdictions. In New Mexico, El Paso Natural Gas (EPNG) currently operates twenty (20) compressor stations; seventeen (17) of which are under the New Mexico Environment Department's (NMED) jurisdiction.

As an industry leader, El Paso shares the concern being expressed by public and governmental stakeholders over the issue of climate change. El Paso has been actively participating in national and international policy discussions and has instituted internal guiding principles on the issue of global climate change. El Paso maintains leadership positions at the Interstate Natural Gas Association of America (INGAA) on greenhouse gas (GHG) issues and in the development of the *INGAA Greenhouse Gas Emissions Estimation Guideline for Natural Gas Transmission and Storage*¹.

El Paso is part of the Natural Gas Protocol Workgroup facilitated by the California Climate Action Registry (CCAR) and the World Resources Institute (WRI) with the goal to produce a guidance document and protocol for accounting emissions from Natural Gas Transmission and Distribution assets. The protocol and calculation tool(s), which will be developed through a stakeholder workgroup process, will supplement the *California Climate Action Registry's General Reporting Protocol* (GRP)² and the World Resources Institute (WRI)/World Business Council for

¹http://www.ingaa.org/Documents/Climate%20Change%20&%20Environment/INGAA%20GHG%20Guidelines%20Vol%201_Emission%20Est%20Methods.pdf

² <http://www.climateregistry.org/docs/PROTOCOLS/GRP%20V2.1.pdf>

*Sustainable Development (WBCSD) Greenhouse Gas Protocol - A Corporate Reporting and Accounting Standard (Corporate Standard)*³.

El Paso's first internal [2004] GHG inventory was completed in 2005. We became a member of the CCAR in August 2006. El Paso's 2005 GHG inventory for the pipeline group successfully underwent a third-party verification process. In addition, El Paso has produced a corporate GHG Inventory Management Plan and a pipeline GHG Inventory Technical Manual, and is in the process of developing a GHG Information Management System (IMS). Later this year, El Paso intends to register their 2006 GHG emission estimates under DOE 1605(b) requirements and will be reporting GHG emissions for El Paso Pipeline Group's assets located in California to CCAR.

El Paso's comments can be summarized as follows:

1. El Paso recommends the NMED Air Quality Bureau (AQB) develop GHG reporting regulations consistent with other acceptable protocols and methodologies, especially the multi-state climate registry;
2. El Paso recommends inclusion of all appropriate definitions under 20.2.87.7 NMAC consistent with definitions adopted in other accepted protocols;
3. El Paso recommends AQB to develop applicability threshold requirements under 20.2.87.200 recognizing the uniqueness of GHG emissions covering multiple pollutants with various global warming potentials (GWP) and not mix them with Clean Air Act (CAA) thresholds;
4. El Paso also recommends AQB to consider only CO₂ emissions from combustion sources for the first three years (i.e., Phase I) followed by the inclusion of the other five (5) GHG gases in subsequent years (i.e., Phase II);
5. El Paso recommends AQB clearly define the reporting boundaries for sources and urges AQB to incorporate operational control as the primary reporting boundary. Equity share reporting should only be considered as an optional reporting structure;
6. El Paso recommends AQB streamline reporting requirements, including establishment of de minimis levels and define source categories consistent with other acceptable protocols;
7. El Paso recommends submittal of third party verified report into an electronic database. However, we oppose the need to maintain records for a period of five (5) years;
8. El Paso supports the concept that compliance with the GHG reporting section is demonstrated by submittal of a GHG emissions report under the multi-state registry.

³<http://www.ghgprotocol.org/templates/GHG5/layout.asp?type=p&MenuId=ODg4&doOpen=1&ClickMenu=No>

Consistency with other acceptable protocols and methodologies

El Paso offers its expertise and experience to AQB as it develops regulations for GHG emissions reporting. Overall, we request the AQB develop its regulations consistent with other accepted protocols. Most importantly, since NM is an official founding member state of *The Climate Registry* (multi-state registry) as of May 8, 2007, it is imperative that the definitions in this regulation be consistent with this registry's protocols.

Definitions - 20.2.87.7

El Paso recommends developing definitions in this proposed regulation and future programs consistent with the various existing emissions estimation protocols like WRI, CCAR, INGAA and/or 1605(b). Noting there are multiple differences (few examples shown below) between these protocols, El Paso recommends this regulation define the Global Warming Potentials (GWPs) to be used for conversion purposes.

Ex: CCAR requires the use of GWPs from the Second Assessment Report for conversion of GHG emissions to CO_{2e} whereas 1605(b) requires the use of the most recent IPCC report (currently the Third Assessment Report);

Ex: Insignificance threshold under CCAR is 5% and 3% under 1605(b).

El Paso strongly believes that a *de minimis* emissions subgroup should be established to assist in developing reasonable practices and identifying a pre-determined list of sources as insignificant emitters that can be considered *de minimis*. The costs, complexities, and activity data demands to develop an inventory from natural gas transmission is onerous – and eliminating trivial activities from inventory development can have a positive impact on the internal process and demands on operations. As explained above, the CCAR and DOE programs have *de minimis* levels as a percent of the total emissions. While the focus of the *de minimis* concept in these programs are more to do with the verification part, we recommend establishment of a list of sources and/or combined activities that contribute to less than 3-5% of the total emissions of the applicable facility or company.

El Paso has developed its technical manual to estimate GHG emissions from the transmission and distribution sector based on past experiences with the INGAA, CCAR and DoE programs. While this is a proprietary document, El Paso welcomes the opportunity to discuss the content of this document with the AQB and highlight additional differences and similarities in the various existing GHG protocols and voluntary programs.

Greenhouse gas emissions reporting - 20.2.87.200 – 20.2.87.202

Applicability

El Paso urges the AQB not to associate the Clean Air Act regulations (e.g., Title V, NESHAPS, etc.) to GHG reporting criteria. A facility may be classified as a major source for Title V if it exceeds any criteria pollutant threshold. These thresholds were developed after years of research and modeling. El Paso respects the recent Supreme Court ruling⁴, but submits that similar threshold analysis for major source status (and impacts to human health and welfare) have not been conducted for GHG pollutants. The AQB's current applicability proposal may result in a facility with limited or no GHG emissions to be subject to the onerous reporting regulation simply due to emissions of a non GHG criteria pollutant. For example, a major Title V source of PM_{2.5} will be required to report GHG emissions per this regulation. This facility may not have any source of GHG emissions and this will result in undue administrative burden to both the facility and the agency.

Again, El Paso stresses the importance of establishing consistency at the outset of the mandatory reporting program envisioned by this regulation and eventual mandatory reduction programs. Therefore, in lieu of the criteria under Sections 20.2.87.201 – 202 NMAC and 20.2.87.303 NMAC, we propose this reporting program specifically target facilities that emit the equivalent of 100,000 tonnes or more of CO_{2e} annually. The Western Regional Climate Action Initiative (WRCAI), of which NM is a member, has been mandated to develop a cap and trade program. Under cap and trade programs, caps are based on actual levels or thresholds. Should WRCAI establish caps on potential to emit levels, we support establishment of future reporting thresholds on a potential basis.

While the Clean Air Act provides some good framework to establish GHG regulations, it is important that AQB consider the uniqueness of GHG issues, including but not limited to emission sources and the uncertainty associated with some of the emission estimates. Emission estimation methodologies from the oil and gas industry, particularly the transmission and storage sector is relatively more complex due to methane losses from fugitive and vented emission sources. The current emission factors have a high degree of uncertainty associated with their emissions⁵.

Due to the uncertainty surrounding same, El Paso recommends AQB to focus its inventory efforts to CO₂ only from combustion sources for the first three years. This is consistent with the CCAR program which requires emissions of other GHG pollutants to be reported after the third year. El Paso recommends that CH₄ emission estimates, resulting from vented and fugitive emission sources, be phased in to afford the opportunity for improved emission estimates. Industry organizations such as API, AGA and INGAA and the EPA have commissioned a study to review emission factors specifically within the oil and gas sector. With respect to the transmission and storage sector, the uncertainty can be as high as 260% for compressor stations and pipeline venting activities. Table 1

⁴ Massachusetts et al. V. Environmental protection agency et al, No. 05.1120., April 2, 2007

⁵ http://www.ipieca.org/activities/climate_change/downloads/workshops/jan_07/5%20George.pdf

below, based on 1992 activity data for the U.S. inventory as identified in the 1996 Gas Research Institute / Environmental Protection Agency Study (GRI/EPA 1996), summarizes the published emission factors and uncertainties surrounding the emissions. Furthermore, the uncertainty presented does not account for uncertainty associated with the "activity data". The current emission factor improvement study has reviewed approximately 1,700 emission factors, associated uncertainty and the calculation of emissions. Therefore, while industry can report all GHG emissions, AQB should realize these estimates have a high degree of uncertainty and therefore use of this data for a future mandatory program should be reviewed with great caution. El Paso recommends that companies which use an acceptable protocol and have their emissions verified under this reporting program, be absolved from any future compliance issues due to publication of new emission factors or employment of a revised emissions methodology.

Table 1

Transmission & Storage Sector Equipment and Facility Emission Sources with Largest Contributions to Natural Gas Industry GHG Emissions Estimate Uncertainty (GRI/EPA, 1996)

Equipment/ Emissions Source	Source Type	Emission Factor	EF Units	EF Uncert (90% CI)	1992 Emissions Data (scf)	1992 Emissions Uncert (scf)
Compressor Station Venting	Vent	5,300,000	scf/station-yr	262%	1.15E+10	3.02E+10
Pipeline Venting/ Blowdowns	Vent	41,000	scf/mile-yr	236%	1.17E+10	2.75E+10
Transmission Recip Compressor	Fug	5,550,000	scf/comp-yr	65%	3.77E+10	2.45E+10
Pneumatic Devices	Vent	162,197	scf/equip-yr	44%	1.41E+10	6.22E+9
Trans Comp Station non-comp Equip	Fug	3,200,000	scf/station-yr	102%	5.45E+9	5.56E+9
Storage Recip Comp	Fug	7,710,000	scf/comp-yr	48%	1.09E+10	5.16E+9
Storage Comp Station non-comp Equipment	Fug	7,850,000	scf/station-yr	100%	3.73E+9	3.73E+9
M&R Station: Trans Co. Interconnects	Fug	1,450,000	scf/station-yr	80%	3.68E+9	2.953E+9
Trans Cent Comp	Fug	11,100,000	scf/comp-yr	34%	7.53E+9	2.56E+9
M&R Station: Farm Taps & Direct Sales	Fug	11,400	scf/station-yr	80%	8.27E+8	6.62E+8

Reporting boundaries

We recommend the AQB to establish the coverage elements under this section. This includes defining the boundaries for reporting and clearly defining the gases to be reported. We support reporting based on an operational control basis mainly due as opposed to equity basis. Further, we recommend inclusion of only direct emissions and not consider indirect emissions due to the limited contribution to the overall CO_{2e} total.

We recommend submitting verified GHG emissions inventories by October of the following year. The GHG inventories take considerable time to develop due to its complexities. Further inventories required by Part 20.2.73.300 NMAC are due in the first quarter and engage limited company resources. Submittal of a verified report ensures the integrity of the emissions report and consistency with the compliance requirements of the proposed section.

De minimis levels

El Paso strongly believes that a *de minimis* emissions subgroup should be established to assist in developing reasonable practices and identifying a pre-determined list of sources as insignificant emitters that can be considered *de minimis*. The costs, complexities, and activity data demands to develop an inventory from natural gas transmission is onerous – and eliminating trivial activities from inventory development can have a positive impact on the internal process and demands on operations. As explained above, the CCAR and DOE programs have *de minimis* levels as a percent of the total emissions. While the focus of the *de minimis* concept in these programs are more to do with the verification part, we recommend establishment of a list of sources and/or combined activities that contribute to less than 3-5% of the total emissions of the applicable facility or company.

Other reporting requirements

El Paso strongly supports the concept under 20.2.87.301 NMAC ENTITIES THAT REPORT GHG EMISSIONS UNDER THE CLIMATE REGISTRY (MULTI-STATE REGISTRY). El Paso operates in multiple states across the country and therefore is highly supportive of initiatives that streamline and consolidate various state initiatives to a single national level system. El Paso as a company supports initiatives that standardize GHG emission estimation methodologies and programs.

Recordkeeping requirements.

The proposed regulation requires recordkeeping requirements for a period of 5 years. Since El Paso proposes a third party verified report, it eliminates the need for recordkeeping requirements at a site for inspection or compliance. Further, we understand, The Climate Registry plans to have reports filed electronically into a state/regional or national database system. To eliminate unnecessary paperwork (and therefore energy), we recommend modification of this provision as outlined in the attachment.

We hope that these comments are useful in developing the AQB's GHG reporting program. Please contact Naomi Cortez at her office (719) 520-4799, or naomi.cortez@elpaso.com with questions or for further information.

Sincerely,

Kym N. Olson
State Government Affairs Manager
El Paso Corporation

ATTACHMENT

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TITLE 20 ENVIRONMENTAL PROTECTION
CHAPTER 2 AIR QUALITY (STATEWIDE)
PART 87 GREENHOUSE GAS EMISSIONS REPORTING

20.2.87.1ISSUING AGENCY: Environmental Improvement Board.
[20.2.87.1 NMAC - N, XX/XX/07]

20.2.87.2SCOPE: All persons who own or operate an applicable source of greenhouse gas emissions in the geographic areas within the jurisdiction of the Environmental Improvement Board.
[20.2.87.2 NMAC - N, XX/XX/07]

20.2.87.3STATUTORY AUTHORITY: Environmental Improvement Act, NMSA 1978, Section 74-1-8(A)(4), and Air Quality Control Act, NMSA 1978, Sections 74-2-1 et seq., including specifically Sections 74-2-5(B)(1) & 74-2-5(C)(5)(d) & (e).
[20.2.87.3. NMAC - N, XX/XX/07]

20.2.87.4DURATION: Permanent.
[20.2.87.4 NMAC - N, XX/XX/07]

20.2.87.5EFFECTIVE DATE: MM/DD/YY except where a later date is cited at the end of a section or paragraph.
[20.2.87.5 NMAC - N, XX/XX/07]

20.2.87.6OBJECTIVE: The objective of this Part is to establish requirements for the reporting of greenhouse gas emissions to the Department.
[20.2.87.6 NMAC - N, XX/XX/07]

20.2.87.7DEFINITIONS: In addition to the terms defined in 20.2.2 NMAC, the following definitions shall apply to terms used in this Part.

- A. **“operational control”** (El Paso recommends this be defined)
- B. **“emission report or inventory”** means a listing, by source, of the amount of air pollutants discharged into the atmosphere.
- C. **“entity”** means *[do we need to define this? We don’t use the terms owner or operator];*
- D. **“greenhouse gas”** means any of the following: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbon (HFC), perfluorocarbon (PFC) or sulfur hexafluoride (SF₆).
- E. **“greenhouse gas emissions reporting year”** means the calendar year in which reported data is required to be collected under this Part.
- F. ...
- G. ...
- H. ...
- I. ...

[20.2.87.7 NMAC - N, XX/XX/07]

20.2.87.8SEVERABILITY. If any provision of this Part, or the application of such provision to any person or circumstance, is held invalid, the remainder of this Part, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.
[20.2.87.9 NMAC - N, XX/XX/07]

20.2.87.9CONSTRUCTION. This Part shall be liberally construed to carry out its purpose. [The intent of this statement is not clear. Please elaborate.](#)

[20.2.87.10 NMAC - N, XX/XX/07]

20.2.87.10 SAVINGS CLAUSE. Repeal or supersession of prior versions of this Part shall not affect any administrative or judicial action initiated under those prior versions.

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[20.2.87.11 NMAC - N, XX/XX/07]

20.2.87.11 COMPLIANCE WITH OTHER REGULATIONS. Compliance with this Part does not relieve a person from the responsibility to comply with any other applicable federal, state, or local regulations.

[20.2.87.12 NMAC - N, XX/XX/07]

20.2.87.12 to 20.2.87.199 [RESERVED]

20.2.87.200 GREENHOUSE GAS EMISSIONS REPORTING PROCEDURES

A. Entities that meet the applicability requirements in sections 20.2.87.201 through 20.2.87.299 NMAC shall submit a greenhouse gas emissions report under this Part upon request ~~to all applicable entities of that sector [define?]~~ by the Department. Greenhouse gas emissions reports shall apply to a calendar year.

B. Entities that are requested to report greenhouse gas emissions shall collect and record required data during the greenhouse gas emissions reporting year to which the report applies. Reporting entities shall submit reports required under this Part by ~~October July~~ of the year following the greenhouse gas emissions reporting year. Each reporting entity ~~that does not meet the requirements under Section 20.2.87.301~~ shall maintain records for ~~five (5)~~ years of all information used to calculate ~~GHG inventories~~, in accordance with the requirements of this Part, the entity's applicable greenhouse gas emissions for each year for which they report.

C. The Department shall not request ~~Phase I~~ greenhouse gas emissions reports for ~~CO₂~~ emissions from ~~direct combustion sources for any~~ reporting year prior to 2008.

D. The Department shall not request ~~Phase II~~ greenhouse gas emissions reports for any greenhouse gas emissions reporting year prior to 2010.

[20.2.87.200 NMAC - N, XX/XX/07]

20.2.87.201 PHASE I REPORTING

~~**A. Phase I Oil and Gas Reporting Entities:**~~

~~(1) Applicable Entities. Phase I applies to all oil and gas entities that produce, process, refine or transport [but not including distributors?] petroleum products or carbon dioxide and that:~~

~~(a) are included on the list, prepared by the Department prior to each reporting year under Section 303 NMAC of this Part, of the top producers collectively accounting for 60 [?] percent of production.; or~~

~~(b) own or operate a facility that is subject to permit requirements under 20.2.70 NMAC.~~

~~(2) Reported emissions. Each oil and gas entity shall report emissions of carbon dioxide from the following operations under its control [note that this does not address ownership. Also, is there a definition of 'control'? Would contractual control over a contractor count?] during the greenhouse gas emissions reporting year:~~

~~(a) stationary engines that are greater than or equal to 500 horsepower in size and that are subject to 40 C.F.R. Part 63 Subpart ZZZZ NESHAP for Stationary Reciprocating Internal Combustion Engines;~~

~~(b) heaters with a capacity greater than or equal to 10 million British Thermal Units per hour;~~

~~(c) turbines with a capacity greater than or equal to 25 megawatts;~~

~~(d) all fossil fuel combustion reported as part of permit requirements under 20.2.70 NMAC;~~

~~(e) all carbon dioxide removed from hydrocarbon streams [Note: NMOGA proposal specified either CBM or conventional natural gas, but wouldn't there be CO₂ in oil production, especially if there is EOR?] and vented to the atmosphere; and~~

~~(f) [CO₂ created as part of refinery processes and vented need to verify what this could include and that it can be calculated. Also, CO₂ leaked or vented as a result of CO₂ production.].~~

~~**B. Electrical Generating Reporting Entities:**~~

~~(1) Applicable Entities. Phase I applies to all electrical generators that:~~

~~(a) are subject to permit requirements under 20.2.70 NMAC;~~

~~(b) have the capacity to generate at least __ megawatts of electricity; and~~

~~(c) operate the electrical generation equipment more than 500 hours per year.~~

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~~(2) Reported emissions. Each electrical generating reporting entity shall report, for the greenhouse gas emissions reporting year, carbon dioxide emissions resulting from all fossil fuel combustion reported as part of permit requirements under 20.2.70 NMAC.~~

~~[20.2.87.201 NMAC - N, XX/XX/07]~~

20.2.87.202 PHASE II REPORTING

~~A. Oil and Gas Entities Reporting Carbon Dioxide:~~

~~(1) Applicable Entities. Reporting of carbon dioxide applies to all oil and gas entities that produce, process, refine or transport petroleum products or carbon dioxide and that:~~

~~(a) are included on the list, prepared by the Department prior to each reporting year under Section 303 NMAC of this Part, of the top producers collectively accounting for 80 [?] percent of production.; [Note that this expands the upstream companies that would report, but does not expand the midstream companies that would report. Should it? If so, how?]; or~~

~~(b) owns or operates a facility that is subject to permit requirements under 20.2.70 NMAC.~~

~~(2) Reported emissions. Each such oil and gas reporting entity shall report emissions of carbon dioxide from the following operations under its control [see note above] during the greenhouse gas emissions reporting year:~~

~~(a) stationary engines that are greater than or equal to 500 horsepower in size and that are subject to 40.C.F.R. Part 63 Subpart ZZZZ NESHAP for Stationary Reciprocating Internal Combustion Engines;~~

~~(b) heaters with a capacity greater than or equal to 10 million BTU/hr;~~

~~(c) turbines with a capacity greater than or equal to 25 MW;~~

~~(d) all fossil fuel combustion reported as part of permit requirements under 20.2.70 NMAC;~~

~~(e) all carbon dioxide removed from hydrocarbon streams and vented to the atmosphere; and~~

~~(f) [CO2 created as part of refinery processes and vented].~~

~~B. Oil and Gas Entities Reporting Methane:~~

~~(1) Applicable Entities. Reporting of methane applies to all oil and gas entities that produce, process, refine or transport petroleum products or carbon dioxide and that:~~

~~(a) are included on the list, prepared by the Department prior to each reporting year under Section 303 NMAC of this Part, of the top producers collectively accounting for 60 [?] percent of production; or~~

~~(b) own or operate a facility that is subject to permit requirements under 20.2.70 NMAC.~~

~~(2) Reported emissions. Each such oil and gas reporting entity shall report emissions of methane released to the atmosphere [more specification? Note that the emissions calculation procedures developed in Section 302 would also address what is covered] from equipment and operations under its control [see note above] during the greenhouse gas emission reporting year.~~

~~C. Electrical Generating Reporting Entities.~~

~~(1) Applicable Entities. Phase II applies to all electrical generators that:~~

~~(a) are subject to permit requirements under 20.2.70 NMAC;~~

~~(b) have the capacity to generate at least ___ megawatts of electricity; and~~

~~(c) operate the electrical generation equipment more than 500 hours per year.~~

~~(2) Phase II reported emissions. Each electrical generating reporting entity shall report all direct [define?] greenhouse gas emissions that occurred at the electrical generating unit during the greenhouse gas emissions reporting year, except that such emissions from mobile sources at the facility are not required to be reported.~~

~~[20.2.87.202 NMAC - N, XX/XX/07]~~

20.2.87.203 to 20.2.87.299 [RESERVED]

20.2.87.300 CONTENT OF EMISSIONS REPORTS. Emissions report contents shall include:

- A. the name and address of the reporting entity;
- B. the name and telephone number of the person to contact regarding the emissions report;
- C. [the physical location of facilities subject to 20.2.70 NMAC;](#)
- D. fuel use, including amounts and specifications of each fuel type, directly related to reported emissions;
- E. a description of the methods utilized to [make estimate the emissions calculations;](#)

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F. calculations of emissions of each reported greenhouse gas and the sum of all reported greenhouse gases, in units of tonnes of carbon dioxide equivalent, ~~including emissions occurring during regular operation, maintenance, start-ups, shutdowns, upsets, and malfunctions;~~

G. a statement of whether reported emissions include emissions that are not required to be reported under this Part; and

H. ~~each reporting entity that does not meet the requirements under Section 20.2.87.301, shall provide a certification signed by the owner, or operator of the facility or entity, a responsible official as defined in 20.2.70 NMAC attesting that the statements and information contained in the greenhouse gas emissions report are true and accurate based on the best available information at the time of preparation to the best knowledge and belief of the certifying official, and including along with~~ the full name, title, signature, date of signature, and telephone number of the certifying official.

[20.2.87.300 NMAC - N, XX/XX/07]

20.2.87.301 ENTITIES THAT REPORT GREENHOUSE GAS EMISSIONS UNDER [THE CLIMATE REGISTRY (A MULTI-STATE REGISTRY)]. Entities required to report greenhouse gas emissions under this Part may register and third-party verify their greenhouse gas emissions with [the voluntary program of the [The Climate Registry (multi-state registry)]. Entities that have registered and verified their greenhouse gas emissions in accordance with the procedures of the [The Climate Registry (multi-state registry)] for the greenhouse gas emissions reporting year shall be deemed to be in compliance with this Part for that reporting year. *[What level of access to source data does the Department need?]*

[20.2.87.301 NMAC - N, XX/XX/07]

20.2.87.302 EMISSIONS CALCULATION PROCEDURES

A. At least ~~one-hundred eighty (180) sixty (60)~~ days prior to the beginning of a greenhouse gas emission reporting year, the Department shall issue procedures for the calculation of greenhouse gas emissions that are required to be reported in that reporting year. Notification of the availability of such procedures shall be provided to each reporting entity and ~~shall be made available on the NMED AQB website to each person who has notified the Department of an interest to be notified.~~ Such procedures shall:

- (1) be consistent with generally accepted protocols for estimation of greenhouse gas emissions;
 - (2) include recommended methods for estimation of greenhouse gas emissions from equipment and processes for which emissions calculations are required, and the supporting data that is required for use of such methods;
 - (3) include alternate methods for estimation of greenhouse gases, where such alternate methods are available;
- and

- (4) *[what other constraints should apply to the Department's procedures?]*

B. The Department shall provide interested persons at least ~~thirty (30) sixty (60)~~ days to submit comments regarding procedures for the calculation of greenhouse gas emissions, and shall respond to those comments at least thirty (30) days prior to the beginning of a greenhouse gas emission reporting year. The Department's response may include revision to and reissuance of the procedures for the calculation of greenhouse gas emissions. Notification of the Department's response shall be provided to each reporting entity and ~~to each person who has notified the Department of an interest to be notified.~~ shall be made available on the NMED AQB website.

C. Department notifications required under this Part may be made electronically or in writing.

[20.2.87.302 NMAC - N, XX/XX/07]

20.2.87.303 LISTS OF TOP PRODUCERS

~~A. During each calendar year that immediately precedes a greenhouse gas emissions reporting year for which applicability is based on oil and gas production ranking, the Department shall evaluate data from the previous year of oil and gas production in New Mexico, not including production in the geographic areas within the jurisdiction of the Environmental Improvement Board, and propose lists of the top producers accounting for 60 percent and 80 percent, respectively, of oil and gas production. Each list shall include the names of the minimum number of producers needed to account for at least the stated percentage of each of the following:~~

- ~~(1) production (in barrels of oil equivalent) in the San Juan Basin;~~
- ~~(2) production (in barrels of oil equivalent) in the Permian Basin;~~

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~~_____ (3) gas production (including conventional natural gas and coal bed methane);~~

~~_____ (4) oil production; and~~

~~_____ (5) carbon dioxide production.~~

~~_____ **B.** _____ by September 1 of the calendar year immediately preceding a greenhouse gas emissions reporting year, the Department shall provide the proposed lists of top producers to all producers on each list, all producers on the lists for the previous greenhouse gas emissions reporting year, and all persons who have expressed an interest in writing of being notified of the proposed lists. Producers on the lists shall notify the Department in writing by October 1 of that calendar year of any significant changes they anticipate occurring in their production during the applicable reporting year.~~

~~_____ **C.** _____ by November 1 of the calendar year immediately preceding a reporting year, the Department shall issue revised lists of top producers, if necessary.~~

[20.2.87.303 NMAC - N, XX/XX/07]