

Advocacy Comments on EPA's Plan to Require Reporting of Greenhouse Gases

On June 9, 2009, the Office of Advocacy (Advocacy) submitted a comment letter to the U.S. Environmental Protection Agency (EPA), discussing Advocacy's views on EPA's proposed rule, "Mandatory Reporting of Greenhouse Gases," 74 Fed. Reg. 16,448 (April 10, 2009). The rule would require sources of carbon dioxide (CO₂) and other greenhouse gases (GHGs) to report their annual GHG emissions. While some GHG sources now report their annual emissions through voluntary reporting programs, EPA's rule will impose the first mandatory reporting requirement. Advocacy's comment letter includes the following points:

- Advocacy supports EPA's proposal to set the threshold for reporting at 25,000 metric tons per year of CO₂ equivalent. Setting the threshold at this level accounts for 85% to 90% of the GHGs without burdening small entities with monitoring and reporting costs.
- The reporting rule requires sources of coal, oil, and natural gas to report the estimated GHGs in their materials, while it also requires facilities that combust these materials to report the GHGs released. Advocacy recommends that EPA take steps to prevent double-counting of GHG emissions.
- Advocacy recommends that EPA allow small entities that must report to use simplified calculation methods rather than direct measurement of GHGs or complex emission formulas.
- Advocacy recommends that EPA prepare a small entity compliance guide. The guide should help small entities determine when they have to report, describe alternative reporting methods, and familiarize reporters with reporting forms.

If EPA decides to lower the reporting threshold from 25,000 metric tons per year of CO₂ equivalent, Advocacy urges EPA to consider carefully how small entities will be affected. EPA should be prepared under those circumstances to convene a Small Business Advocacy Review Panel on GHG reporting.

For further information regarding this issue, visit Advocacy's web site at: www.sba.gov/advo or contact Keith Holman at keith.holman@sba.gov or (202) 205-6533.