



Air Districts and GHG Verification in California

AWMA GHG Strategies Conference
November 16-17, 2011

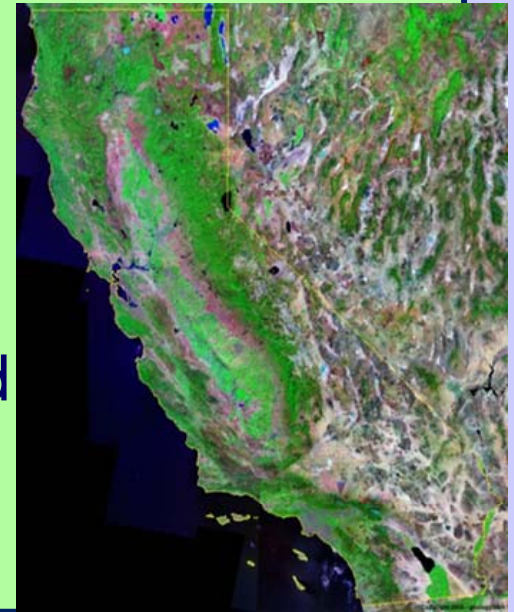
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Accredited GHG Lead Verifier,
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Bay Area Air Quality Management District



Introduction

- District staff as 3rd Party Verifiers
- Long debate about District involvement
- Must become Verification Bodies
- Natural extension of duties, expertise
- Problem: Conflict of Interest, costs, risks
- Opportunity: engaging in GHG arena and demonstrating new level of commitment





AB 32 GHG Verification

- 588+ Stationary sources must be verified by 3rd party Verification Bodies
- Limited number of consultants
- Challenge to get all companies verified
- CARB initially reluctant to include Districts
- CARB now welcomes Districts
- Are Districts capable, ready and willing?
- What are benefits, pitfalls?





Climate Relevancy at the Regional Level

- Districts regulate regional criteria and toxic pollutants, not GHG's
- What is District role w/ global pollutant?
- Effects of climate change felt at District level
- CEQA, charge for CO₂, credits
- Verification is real involvement
- District expertise and experience should not go unharnessed
- Warming increases ozone formation





To Be or Not to Be Verifiers

- Intensive training for accreditation
- Verification highly rigorous process
- Requires 2 Lead Verifiers and support staff
- Questions about risks and liabilities
- Districts not used to conducting such in-depth verifications
- What should District fee structure be?
- How should District conduct “business?”

California Air Resources Board
SECTION A: CONFLICT OF INTEREST - RECORD OF VERIFICATION OPINIONS

VERIFICATION OPINION

FOR OFFICIAL USE ONLY

FOR SOURCE:

PART I. EMISSIONS DATA REPORT INFORMATION

1. REPORTING YEAR: [] 2. NOTICE CODE: []

PART II. VERIFICATION BODY INFORMATION

1. VERIFICATION BODY NAME: [] 2. ASSESS TO MONITOR: []

PART III. FACILITY OR ENTITY INFORMATION

1. NAME OF FACILITY OR ENTITY: [] 2. ASSESS TO MONITOR: []

Part IV. VERIFICATION OPINION INFORMATION

1. This verification opinion attests that the submitted data report is (check only one):
 reasonably assured of being free of material misstatements;
 NOT reasonably assured of being free of material misstatements.

2. This verification opinion attests that the submitted emissions data report is (check only one):
 reasonably assured of being in conformance with the regulation;
 NOT reasonably assured of being in conformance with the regulation.

3. As a result of the selections above the final verification opinion is (check only one):
 positive;
 adverse.

4. Qualifying Statements or Comments: []

Part V. SIGNATURES

LEAD VERIFIER: To sign this verification opinion, I certify under penalty of perjury that I am the lead verifier listed on the independent reviewer on the notice of verification services for this emissions data report. I attest that I am not involved in the verification service described in this opinion, but have conducted an independent review of the verification service and findings of the verification team and agree with the verification opinion prepared by the verification body under the regulation (Section 93123, Title 17, California Code of Regulations).

1. SIGNATURE: [] 2. PRINTED NAME: []
 3. TITLE: [] 4. DATE: []

INDEPENDENT REVIEWER: To sign this verification opinion, I certify under penalty of perjury that I am an independent reviewer on the notice of verification services for this emissions data report. I attest that I am not involved in the verification service described in this opinion, but have conducted an independent review of the verification service and findings of the verification team and agree with the verification opinion prepared by the verification body under the regulation (Section 93123, Title 17, California Code of Regulations).

1. SIGNATURE: [] 2. PRINTED NAME: []
 3. TITLE: [] 4. DATE: []

Source: California
 Title 17, Section 93123
 Air Resources Board

California Air Resources Board
SECTION A: CONFLICT OF INTEREST - RECORD OF VERIFICATION OPINIONS

FOR OFFICIAL USE ONLY

Be Verifiers at the end of Section 2

For Official Use Only

DATE RECEIVED: [] (Select) AFFIDAVIT INFORMATION REQUESTED: []
 DATE COMPLETED: [] (Select) DATE APPROVED: [] (Select) VERIFICATION START DATE: []

SECTION A. CONFLICT OF INTEREST

PART I. VERIFICATION BODY INFORMATION:

VERIFICATION BODY NAME: [] (Select) ASSESS TO MONITOR: []

PART II. FACILITY OR ENTITY INFORMATION:

FACILITY OR ENTITY NAME: [] (Select) ASSESS TO MONITOR: []

CONTACT NAME AND TITLE: [] **CONTACT EMAIL ADDRESS:** []

CONTACT TELEPHONE NUMBER: [] **COUNTRY IS THE OPERATOR IS REPORTING AS:** []
 Central Plant Power Station or Manufacturer Standalone Refinery or Industrial Plant

Part III. CONFLICT OF INTEREST SELF-EVALUATION:

Based on my assessment I believe my verification body's risk for a Conflict of Interest is:
 HIGH MEDIUM LOW

Part IV. ATTACHMENTS:

1. **Qualification of Lead Verifier Description:**
 Please attach an organizational chart of your verification body and any other related to your verification body. Also provide a brief description of the primary means of work for your verification body and any other related to your verification body. (Only need to attach once per year unless change occurs.)

2. **Conflict of Interest Mitigation Plan (if applicable):**
 If the primary conflict of interest is a medium, please attach a mitigation plan:
 a. A description that any individual (in the verification body or the verification team) or subcontractor(s) with potential conflicts has been removed or isolated from the project.
 b. A description of any change (in the verification body or verification team) to the internal control of interest. (Include organizational structure change, for example, demonstration that a unit with internal conflicts has been created or moved to another member entity.
 c. Any other circumstances that specifically address other sources for potential conflict of interest.

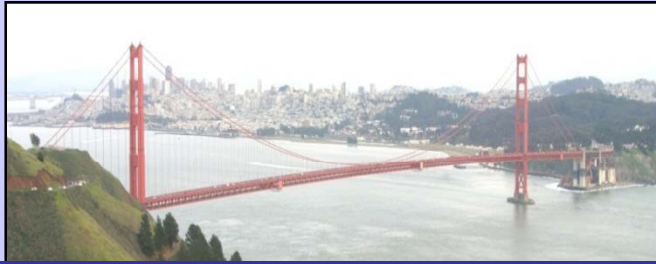
Part V. VERIFICATION TEAM:

1. **Lead Verifier:** Provide the following information for each member of the verification team, including the independent reviewer:
 Name: []
 (Select) Accreditation: Central plant specialist Refinery specialist Standalone manufacturer specialist
 Use any personal or family relationships with management or employees of the operator: []

INDEPENDENT REVIEWER: Name: []
 (Select) Accreditation: Central plant specialist Refinery specialist Standalone manufacturer specialist
 Use any personal or family relationships with management or employees of the operator: []

Source: California
 Title 17, Section 93123
 Air Resources Board

Email completed form to: CARB.Verifiers@CARB.ca.gov



The Perils of Verification

- Elevated level of auditing, review commitment
- Verification is inherently a risky process, no consulting
- Chances of error and missed data are rife
- Liability of making incorrect verification opinion significant
- CO2 as tradable commodity puts Districts in entirely new realm of responsibility
- Conflict of Interest (COI) potential – Verifiers cannot have GHG history with facility
- Failing to adequately assess the actual time and \$ commitment to fulfill contract





Benefits to Verification

- Adds important and active qualification to Districts' Climate Protection public portfolio
- Strengthens legitimacy of Districts role and programs
- Creates potential revenue stream
- Enhances staff auditing and engineering skills
- Establishes new potential for GHG data relationship with facilities in Districts; inventories
- Could open door to verifying
The Climate Registry projects, offsets





4 Districts as **Accredited** Verification Bodies

Call for burn day status: 1-866-287-6329

SACRAMENTO METROPOLITAN

AIR QUALITY MANAGEMENT DISTRICT

South Coast Air Quality Management District
Cleaning the air that we breathe...

Placer County California

California Environmental Protection Agency
Air Resources Board

Home | Reducing Air Pollution | Air Quality | Business Assistance | Laws & Regulations | Health

Monday, October 17, 2011

ARB-Accredited Verification Bodies

This page last reviewed July 5, 2011

The following 52 verification bodies are accredited to provide verification services to greenhouse gas emissions data reporters.

Executive Order No.	Verification Body Name and Address	Contact Information	Website
H-10-156	AMEC Geomatrix Inc. 510 Superior Avenue, Suite 200 Newport Beach CA 92663	Anne McQueen 949-574-7082 anne.mcqueen@amec.com	www.amecgeomatrix.com
H-09-007	Analytical Environmental Services 1801 7th Street, Suite 100 Sacramento CA 95811	Erin Quinn 916-447-3479 equinn@analyticalcorp.com	www.analyticalcorp.com
H-10-157	Ashworth Leininger Group 601 East Daly Drive, Suite 302 Camarillo CA 93010	Michael Waller 805-764-6003 mwaller@algroup.com	www.algroup.com
H-10-229	ATC Associates Inc. 25 Cupania Circle Monterey Park CA 91755	Mike Szekeley 323-517-9687 mike.szekeley@atcassociates.com	www.atcassociates.com
H-10-158	Bureau Veritas 1565 MacArthur Blvd. Costa Mesa CA 92626	David Church 714-431-4181 davo.shursh@us.bureauveritas.com	www.us.bureauveritas.com
H-10-159	Cameron-Cole, LLC 50 Hegenberger Loop Oakland CA 94621	Chris Lawless 510-777-1858 clawless@cameron-cole.com	www.cameron-cole.com
H-10-160	Carbon Verification Service, LLC 916 L Street, Suite C, PO Box 294 Sacramento CA 95814	James Groomer 916-208-8389 jgroomer@carbonverification.com	www.carbonverification.com
H-09-010	Crawford-Rivers & Associates, Inc. 5900 Hollis Street, Suite A Emeryville CA 94608	Vel Subramanian 510-420-0700 vs@crawford.com	www.crawford.com/services/climatechange.asp
H-09-003	ConSol 7497 Tam O'Shanter Drive	Jim Hodgson 209-473-5000	www.consol.com



Experience of 5 Districts

- 4 Districts are accredited Verification Bodies
- Others are eligible but declined to participate
- Only 1 actively conducting verifications
- 1 available but not marketing or promoting services
- 2 have opted out – too small, lack resources
- 1 major District uncertain about risk, COI and benefits
- South Coast VB has found the process a natural extension of duties





The Longer Term View

- CARB could transfer responsibilities to Districts
 - If District verifications prove to become standard practice
 - Data collection, i.e. correlations between GHG's & criteria
 - As verifications are consistent over time, Districts could take over
 - Consultancy's fulfill role
- Verification becomes familiar and natural extension of duties
- GHG data duties incorporated into permits, regs and enforcement



Orbit View of Southern California (NASA photo)



Summary

- Planet continues to warm
- Climate change increasingly important to region's constituencies
- District's must remain vigilant in the most pressing issue of our age
- Districts have knowledge, expertise and existing structure
- GHG Verification available as avenue for demonstrating climate commitment
- Districts could assume primary program management role in future or watch from sidelines





Thanks for being here!

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