

Air Districts and GHG Verification in California

AWMA GHG Strategies Conference November 16-17, 2011





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







CAPCOA Makes It's Voice Heard

Since beginning of AB 32 process, California Air Pollution Control Officers Association argued:

Districts can do verifications

Districts have extensive experience, expertise in GHG's

Facilities already report emissions process and thruput

data to Districts

Districts conduct over 100K inspections/yr,

400 field staff, 100's of engineers, specialists
 CARB concerned about COI issues developed
 rigorous standards

CAPCOA succeeded in ARB consent to allow Districts as verifiers







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

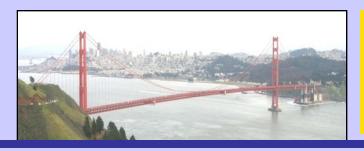
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 How should District conduct "business?"

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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 adequate 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





Placer County California











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



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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