

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2003**

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**SENATE DRS65235-LD-46A (3/20)**

Short Title: NC Climate Action Registry. (Public)

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Sponsors: Senator Clodfelter.

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE NORTH CAROLINA CLIMATE ACTION  
REGISTRY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 21B of Chapter 143 of the General Statutes is amended  
by adding a new section to read:

**"§ 143-215.107E. Legislative findings.**

(a) The General Assembly makes the following findings:

(1) It is in the best interests of North Carolina, the United States of America, and the earth as a whole to encourage actions to achieve all economically beneficial reductions of greenhouse gas emissions from North Carolina sources.

(2) Mandatory greenhouse gas emissions reductions may be imposed on North Carolina sources at some future point, and, in view of this, the State has a responsibility to use its best efforts to ensure that organizations that voluntarily reduce their emissions receive appropriate consideration for emissions reductions made prior to the implementation of any mandatory programs.

(3) The State's tradition of environmental leadership should be recognized through the establishment of a registry to provide documentation of those greenhouse gas emissions reductions that are voluntarily achieved by sources in the State.

(4) The State hereby commits to use its best efforts to ensure that organizations that establish greenhouse gas emissions baselines and register emissions results that are verified in accordance with this section receive appropriate consideration under any future international, federal, or State regulatory scheme relating to

1           greenhouse gas emissions. The State cannot guarantee that any  
2           regulatory regime relating to greenhouse gas emissions will recognize  
3           the baselines or reductions recorded in the North Carolina Climate  
4           Action Registry.

5       (b)   No later than July 1, 2004, the Department shall adopt guidelines to establish  
6   the North Carolina Climate Action Registry. Between July 1, 2004, and July 1, 2005,  
7   participation in the Registry shall be voluntary. As of July 1, 2005, participation in the  
8   Registry shall be mandatory for all facilities that are required to obtain an air quality  
9   permit from the Department. No later than July 1, 2005, the Commission shall adopt  
10   rules to expand the Registry. The guidelines and the rules under this subsection shall do  
11   all of the following:

- 12           (1)   Design programs to establish emissions baselines and to monitor and  
13           track greenhouse gas emissions.
- 14           (2)   Adopt systems to verify emissions and reductions of emissions.
- 15           (3)   Adopt a uniform format for reporting emissions baselines and  
16           reductions in order to facilitate their recognition in any future  
17           regulatory scheme.
- 18           (4)   Maintain a record of all emissions baselines and reductions.

19       (c)   The purposes of the North Carolina Climate Action Registry are all of the  
20   following:

- 21           (1)   To help various entities in the State establish emissions baselines  
22           against which any future federal greenhouse gas emission reduction  
23           requirements may be applied.
- 24           (2)   To encourage voluntary actions to increase energy efficiency and  
25           reduce greenhouse gas emissions.
- 26           (3)   To enable participating entities to record voluntary greenhouse gas  
27           emissions reductions made after 1990 in a consistent format that is  
28           supported by third-party verification.
- 29           (4)   To ensure that sources in the State receive appropriate consideration  
30           for verified emissions reductions under any future federal regulatory  
31           regime relating to greenhouse gas emissions.
- 32           (5)   To recruit broad participation in the process from all economic sectors  
33           and regions of the State.
- 34           (6)   To recognize, publicize, and promote registrants that make voluntary  
35           reductions of emissions.
- 36           (7)   To create an inventory of greenhouse gas emissions from all major  
37           emission sectors.

38       (d)   The Commission shall adopt rules that require facilities that participate in the  
39   North Carolina Climate Action Registry and that are significant sources of carbon  
40   dioxide and other greenhouse gases to report these emissions by amount.

41       (e)   Companies and organizations shall be encouraged to establish emissions  
42   reduction goals based on international best practices for specific industries and  
43   economic sectors. The Department shall recognize, publicize, and promote participants

1 that commit to monitor their emissions, set emissions reduction targets, establish  
2 emissions baselines, and report the quantity of their annual emissions progress.

3 (f) The following definitions apply in this section:

4 (1) Greenhouse gas. – Carbon dioxide, methane, nitrous oxide,  
5 hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

6 (2) Greenhouse gas emissions. – Emissions of a greenhouse gas, including  
7 all of the following:

8 a. Stationary combustion source emissions, which are emitted as a  
9 result of combustion of fuels in stationary equipment such as  
10 boilers, furnaces, burners, turbines, heaters, incinerators,  
11 engines, flares, and other similar sources.

12 b. Process emissions, which consist of emissions from chemical or  
13 physical processes other than combustion.

14 c. Fugitive emissions, which consist of intentional and  
15 unintentional emissions from both:

16 1. Equipment leaks such as joints, seals, packing, and  
17 gaskets.

18 2. Piles, pits, cooling towers, and other similar sources.

19 d. Mobile source emissions, which are emitted as a result of  
20 combustion of fuels in transportation equipment such as  
21 automobiles, trucks, trains, airplanes, and vessels."

22 **SECTION 2.** This act is effective when it becomes law.