GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2003

S SENATE BILL 863

Short Title: NC Climate Action Registry.	(Public)
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Sponsors: Senator Clodfelter.

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Referred to: Agriculture/Environment/Natural Resources. April 3, 2003 A BILL TO BE ENTITLED 1 2 AN ACT TO ESTABLISH THE NORTH CAROLINA CLIMATE ACTION 3 REGISTRY. 4 The General Assembly of North Carolina enacts: 5 **SECTION 1.** Article 21B of Chapter 143 of the General Statutes is amended by adding a new section to read: 6 7 "§ 143-215.107E. Legislative findings. The General Assembly makes the following findings: 8 (a) 9 (1) It is in the best interests of North Carolina, the United States of 10 America, and the earth as a whole to encourage actions to achieve all 11 economically beneficial reductions of greenhouse gas emissions from 12 North Carolina sources. Mandatory greenhouse gas emissions reductions may be imposed on 13 (2) 14 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 15 16 organizations that voluntarily reduce their emissions receive appropriate consideration for emissions reductions made prior to the 17 implementation of any mandatory programs. 18 The State's tradition of environmental leadership should be recognized 19 (3) 20 through the establishment of a registry to provide documentation of those greenhouse gas emissions reductions that are voluntarily 21 22 achieved by sources in the State. 23 <u>(4)</u> The State hereby commits to use its best efforts to ensure that 24

(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 greenhouse gas emissions. The State cannot guarantee that any regulatory regime relating to greenhouse gas emissions will recognize

- the baselines or reductions recorded in the North Carolina Climate

 Action Registry.

 No later than July 1, 2004, the Department shall adopt guidelines to establish
 - (b) No later than July 1, 2004, the Department shall adopt guidelines to establish the North Carolina Climate Action Registry. Between July 1, 2004, and July 1, 2005, participation in the Registry shall be voluntary. As of July 1, 2005, participation in the Registry shall be mandatory for all facilities that are required to obtain an air quality permit from the Department. No later than July 1, 2005, the Commission shall adopt rules to expand the Registry. The guidelines and the rules under this subsection shall do all of the following:
 - (1) Design programs to establish emissions baselines and to monitor and track greenhouse gas emissions.
 - (2) Adopt systems to verify emissions and reductions of emissions.
 - (3) Adopt a uniform format for reporting emissions baselines and reductions in order to facilitate their recognition in any future regulatory scheme.
 - (4) Maintain a record of all emissions baselines and reductions.
 - (c) The purposes of the North Carolina Climate Action Registry are all of the following:
 - (1) To help various entities in the State establish emissions baselines against which any future federal greenhouse gas emission reduction requirements may be applied.
 - (2) To encourage voluntary actions to increase energy efficiency and reduce greenhouse gas emissions.
 - (3) To enable participating entities to record voluntary greenhouse gas emissions reductions made after 1990 in a consistent format that is supported by third-party verification.
 - (4) To ensure that sources in the State receive appropriate consideration for verified emissions reductions under any future federal regulatory regime relating to greenhouse gas emissions.
 - (5) To recruit broad participation in the process from all economic sectors and regions of the State.
 - (6) To recognize, publicize, and promote registrants that make voluntary reductions of emissions.
 - (7) To create an inventory of greenhouse gas emissions from all major emission sectors.
 - (d) The Commission shall adopt rules that require facilities that participate in the North Carolina Climate Action Registry and that are significant sources of carbon dioxide and other greenhouse gases to report these emissions by amount.
 - (e) Companies and organizations shall be encouraged to establish emissions reduction goals based on international best practices for specific industries and economic sectors. The Department shall recognize, publicize, and promote participants that commit to monitor their emissions, set emissions reduction targets, establish emissions baselines, and report the quantity of their annual emissions progress.
 - <u>(f)</u> The following definitions apply in this section:

1	<u>(1)</u>	Greenhouse	gas. – Carbon	dioxide, me	thane, n	itrous	oxide,
2		hydrofluoroc	arbons, perfluorocar	bons, and sulf	ur hexaflı	<u> aoride.</u>	
3	<u>(2)</u>	Greenhouse	gas emissions. – Em	issions of a gr	<u>eenhouse</u>	gas, inc	luding
4		all of the foll	owing:				
5		a. Statio	nary combustion sou	irce emissions	, which a	re emitte	ed as a
6		result	of combustion of f	uels in statior	nary equip	pment s	uch as
7		boiler	s, furnaces, burne	rs, turbines,	heaters,	incine	rators,
8		engine	es, flares, and other s	similar sources	<u>5.</u>		
9		b. Proces	ss emissions, which	consist of emi	ssions fro	m chem	nical or
10		physic	al processes other th	nan combustio	<u>n.</u>		
11		<u>c.</u> <u>Fugiti</u>	ve emissions, wl	nich consist	of int	entional	l and
12		<u>uninte</u>	ntional emissions fro	om both:			
13		<u>1.</u>	Equipment leaks	such as joint	s, seals,	packing	g, and
14			gaskets.				
15		<u>2.</u>	Piles, pits, cooling t	towers, and ot	her simila	r source	<u>es.</u>
16		d. Mobil	e source emissions	, which are	emitted a	as a res	sult of
17		combi	astion of fuels in	transportatio	n equipr	nent su	ich as
18		autom	obiles, trucks, trains	, airplanes, an	<u>d vessels.</u>	'' -	
19	SECT	ION 2. This	act is effective when	it becomes la	w.		