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## SENATE BILL NO. 234

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Agriculture, Conservation and Natural Resources)

(Patron Prior to Substitute—Senator Whipple)

Senate Amendments in [ ] — February 8, 2008

A BILL to amend and reenact §§ 10.1-1300 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 13 of Title 10.1 an article numbered 4, consisting of sections numbered 10.1-1329 and 10.1-1330, and by adding in Article 15 of Chapter 1 of Title 33.1 a section numbered 33.1-223.2:18, relating to greenhouse gas emissions.

Be it enacted by the General Assembly of Virginia:

1. That § 10.1-1300 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Chapter 13 of Title 10.1 an article numbered 4, consisting of sections numbered 10.1-1329 and 10.1-1330, and by adding in Article 15 of Chapter 1 of Title 33.1 a section numbered 33.1-223.2:18 as follows:

§ 10.1-1300. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Advisory Board" means the State Advisory Board on Air Pollution.

"Air pollution" means the presence in the outdoor atmosphere of one or more substances which are or may be harmful or injurious to human health, welfare or safety, to animal or plant life, or to property, or which unreasonably interfere with the enjoyment by the people of life or property.

"Board" means the State Air Pollution Control Board.

"De minimis" means emissions from an individual facility that are equal to or less than 10,000 tons per year for carbon dioxide, 476 tons per year for methane, 32.6 tons per year for nitrous oxide, 0.855 tons per year for hydrofluorocarbons, 1.09 tons per year for perfluorocarbons, and 0.42 tons per year for sulfur hexafluoride.

"Department" means the Department of Environmental Quality.

"Direct emissions" means emissions from sources that are owned or controlled by a reporting entity.

"Director" or "Executive Director" means the Executive Director of the Department of Environmental Quality.

"Greenhouse gas" means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, or sulfur hexafluoride.

"Indirect emissions" means emissions that are a consequence of the activities of the reporting entity, but that occur at sources owned or controlled by another entity.

"Owner" shall have no connotation other than that customarily assigned to the term "person," but shall include bodies politic and corporate, associations, partnerships, personal representatives, trustees and committees, as well as individuals.

"Person" means an individual, corporation, partnership, association, a governmental body, a municipal corporation, or any other legal entity.

"Special order" means a special order issued under § 10.1-1309.

## Article 4.

## Greenhouse Gas Emissions.

§ 10.1-1329. Mandatory greenhouse gas emissions reporting.

A. The Board shall adopt regulations to require the annual reporting and self-certification of direct emissions of greenhouse gases from any stationary source that: (i) emits greater than a de minimis amount of greenhouse gases on an annual basis and (ii) is otherwise required to report emissions of air pollutants under this chapter. Reporting shall only be required for those greenhouse gases of which a greater than de minimis amount is emitted. The Board shall:

1. Where appropriate and to the maximum extent feasible, incorporate standards and protocols developed by other widely recognized and verified greenhouse gas inventory programs. Such programs shall include but not be limited to the Climate Registry, the U.S. Environmental Protection Agency Climate Leaders Program, the Chicago Climate Exchange Registry, the International Organization for Standardization, the SF6 Emissions Reduction Partnership for Electric Power Systems, and the U.S. Department of Energy 1605(b) Climate Challenge Program. The Board shall strive to ensure that persons who have: (i) filed a Statement of Intent to participate the Climate Registry prior to July 1, 2009, and (ii) developed a greenhouse gas emission reporting program, are not required to significantly alter their reporting or verification program except to ensure that reporting is complete and verifiable for the purposes of compliance with this section;

2. Ensure rigorous and consistent accounting of emissions and provide the reporting tools and formats to collect necessary data; and

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60 3. Ensure that greenhouse gas emission sources maintain comprehensive records of all reported  
61 greenhouse gas emissions.

62 B. The Board shall regularly review existing and proposed federal and state greenhouse gas emission  
63 reporting programs and make reasonable efforts to promote consistency and streamline reporting  
64 requirements on greenhouse gas emission sources. The Board shall also regularly evaluate the need to  
65 require reporting by other sources of greenhouse gas emissions and, when necessary, report its findings  
66 to the General Assembly.

67 [ C. Notwithstanding any other provision of this section, no stationary source that derives at least 75  
68 percent of the energy it consumes from carbon-neutral fuel shall be required to report any emissions of  
69 greenhouse gases.]

70 § 10.1-1330. Voluntary greenhouse gas reduction reporting.

71 The Board may establish a voluntary program allowing persons to register voluntary reductions in  
72 direct or indirect emissions of greenhouse gases. The voluntary program may include the reporting of  
73 reductions in emissions from motor vehicle fleets owned by persons otherwise required to report  
74 emissions from stationary sources under § 10.1-1329. The voluntary program may include criteria for  
75 establishing baseline emissions, quantifying emission reductions, and providing public recognition.

76 § 33.1-223.2:18. Mobile source greenhouse gas emissions inventory.

77 Beginning January 1, 2009, the Virginia Department of Transportation annually shall provide the  
78 Department of Environmental Quality with information to maintain a greenhouse gas emissions  
79 inventory for roads throughout the Commonwealth, including information regarding annual vehicle miles  
80 traveled, traffic trends, and characteristics of vehicles.