R004-09 (reporting of GHGs from affected units)

FORM #1

FORM FOR PETITIONING THE STATE ENVIRONMENTAL COMMISSION FOR ADOPTION, FILING AMENDMENTS OR REPEAL OF COMMISSION REGULATIONS

 Nevada Division of Environmental Protection 901 South Stewart Street, Suite 4001 Carson City, NV 89701-5249 (775) 687-4670 August 7, 2009

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- 2. The Nevada Division of Environmental Protection (NDEP) is a division of the Nevada Department of Conservation and Natural Resources of the State of Nevada. The NDEP is an environmental regulatory agency.
- 3. Nevada Revised Statutes (NRS) 445B.210 establishes the authority of the State Environmental Commission (SEC) to adopt regulations to prevent, abate and control air pollution.

SPECIFIC CHANGES:

The NDEP is proposing to convert a temporary regulation, T008-08 adopted in November 2008, to a permanent regulation. The regulation requires companies that operate electric generating units with a maximum design output capacity of 5 megawatts or more and which emit greenhouse gases (GHGs) to track and report GHG emissions in accordance with the guidelines established by NDEP.

4. NEED FOR AND PURPOSE:

The GHG regulation implements Senate Bill 422, which was passed by the 2007 Legislature. The regulation requires the affected electric power industry to report their GHG emissions to NDEP. NDEP will include this information in a registry of GHG emissions in Nevada.

- 5. ECONOMIC EFFECTS:
 - (a) <u>Regulated Business/Industry</u>. There will be added costs to electric power generating companies that operate electric generating units with a maximum design output capacity of 5 megawatts or more and which emit GHGs. These

companies are required to begin reporting emissions of six GHGs in 2009, which will entail tracking and reporting costs.

- (b) <u>Public</u>. NDEP has minimized the anticipated costs by not requiring the electric power utilities to pay for GHG registry costs and by providing in-house data verification rather than requiring third party verification by outside consultants. Furthermore, development of a state-wide reporting program at this stage may reduce long-term costs associated with future federally required GHG reporting requirements.
- (c) <u>Enforcing Agency.</u> Additional costs to the agency for administering the new GHG program consist of one full-time employee. The agency is not proposing a new fee at this time. We will evaluate the program costs and, if necessary, propose a fee schedule in the future.
- 6. The regulation does not overlap or duplicate any regulations of other state or government agencies.
- 7. There are no greenhouse gas reporting requirements in current federal regulations.
- 8. The regulation does not address fees