



The Greenhouse Gas

Volunteer

The Newsletter of the Voluntary Reporting of Greenhouse Gases Program

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A New Era in Voluntary Reporting Begins

On July 13, 2007, the Office of Management and Budget (OMB) approved the revised Form EIA-1605. OMB clearance of the revised reporting form and instructions concludes the 5-year effort to enhance the 1605(b) Program as part of the President's Global Climate Change Initiative, which was announced on February 14, 2002. This development effort, summarized by the timeline shown on the following page, launches a new era in the Voluntary Reporting Program's history by shifting the program's focus from project-level reductions to entity-wide emissions inventories and assessments of emission reductions.

Revising the General and Technical Guidelines was at the heart of the effort to enhance the 1605(b) Program and was conducted by an interagency group that included the Departments of Energy (DOE), Agriculture (USDA), and Commerce (DOC) and the Environmental Protection Agency (EPA). The goal was to create a program that enhanced data quality and transparency while still allowing participants the flexibility expected in a voluntary program. Balancing these two often conflicting goals proved to be a challenge, but the interagency group was able to produce guidelines that tighten

data quality requirements for all reporters, allow for flexibility through a two-tiered system of registered and reported reductions, and provide simplified requirements for small emitters.

Developing a revised reporting form presented significant challenges for the Energy Information Administration's (EIA's) 1605(b) team, as we attempted to balance the rigorous requirements of the guidelines with the simplicity desired for a user-friendly form. While the form we created is unavoidably lengthy in order to accommodate all of the reporting opportunities offered by the guidelines, most reporters will have to complete only a small fraction of the form's schedules and addenda. The electronic reporting form currently in development will also simplify reporting by guiding users only to those sections of the form that they must complete.

The final steps required to implement the enhanced 1605(b) Program are

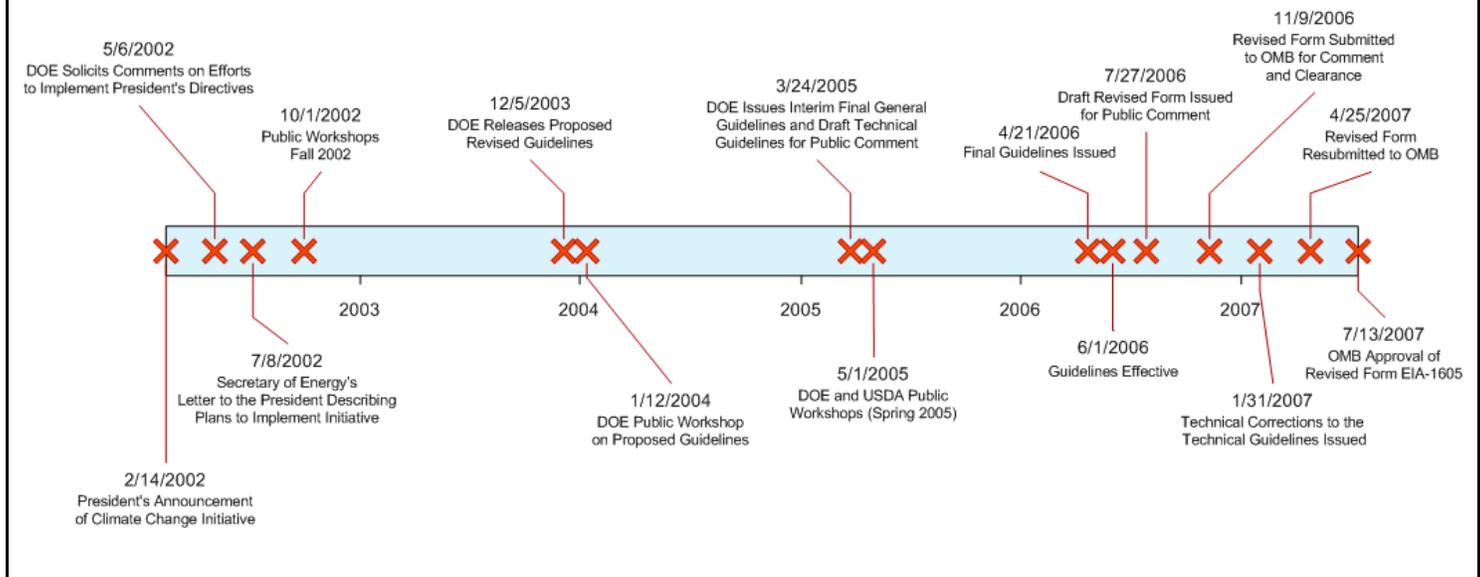
underway (see the box on this page for upcoming milestones). The revised form and instructions are available on the Internet at <http://www.eia.doe.gov/oiaf/1605/Forms.html>.

Tentative Schedule for the 2007 Reporting Cycle

Note: This schedule is subject to change.

July 2007	OMB approval of the new reporting form and instructions
October 2007	Final version of the form and instructions posted to EIA website
Winter 2007	Program launch: Web-based electronic reporting form available
Late Winter 2007/8	Filing deadline for self-certified reports
Early Spring 2007/8	Filing deadline for independently verified reports
May 2008	Data review complete; last report accepted into the database
June 2008	Public Use Database available; Release of Annual Report

Timeline of Enhanced Program Development



2005 Data Report Marks 12 Years of Reporting

From the launch of the original Voluntary Reporting of Greenhouse Gases Program in 1995, 425 distinct entities have reported to the program. Our reporters have included electric utilities, a variety of manufacturers, coal mine operators, landfill operators, furniture retailers, and even individual households. These reporters included key companies in these various industries.

Since our first year, which focused on 1994 data, the number of entities reporting to the program has increased by 105 percent, from 108 entities reporting for 1994 to 221 entities reporting for 2005. Data year 2000 saw the greatest participation, with 236 entities reporting to the 1605(b) Program that year, a 119 percent increase from 1994. The 2005 data year showed a decrease of 6 percent in the number of reporters from 2000, and a 5 percent decrease in the number of reporters from the previous data year (2004). The decrease in reporting entities for 2005 is partly due to a shortened reporting season, as the termination of reporting under the original guidelines prevented EIA from accepting late reports.

Despite the decrease in the number of reporters for 2005 over previous reporting seasons, the number of reported projects continued to increase. The 2,379 projects reported in 2005 represent an increase of 275 percent over the 634 projects reported for 1994.

While the focus of reporting under the 1994 Guidelines has been on projects, participants have increasingly included entity-level data in their reports, anticipating the direction the enhanced program has taken. In 1994, only 39 entities reported entity-level emissions or reductions on Form EIA-1605, representing 36 percent of the total 108 entities reporting. By 2005, the number of entities reporting at the entity-level had increased to over half of all reporters (53 percent), or 118 of 221 reporters.

Entities have also increased their use of the "long" form (Form EIA-1605) versus the "short" form (Form EIA-1605EZ). The proportion of reporters using the short form has decreased from 32 percent in the 1994 data year to 15 percent in the 2005 data year. EIA believes that reporters are choosing to use the long form to document emissions more thoroughly. The trend toward using the long form, which is required for entity-level reporting, also anticipates the changes that will be ushered in with the revised form.

We appreciate the continued support and participation of our reporters and would like to encourage them to continue their participation as the program moves into a new era.



Software Development

EIA is developing an Internet-based, electronic reporting system for the enhanced 1605(b) Program. This will eliminate the need for distribution of software that reporters must install on their computers. Reporters will be able to key information directly into an EIA database, save it, edit it, and push the "submit" button when the report is complete – all with only a Web browser and an Internet connection.

Reporters will be able to access the Internet Data Collection (IDC) system via EIA's single sign-on (SSO) application. Reporters who have used the Web EZ reporting form will be familiar with this application, which allows users to create a user name and password. Reporters can use the single sign-on application to access several different EIA forms. The new electronic reporting form will be user friendly, with workflow that will overcome the apparent complexity of the paper reporting form by directing each reporter only to the parts of the form he or she must complete. Consequently, the electronic reporting system should decrease the burden of the new reporting form.

The paper form and instructions will still be available upon request for those reporters who prefer not to use an electronic reporting system.

EIA Releases 2005 Summary Report

The annual summary report for the Voluntary Reporting of Greenhouse Gases Program is now available on the Internet at <http://www.eia.doe.gov/oiaf/1605/vrrpt/summary/index.html>.

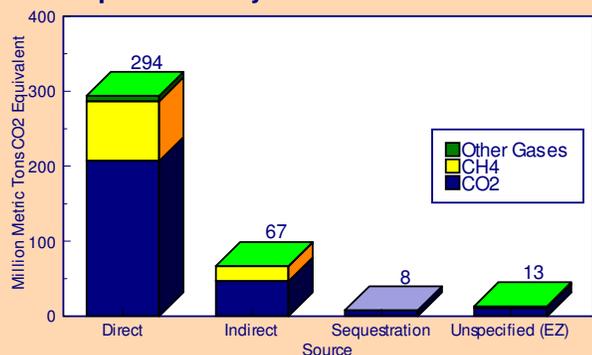
Direct sources, which are owned or controlled by the reporter, accounted for most of the emission reductions reported for 2005, or 294 million metric tons carbon dioxide equivalent (MMT_{CO₂e}). Direct reductions were 6.1 percent higher in 2005 than in 2004. A total of 67 MMT_{CO₂e} of indirect reductions were also reported. Indirect reductions result from actions taken to reduce emissions from sources not owned or controlled by the reporter, such as the consumption of purchased electricity.

Forestry projects accounted for a reported eight MMT_{CO₂e} of carbon sequestration reported on Form EIA-1605. Unspecified reductions, or those reported on Form EIA-1605EZ, accounted for a reported 13 MMT_{CO₂e}.

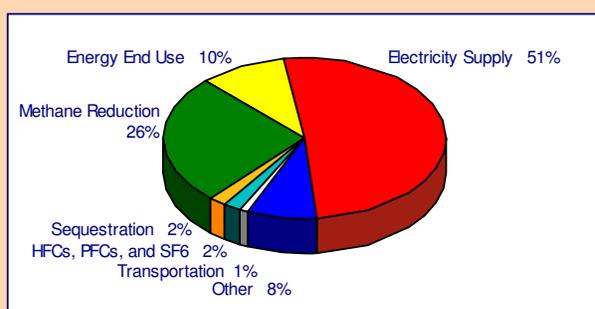
Electricity supply, energy end use, and methane reduction projects represented almost 90 percent of the reported project-level reductions for 2005.

Copies of the Summary Report were sent to all of our 2005 reporters in March 2007. To obtain copies of this report, contact the Communication Center at 1-800-803-5182 or by e-mail at infoghg@eia.doe.gov.

Reported Project-level Reductions and Sequestration by Gas and Source for 2005



Reported Reductions by Project Type, Data Year 2005



Changes to Revised Form EIA-1605

The revised Form EIA-1605 reflects the emphasis of the revised guidelines by shifting the focus of reporting from evaluating individual actions taken to reduce greenhouse gas emissions to an entity-wide assessment of emissions and the overall effect of the entity's emission reduction activities on its emissions footprint. The principal changes to Form EIA-1605 are:

- ✓ The emphasis has shifted to entity-wide assessments of the reporter's emissions and emission reductions. Project-level reporting, which was a key element on the old form, has been all but eliminated.
- ✓ The revised Form EIA-1605 introduces the "registration" of emission reductions for data years 2003 onwards. Entities intending to register emission reductions must meet stricter emissions inventory requirements than entities reporting but not registering reductions.
- ✓ The "short" form (Form EIA-1605EZ) has been eliminated. However, small entities (those emitting less than 10,000 metric tons CO₂ equivalent per year) are subject to less demanding emission inventory requirements, as are entities that choose to report but not register reductions.
- ✓ Complete entity-wide emission inventories are required for

large emitters registering reductions, while small emitters or entities reporting but not registering reductions must submit inventories for any portion of their operations for which reductions are estimated. Reporters must use the methods prescribed in the general and technical guidelines to calculate emission reductions.

- ✓ If more than one emission reduction method is used, the reporter must allocate emissions to a corresponding number of subentities.
- ✓ Before a report including emission reductions may be submitted, reporters must submit a Start Year report that includes a detailed entity statement and a complete or partial emission inventory for a selected Base Period. For entities intending to register reductions, the Base Period may be a 1-4 year period ending no earlier than 2002. For entities intending to report but *not* register reductions, the Base Period may be a 1-4 year period ending no earlier than 1990.
- ✓ Although it is not required, entities may choose to have their report verified by an independent third-party.

The revised version of Form EIA-1605 may be downloaded from EIA's Web site at <http://www.eia.doe.gov/oiaf/1605/Forms.html>.

For More Information About Voluntary Reporting, Contact the Communications Center

Voice: 1-800-803-5182 or (202) 586-0688 **Fax:** (202) 586-3045 **E-mail:** infoghg@eia.doe.gov

Internet: <http://www.eia.doe.gov/oiaf/1605/frntvrgg.html> **FTP:** <ftp://www.eia.doe.gov/pub/oiaf/1605/cdrom>

Mailing Address: Voluntary Reporting of Greenhouse Gases Program, U.S. Department of Energy, Energy Information Administration, EI-81, 1000 Independence Avenue, S.W., Washington, DC 20585.

