



NUCLEAR ENERGY INSTITUTE

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September 25, 2006

Mr. Stephen E. Calopedis
Energy Information Administration, EI-81
U.S. Department of Energy
1000 Independence Avenue, SW.
Washington, DC 20585

RE: Comments on the Draft Reporting Form and Instructions for Reporting Under the Revised Guidelines for the Voluntary Reporting of Greenhouse Gas Program (Section 1605(b), Energy Policy Act, Public Law 102-486)

Dear Mr. Calopedis:

On behalf of the United States nuclear energy industry, the Nuclear Energy Institute (NEI)ⁱ appreciates the opportunity to provide comments on the Draft Reporting Form and Instructions for the Voluntary Reporting of Greenhouse Gas Program published by the Energy Information Administration (EIA) (*71 Fed. Reg.*, 42637, July 27, 2006).

The nuclear energy industry is pleased that the Voluntary Greenhouse Gas Reporting program continues to recognize emissions avoided by non-emitting electricity generation as a vital component of the U.S. program to reduce greenhouse gas (GHG) emissions and emission intensity. The nuclear energy industry urges EIA to continue collecting and reporting data in a manner that clearly demonstrates the GHG reductions achieved by the use of non-emitting technologies, such as nuclear energy, hydroelectric generation and renewable energy.

NEI believes that the methodology used for registering and reporting reductions should continue to allow entities to identify the specific sources of reductions and the amount of reductions from each source.

ⁱ NEI is the organization responsible for establishing unified nuclear industry policy on matters affecting the nuclear energy industry, including regulatory aspects of generic operational and technical issues. NEI members include all companies licensed to operate commercial nuclear power plants in the United States, nuclear plant designers, major architect/engineering firms, fuel fabrication facilities, materials licensees, and other organizations and individuals involved in the nuclear energy industry.

Technology has a significant role to play in the reduction of greenhouse gas emissions in the United States and globally. President Bush and the 109th Congress recognize that technology advances and energy diversity are vital to this country's energy future, from both an environmental and energy security standpoint. Nuclear power is an example of a key technology that reduces the amount of greenhouse gases released into the atmosphere.

Nuclear energy accounts for 20 percent of the electricity generated in the United States and generates nearly three quarters of all emission-free electricity. The 103 operating nuclear power plants in the United States avoided the emission of an estimated 682 million metric tons of carbon dioxide (CO₂) in 2005, more than double the emissions avoided by all other non-emitting generation sources combined (approximately 260 million metric tons of CO₂).

In 2004, nuclear energy was the single largest source of GHG reductions reported into the Voluntary Reporting of Greenhouse Gases program, accounting for 36 percent of all reported reductions.

Recommendations

To ensure that policymakers and the public can continue to identify the contribution of nuclear energy and other non-emitting technologies in reducing GHG emissions, NEI recommends:

- 1) Each section of Addendum A to Schedule III (Emission Reductions Summary) of draft Form EIA-1605 allows entities and sub entities registering or reporting GHG reductions to "Identify Types of Actions That Were the Likely Cause of the Reductions Achieved." NEI recommends that reporting entities have the option of associating a numeric reduction (tons or intensity) with each action identified in this section. For example, in Addendum A1, Part B.4., each entry identifying a GHG-reducing activity should include the ability to record the reduction (tons or intensity) associated with that activity.
- 2) Each section of Addendum A (Emission Reduction Methods) allows reporting entities to identify the types of actions that were likely the cause of GHG reductions achieved using codes from Appendix O (for example, see Addendum A1, Part B.4.). Appendix O has not yet been made publicly available; NEI recommends that the North American Industrial Classification System (NAICS) codes be used in Appendix O to identify GHG reduction sources.

- 3) Appendix A, referenced elsewhere in the reporting formⁱⁱ, is essentially a list of the NAICS codes. NEI recommends substituting Appendix A in all references to Appendix O, thus eliminating Appendix O and apparent redundancy in the reporting form and instructions.

The use of the NAICS codes in Addendum A (and Appendix O, if deemed necessary) would help ensure consistency between past and future 1605b reports, since earlier filings used the NAICS codes to identify sources of reductions.

Further confusion between Appendix A and Appendix O exists. For example, the Instructions for Form EIA-1605, Addendum A4 (Changes in Avoided Emissions), Part B.2., instruct reporting entities to identify actions likely causing reductions by “using the activity type codes in Appendix A,” while all other similar sections in Addendum A (for example, Addendum A1, Part B.4.) instruct reporting entities to use Appendix O when identifying reduction activities. This inconsistency highlights the need to consolidate Appendices A and O into a single appendix referencing the NAICS codes.

Replacing all references to Appendix O with Appendix A and eliminating Appendix O for identifying activities would simplify the form and reduce confusion.

Conclusion

NEI supports the continued collection and reporting of GHG emission reductions through the Voluntary Greenhouse Gas Reporting program. To ensure that GHG reductions from nuclear energy projects and other low-emitting technologies continue to be recognized, NEI recommends that:

- Form EIA-1605 allows reporting entities to identify not only the sources of GHG reductions but also the amount of reductions attributable to each source;
- Sources of GHG reduction be identified using NAICS codes; and
- Appendix O be deleted and that reporting entities refer to Appendix A when identifying GHG reducing actions.

ⁱⁱ Appendix A is referenced in Schedule I (Entity Information), Section 1 (Entity Statement), and Schedule II (Subentity Information), Section 1 (Subentity Statement) to identify the Primary Economic Activities of reporting entities and subentities.

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Nuclear energy and other low-emission electricity technologies are an important part of existing emission reduction programs. Full recognition of the emissions prevented by nuclear energy must be acknowledged so the public and policymakers understand the role nuclear energy plays in balanced environmental and energy policy today and in the future.

If you have questions regarding these comments and recommendations, please contact me at 202.739.8013, mmq@nei.org, or Elizabeth King, NEI's Project Manager for Economic Policy Programs, at 202.739.8095, ejk@nei.org.

Sincerely,

A handwritten signature in cursive script, appearing to read "Paul H. Genoa".

Paul H. Genoa
Director, Policy Development
Deputy Assistant to the President