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**EPA Proposes Mandatory Greenhouse Gas Reporting**

On 10 March 2009, the U.S. Environmental Protection Agency (EPA) proposed the first comprehensive national system for reporting emissions of carbon dioxide and other greenhouse gases (GHGs) produced by major sources in the United States. GHGs are produced by the burning of fossil fuels and through industrial and biological processes.



GHGs in the atmosphere are believed to be a cause of change in the steady state temperature of the Earth and a contributor to the [greenhouse effect](#). Common greenhouse gases in the Earth's atmosphere include water vapor, carbon dioxide, methane, nitrous oxide, ozone, and chlorofluorocarbons.

EPA's proposed rule calls for suppliers of fossil fuels or industrial greenhouse gases, manufacturers of vehicles and engines, and facilities that emit 25,000 metric tons or more of GHG emissions per year to submit annual reports to EPA. The first annual report would be submitted to EPA in 2011 for the calendar year 2010, except for vehicle and engine manufacturers, which would begin reporting for model year 2011. Approximately 13,000 facilities, accounting for about 85 percent to 90 percent of greenhouse gases emitted in the United States, would be covered under EPA's proposal.

EPA's 25,000 metric ton threshold is roughly equivalent to the annual greenhouse gas emissions from just over 4,500 passenger vehicles. The direct emission sources covered under the reporting requirement would include energy intensive sectors such as cement production, iron and steel production, and electricity generation, among others. EPA says most emission sources from agriculture would not be covered by this rule.

EPA plans two public hearings regarding the proposal: April 6 and 7, 2009 at the EPA Potomac Yard Conference Center, Arlington, VA; and April 16, 2009, at the Sacramento Convention Center, Sacramento, CA. For more information see EPA's [fact sheet](#) and [presentation](#).

**California Proposes Low Carbon Fuel Standard Regulation**

On 5 March 2009 the California Air Resources Board (ARB) [announced](#) it will propose regulation to implement a Low Carbon Fuel Standard (LCFS) aimed at reducing the state's greenhouse gas (GHG) emissions from fuels by 13.4 million metric tons (about 10%) by 2020 and more thereafter.



California Governor Schwarzenegger issued the [LCFS Executive Order](#) in early 2007 directing the state to drive down GHG emissions from transportation and fuels.

The [proposed regulation](#) is one of the most important early actions called for under AB 32, California's pioneering climate change legislation. The regulation diversifies the variety of fuels and boosts the market for alternative-fuel vehicles. The initiative replaces much of the fuels used in California with clean alternative fuels by 2020, including electricity, biofuels, hydrogen and other options. To encourage private sector and federal investment into alternative fuel production and distribution, California is providing funding to assist in the early development and deployment of the most promising low-carbon fuels.

The LCFS proposal requires providers, refiners, importers and blenders to ensure that the fuels they provide for the California market meet an average declining standard of "carbon-intensity." This is determined by examining the sum of GHG emissions that are associated with the production, transportation and consumption of the fuel, also referred to as the "fuel pathway." Market-based mechanisms will allow fuel suppliers to choose the most cost-effective clean fuels – those with the lowest carbon intensity – giving California consumers the widest variety of fuel options at a reasonable price.

ABB will hear [public comment](#) on the proposal at a two-day meeting in Sacramento beginning 23 April 2009.

### **EPA Announces \$211 Million in Stimulus Funds to Reduce Diesel Emissions**

The Environmental Protection Agency [announced](#) on 20 March 2009 that an estimated \$211 million in funding to



protect communities from diesel emissions will be available under the American Recovery and Reinvestment Act of 2009 signed by President Obama on 17 February 2009. Diesel grantees will use a total estimated \$206 million to implement clean diesel projects to cut diesel emissions, including particulate matter and nitrogen oxides.

An estimated \$5 million will be made available for brownfields clean up. (Brownfields are properties which may be complicated by the presence of a hazardous substance.) [Brownfields grants](#) will be used to provide training for jobs, or job creation, in the assessment, remediation, or preparation of brownfield sites for sustainable reuse. EPA anticipates awarding 10-12 cooperative brownfield agreements, whose maximum value each shall not exceed \$500,000.

Preference will be given to projects that can be started and completed expeditiously. EPA plans to provide the funding in June. EPA has posted [more information](#) about Recovery Act Clean Diesel Programs on the web.

## Canada's Freight Technology Program Helps Reduce Locomotive and Railyard Emissions

Transport Canada's [Freight Technology Incentives Program](#) launched in early 2009 provides cost-shared funding to companies and non-profit organizations in freight transportation. The program was designed to help Canadian and non-Canadian private enterprises, including not-for-profit organizations to purchase and install proven emission-reducing technologies.



[Transport Canada](#) provides cost shared funding to support the purchase and installation of proven technologies throughout the freight transportation system that can reduce the emissions of air pollutants and greenhouse gases (GHG).

Examples of eligible projects under the program include purchase of diesel anti-idling equipments in rail yards, ports, airports and trucking stations; purchase of hybrid switching locomotives; and purchase of electronic speed control systems

Specific examples of projects funded by Transport Canada's Freight Technology Incentives Program include:

- **Petro-Canada** will receive a contribution of up to \$210,840 towards the purchase of a light railcar switcher to move railcars between the Port of Vancouver and the rail yard in Coquitlam, British Columbia.
- **Viterra Inc.** will receive a contribution of up to \$490,750 towards the purchase of an ultra low-emitting genset locomotive for on-site switching.

[Fifteen projects](#) worth \$3.7 million have been awarded through the program's first round of funding.

