



April 11, 2012

White House Council on Environmental Quality
722 Jackson Place, Northwest
Washington, DC 20506

Email: GHG.Guidance@ceq.eop.gov

Re: Revised Guidance on Federal Greenhouse Gas Accounting and Reporting

The Business Council for Sustainable Energy (BCSE) respectfully submits comments regarding provisions in the guidance to federal agencies on implementing Executive Order 13514, issued on October 5, 2009, which requires federal agencies to measure, manage, and reduce greenhouse gas (GHG) emissions toward agency-defined targets. The Council supports the goal of the Executive Order which is to make reductions of greenhouse gas emissions a priority of the federal government. Implementation of the Executive Order will benefit taxpayers through substantial energy savings and avoided costs from improved efficiency. The Council supports modification of the Guidance, however, to allow federal agencies to have the option to use utility-specific data in lieu of the Environmental Protection Agency's e-GRID data for Scope 2 emissions requirements.

The Council is a coalition of companies and trade associations from the energy efficiency, natural gas and renewable energy sectors, and also includes independent electric power producers, investor-owned utilities, public power, commercial end-users, project developers and service providers for environmental markets. Please note that as the Business Council for Sustainable Energy is a diverse coalition, not all members endorse or take positions on the issues included in these comments.

The Council has long supported greenhouse gas reporting and management and the Council believes these are important tools to help encourage investments in commercially-available clean energy technologies and to recognize improvements in energy efficiency and emissions reductions over time.

Executive Order 13514 describes a process by which agency greenhouse gas emission reduction goals will be set and reported to the President by the Chair of the Council on Environmental Quality. The Federal GHG Accounting Guidance on implementing the Executive Order would require that the use of the Environmental Protection Agency's e-GRID data be the only data used for Scope 2 emissions reporting. The e-GRID data is a compilation of regional emissions which does not always accurately reflect utility-specific emissions. Therefore, the Council requests that federal agencies be allowed the option of submitting utility-specific reports for greenhouse gas emissions data for reporting purposes under Scope 2.

The Council supports design rules that increase accuracy over time and promote consistency with other programs. Toward those ends, the Council believes that, as appropriate, federal agencies should be permitted to use utility-specific data in their reports, provided that the data meets reporting requirements. Consistent with other reporting programs, we believe the use of utility-specific data can provide more flexibility and accuracy in certain cases, which will in turn better recognize and incentivize federal agency investments in clean energy.

While the Council acknowledges that concerns for accuracy are a factor behind the mandate to use the Environmental Protection Agency's e-Grid data, the Council believes that these issues can be managed and that there are other tradeoffs with mandating use of e-Grid data, such as the relative lag time in updating e-Grid data and that regional rates are in some cases much higher than utility-specific rates.

Further, the ability to opt to use utility-specific data is consistent with other reporting programs. For example, The Climate Registry's General Reporting Protocol specifically provides a methodology as to how utilities can provide this data to their customers. Unlike e-GRID, federal agencies can provide an accurate CO₂ emissions rate for the actual reporting year using voluntarily submitted utility-specific reports of greenhouse gas emissions data, which are best suited to account for green power purchases, fuel transitions to natural gas, coal plant retirements, efficiency improvements, etc. By directing all federal agencies to use e-GRID, it weakens incentives for agencies to specifically request this information from suppliers and challenges suppliers that are trying to reduce their CO₂ lbs/MWh emissions rates—both by using lower carbon fuels and increasing energy efficiency.

The Business Council for Sustainable Energy thanks the Council on Environmental Quality for the opportunity to comment on this important issue. If any clarification or further information is required, please contact Colbie Holderness (cholderness@bcse.org, 202-785-0507).

Sincerely,

A handwritten signature in cursive script that reads "Lisa Jacobson".

Lisa Jacobson, President
Business Council for Sustainable Energy