

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 1556

Short Title: Greenhouse Gas Emissions Funds. (Public)

Sponsors: Representatives Tolson, Gibson, Glazier (Primary Sponsors); Alexander, Faison, and Fisher.

Referred to: Appropriations.

April 25, 2005

A BILL TO BE ENTITLED

1
2 AN ACT TO APPROPRIATE FUNDS TO GLOBAL WARMING INITIATIVES
3 (GWI), A NONPROFIT CORPORATION, TO ASSIST COMPANIES AND
4 STATE FACILITIES IN INCREASING ENERGY EFFICIENCY AND
5 ENVIRONMENTAL PERFORMANCE AND IN REDUCING THEIR
6 GREENHOUSE GAS EMISSIONS AND TO REPORT GREENHOUSE GAS
7 EMISSIONS TO THE FEDERAL VOLUNTARY GREENHOUSE GAS
8 REPORTING PROGRAM AND TO GWI'S NORTH CAROLINA GLOBAL
9 WARMING REGISTRY.

10 Whereas, in 1995 the United States Department of Energy (DOE) and the
11 United States Environmental Protection Agency (EPA) established a five-year pilot
12 program, Climate Wise, to establish best practices for industries to reduce greenhouse
13 gas emissions, to increase energy and process efficiency, and to voluntarily report their
14 greenhouse gases emissions for publication; and

15 Whereas, the Department of Environment and Natural Resources contracted
16 to participate in the Climate Wise program, and the State Energy Office of the
17 Department of Administration matched the federal grant and managed this pilot
18 program; and

19 Whereas, DOE and EPA intended that the Climate Wise program be
20 continued as a nongovernment program and funded with State and other funding after
21 the expiration of the federal pilot program; and

22 Whereas, the State did not continue the funding for this program, and Climate
23 Wise was cancelled June 30, 2002, to help balance the State budget; and

24 Whereas, Global Warming Initiatives (GWI) was incorporated on January 6,
25 2003, as a nonprofit corporation for the purpose of continuing the efforts begun by the
26 federal pilot program, Climate Wise, in the same manner as California and other state
27 programs; and

1 Whereas, the Division of Air Quality of the Department of Environment and
2 Natural Resources administers the mercury and carbon dioxide requirements of the
3 Clean Smokestack Act and is planning to enhance the work associated with these
4 programs; and

5 Whereas, by reporting or registering industries' greenhouse gas emissions,
6 GWI would complement the air quality programs of the Division of Air Quality of the
7 Department of Environment and Natural Resources; and

8 Whereas, GWI currently works with industries of any size and plans to
9 expand in order to assist, in matters related to greenhouse gas emissions, all facilities,
10 including agriculture, forestry, and transportation facilities, even residential housing, as
11 funding permits; and

12 Whereas, GWI will assist in matters related to greenhouse gas emissions and
13 global warming until a formal State or federal program is enacted, and then GWI will
14 continue with administering the new program or supporting the formal program; and

15 Whereas, North Carolina has led the nation for four consecutive years in
16 reporting industrial facilities to the federal Voluntary Greenhouse Gases Reporting
17 Program through the efforts of GWI and received recognition for this effort from DOE;
18 and

19 Whereas, participation by corporations and the State is needed to evaluate the
20 greenhouse gas activities at the State and at the federal levels; Now, therefore,
21 The General Assembly of North Carolina enacts:

22 **SECTION 1.** There is appropriated from the General Fund to Global
23 Warming Initiatives (GWI), a nonprofit corporation, the sum of three hundred thousand
24 dollars (\$300,000) for the 2005-2006 fiscal year and the sum of three hundred thousand
25 dollars (\$300,000) for the 2006-2007 fiscal year. These funds shall be used by Global
26 Warming Initiatives to do all of the following:

- 27 (1) Meet with top management of industry to inform them of the programs
28 that are available within North Carolina, which will increase their
29 assets and productivity through energy efficiency, environmental
30 performance, and process improvement, and to give industry an
31 overview of how global warming issues and these programs can
32 reduce greenhouse gas emissions.
- 33 (2) Develop an enhanced voluntary greenhouse gas reporting program for
34 reporting year-end data for 2005 and promote the program across the
35 State. (The 2004 year-end data will be reported using the reporting
36 program used since 1995.)
- 37 (3) Collect data from industry, calculate the absolute emissions of
38 greenhouse gas emissions and the emissions' intensity levels, and
39 report the results in both the federal Voluntary Greenhouse Gas
40 Reporting Program and in GWI's publication, the North Carolina
41 Global Warming Registry.
- 42 (4) In cooperation with the State Energy Office of the Department of
43 Administration, report the greenhouse gas emissions' of State-owned
44 facilities and thereby set an example for businesses to participate in the

1 voluntary reporting of greenhouse gas emissions. (North Carolina
2 could be one of the first states reporting greenhouse gas emissions
3 from its facilities.)

4 (5) Continue to publish the North Carolina Global Warming Registry and
5 include a listing of programs that aid in the reduction of greenhouse
6 gases.

7 (6) Host annual seminars across the State on global warming issues and
8 the benefits of participating in this program and explain what is
9 required of a reporting entity.

10 (7) Heighten awareness of the cap and trade programs whereby industries
11 that emit less than a maximum allowed level of greenhouse gases
12 receive credits that may be sold to industries that emit more than their
13 allowed level.

14 (8) No later than June 30 of 2006 and 2007, present an annual report on
15 GWI's accomplishments to the Division of Air Quality of the
16 Department of Environment and Natural Resources, State Energy
17 Office of the Department of Administration, the Department of
18 Commerce, the Department of Agriculture and Consumer Services, the
19 Department of Transportation, the Energy Policy Council, the
20 Environmental Review Commission, and the Fiscal Research Division,
21 which report shall include an itemized account of how the funds
22 appropriated under this act were used, how GWI accomplished the
23 requirements under this act, the success of each activity, and any
24 findings or recommendations regarding activities in reducing
25 greenhouse gas emissions.

26 **SECTION 2.** This act becomes effective July 1, 2005.