From The Trenches: Top-down and Bottom-up GHG Inventory Approaches

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Mr. Jeremy Alcorn, CTC/NDCEE
Dr. Shannon Lloyd, CTC/NDCEE

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**Performing Organization:** National Defense Center for Energy and Environment (NDCEE), Concurrent Technologies Corporation, 100 CTC Drive, Johnstown, PA, 15904

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Presentation Outline

- Why Greenhouse Gas (GHG) Inventories Now?
- GHG Inventory 101 - Protocols, Scope, and Boundaries
- Federal Institutional GHG Inventory Approaches
- Data Collection – What do you have?
- Calculation Approaches and Tools
- Conclusions
Why GHG Inventories Now?

- Executive Order 13423
- *Massachusetts v. EPA* - U.S. Supreme Court (2007)
- EPA’s GHG Advance Notice of Proposed Rulemaking (ANPR) or “GHG Rule” (2008)
- New Administration Direction
  - “State of Union” call for GHG Cap and Trade System
  - New GHG Executive Order(s)
- State and Regional GHG Mandates and Activities
New Administration’s Direction

- Obama-Biden New Energy for America plan:
  - Make the U.S. a leader on climate change
  - Implement an economy-wide cap-and-trade program to reduce greenhouse gas emissions 80 percent by 2050
  - Develop and deploy clean coal technology
  - Invest $150 billion over the next ten years to catalyze private efforts to build a clean energy future
  - Ensure 10 percent of US electricity comes from renewable sources by 2012 and 25 percent by 2025 (double alt energy production in 3 years)
  - Establish a national low carbon fuel standard
  - Increase fuel economy standards

Source: www.whitehouse.gov/agenda/energy_and_environment
New GHG Executive Order(s)

- New Executive Order on GHGs anticipated
- Case 1 - Require federal agencies to measure and reduce GHG emissions
  - Reduction requirements likely to be aggressive
  - Base year expected to be 2003
- Case 2 - Require agencies to account for GHGs when performing environmental analyses under NEPA
- National security exemptions?
State and Regional Activity

- Regional Greenhouse Gas Initiative (RGGI)
- RGGI Observer
- Midwestern Regional GHG Reduction Accord (MRGHGRA) Observer
- Western Climate Initiative
- Western Climate Initiative Observer
- Individual State Cap-and-Trade Program

Source: [www.pewclimate.org](http://www.pewclimate.org)
If these drivers aren’t reason enough…

- Developing and implementing proactive and thoughtful GHG management strategies helps federal institutions to:
  - Understand their GHG emissions
  - Complement energy security goal achievement
  - Avoid future costs from climate change regulations, risks, and liabilities
  - Reduce costs by linking GHG reduction goals to operational improvement
  - Obtain financial value from climate-related market activities
  - Establish a leadership position
Now the How…Be Thoughtful and Practical

- Which protocol(s) should be used?
- Which institutional approach can be used?
- What data is needed and available?
- Which calculation tool should be used?
GHG Inventory Protocols/Guidance

1. WBCSD/WRI GHG Protocol
2. ISO 14064 Standards
3. EPA Climate Leaders Guidance
4. CCAR Reporting Protocol
Installation GHG Emission Sources

- Purchased Electricity
- Purchased Steam

- Stationary External Combustion
- Stationary Internal Combustion
- Mobile
- Fugitives
- Other

Federal Institutional GHG Approaches

Top-down approach
Existing institutional data systems

Bottom-up approach
Site/source specific data

Hybrid approach
Existing institutional data systems

Site/source specific data
Federal Institutional GHG Approaches

- **Top-down**
  - Headquarters level approach for facilities
  - Leverage existing institutional data systems
  - Standardized installation calculation templates/profiles
  - Easy to roll-up facility inventories to the headquarters level

- **Bottom-up**
  - Installation lead and/or close cooperation
  - Utilize detailed site-specific data and knowledge
  - Customized installation calculation templates/profiles
  - Manual rollup or aggregation of results to headquarters level

- **Hybrid in future?**
  - Approach that meets in the middle
Top-down GHG Inventory Approach

- **Current Efforts**
  - AEC
  - NASA HQ EMD
  - USAF APIMS

- **Advantages**
  - Leverage existing data systems
  - Consistent template approach
  - Rapid installation results
  - Easy agency-wide rollup totals

- **Disadvantages**
  - Scope uncertainties
  - Omitted emission source data
  - Limited ability to meet emerging regulatory requirements
  - Cap-and-Trade Regimes
Bottom-up GHG Inventory Approaches

- **Current Efforts**
  - DASA (ESOH) and NDCEE
  - NASA GSFC (CY2007)

- **Advantages**
  - Well-defined boundaries
  - Higher resolution and detailed data
  - Reveal data and EF gaps
  - Identify complementary energy program opportunities
  - Meet state regulatory requirements

- **Disadvantages**
  - Time consuming
  - Complex boundary issues
  - Difficult to roll-up to HQ level
Hybrid GHG Inventory Approaches

- **Current Efforts**
  - NASA GSFC
  - Others?

- **Advantages**
  - Better-defined boundaries
  - Higher resolution and detailed data
  - Reveals data and EF gaps
  - Meets state regulatory and emerging federal requirements

- **Disadvantages**
  - Time consuming
  - CY vs. FY challenges
  - Complex data reconciliation
Choosing the GHG Approach

- **Top-down**
  - Utility for agency-level GHG inventory results, their analysis, and strategic decision-making on mitigations
  - Strategic planning and energy investment

- **Bottom-up**
  - Better suited for faster state regulatory compliance
  - Energy, environmental, and sustainability opportunity assessment utility

- **Hybrid**
  - Best of both worlds
  - Meets multiple current and future requirements
GHG Inventory Data Collection

- Utility/Energy Data
  - Purchased heating fuel (e.g., natural gas, fuel oil, etc.)
  - Purchased electricity
  - Purchased steam

- Current CAA Air Emissions Inventory (AEI) Calculations and Documents
  - Permitted emissions sources
  - Munitions use and open burn/open detonation (OB/OD)

- Mobile Source Data
  - GSA/DPW vehicles
  - Fuel use

- Prescribed Burn Data
  - Acres burned

- Refrigerant use/other fugitives (non-Ozone Depleting Substances)
  - Refrigerants and chemicals
  - Wastewater treatment and landfill gas
Calculation Approach and Tools

- Depends on institutional goals and budget
- Spreadsheet tool, enterprise-wide EMIS, etc.
- Flexibility required to adapt to dynamic regulatory environment
- Modular setup required to handle diverse emissions sources
- Transparency required for audits, recalculation, etc.
- Consistency required for installation and component rollup
- Design and plan for future third party audit
Conclusions

- Goal is thoughtful GHG Management as Force Multiplier!
- Decide on bottom-up and/or top-down inventory approach to maximize utility and inform decision making
  - Top-down for strategic planning and energy investments
  - Bottom-up for regulatory compliance and opportunity assessment
- Process quickly identifies what you don’t know and need to
- Analyze results to identify GHG reduction opportunities and support energy, transportation, and environmental goals
Contact Information

Jeremey Alcorn
Senior Environmental Engineer
alcornj@ctc.com
(703) 310-5662

Shannon Lloyd, Ph.D.
Principal Technical Advisor
lloyds@ctc.com
(814) 248-7599
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