

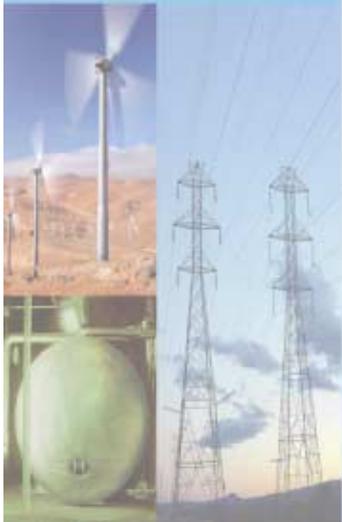
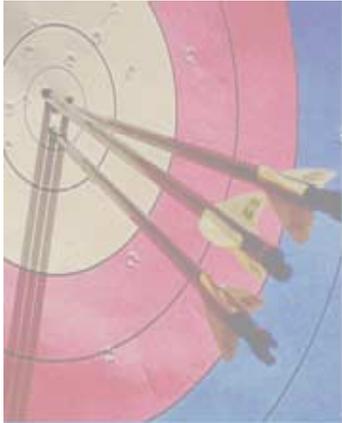
# EPA's New Climate Leaders Partnership

## Program Overview



# Climate Leaders Goals

- Encourage and recognize credible corporate commitments to ghg emissions reductions
- Create a credible, verifiable system for inventorying and reporting corporate ghg emissions reductions
- Promote a standardized ghg inventory protocol & consistency among State greenhouse gas registries



# Climate Leaders Offers Partners

- Public recognition
- A credible transparent GHG reporting mechanism
- Technical inventorying assistance
- Integration with State GHG Registries
- Peer exchange



# Criteria for Participation

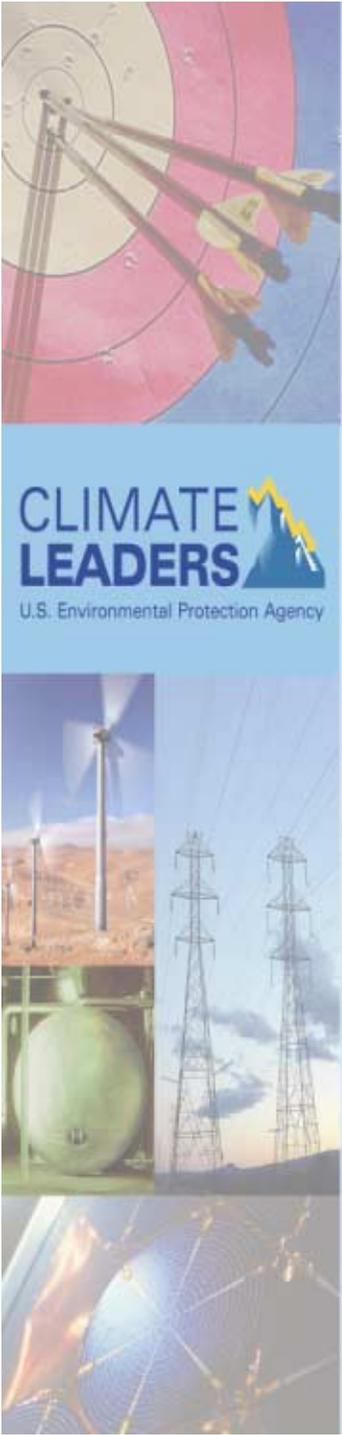
## Corporate GHG Reduction Pledge:

- A company-wide emissions reduction pledge to be achieved over next 5-10 years
  - pledge must be considered aggressive for the industry
  - allow goals normalized for production
  - companies can also record reductions back to 1990
  - periodically reevaluate pledge
- Report high-quality inventory data and progress towards goal annually
- Publicize pledge & accomplishments achieved through the program



# Foundation for Inventory Data

- Climate Leaders GHG Protocol is based on WRI-WBCSD's GHG Protocol
  - World Resources Institute (WRI) -World Business Council for Sustainable Development (WBCSD)  
[www.ghgprotocol.com](http://www.ghgprotocol.com)
- Developed through a collaborative process involving representatives from industry, government, & NGO
- 3 Sections:
  - Accounting Principles & Boundaries Section
  - Guidance Documents
  - Reporting Forms



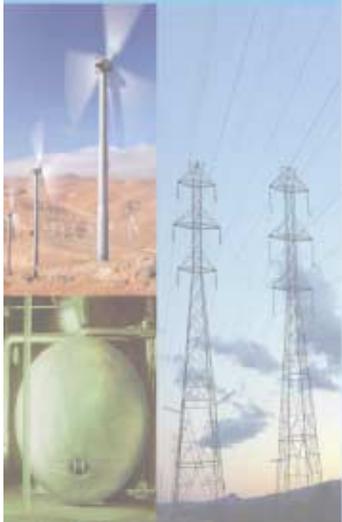
# Companies have Flexibility in Reporting

## ■ Required

- Company-wide (all domestic facilities)
- 6 major GHGs (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>)
- Direct emissions (process-related, onsite waste disposal, and on-site fuel consumption)
- Indirect emissions from electricity use

## ■ Optional

- Offset projects
- Employee travel and commuting
- Product transport
- International facilities
- 3rd-party verification



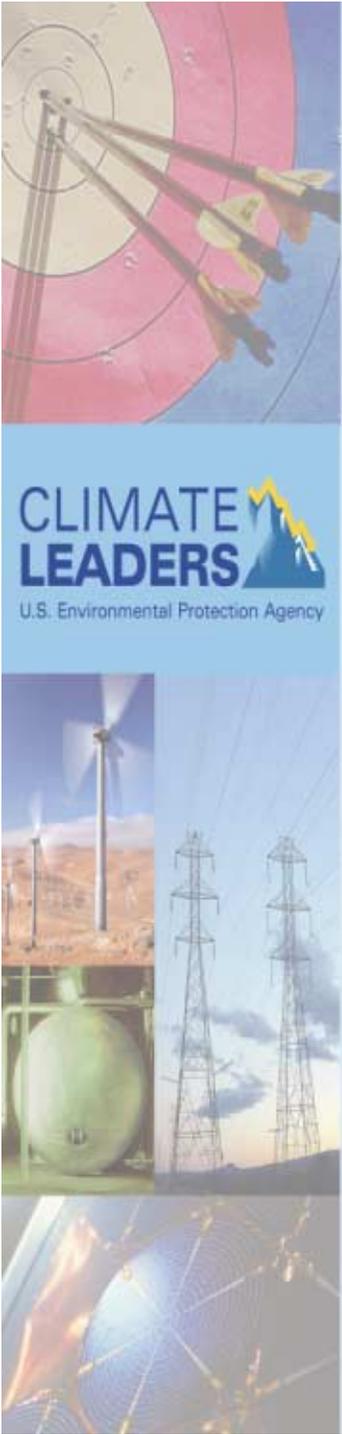
# Goal Evaluation Methodology

- Goals are evaluated based on 2 criteria:
  - How the goal compares to business-as-usual (BAU) improvement rate for the Partner's sector
  - The partner's current emissions intensity as compared with the average intensity for the sector
- BAU improvement rates & average intensity rates are determined by using
  - The US Department of Energy's National Energy Modeling System (NEMS)
  - Bureau of Labor Statistics (BLS) Forecast input/output tables for the US economy



## First Partner Goals

- Miller Brewing pledged to reduce emissions by 18% per barrel of production by 2006
  - BAU is 12% reduction in CO2/\$ output from 2001-2006
- General Motors pledged to reduce total emissions by 10% for all of their North American facilities by 2005
  - BAU is 5% reduction in CO2/\$ output from 2000-2010



# Considering Ways to Recognize Superior Performance

- Annual Awards
- Tiers
  - Tier One -- “MVPs”
    - | 3rd-Party Verification
    - | Absolute reduction goal
    - | Inventory data publicly available
  - Tier Two - **All other partners**
- Will continue to discuss with companies



# EPA Coordination

- Joint Marketing Efforts
  - Umbrella Web Page
  - Umbrella Fact Sheet
- Internal EPA Review of GHG Emission Inventory Protocols
  - **CAMD** national inventory group
  - **OTAQ** for mobile sources
  - **Methane Branch** on waste disposal, sequestration and other inventory issues
  - **High GWP Team** for sector specific issues
  - **ESIB** for green power and CHP issues
- Recruiting





# Climate Leaders Milestones

- Conducted Pilot Phase with 9 companies from June 01' - February 02'
- Governor Whitman launched Climate Leaders on February 20 with 11 Charter Partners
- Announced New Partners and Reduction Targets at Climate Leaders Summit on March 25
  - 6 new Partners: Alcan Aluminum, Alcoa, BP Amoco, International Paper, Johnson & Johnson, and U.S. National Renewable Energy Laboratory



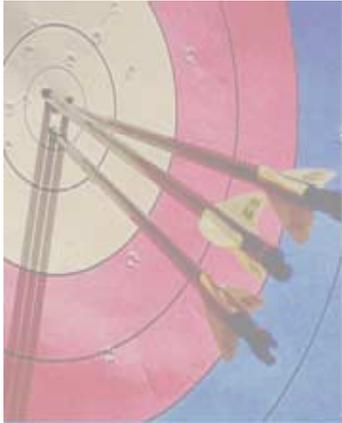
# Current Partners

## ■ 18 Charter Partners

- Alcan Aluminum, Alcoa, Bethlehem Steel, BP, Cinergy, FPL Group, General Motors, Holcim(US), IBM, Interface, International Paper, Johnson & Johnson, Lockheed Martin, Miller Brewing, Norm Thompson Outfitters, PSEG, SC Johnson, and the U.S National Renewable Energy Lab

## ■ Partners finishing Pilot Phase

- El Paso Energy, Verizon



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LEADERS**  
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## 2002 Goals

- Recruit 50 companies
- Announce 25 GHG emission reduction goals
- Finalize first version of cross-sector inventory modules
- Finalize first set of industry-specific inventory modules (cement, iron and steel, refrigeration, and natural gas)
- Complete draft of self-verification guidance



# Program Information:

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