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VIA ELECTRONIC MAIL

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Ky Asral, Chief – Bureau of Sustainability, Rule Manager – NJPACT GHG Monitoring & Reporting Division of Climate, Clean Energy and Radiation Protection Air Quality, Energy and Sustainability NJDEP

RE: PRELIMINARY COMMENTS ON NJDEP NJPACT RULEMAKING EFFORT – PERIODIC MONITORING AND REPORTING OF NJ'S GHG EMISSIONS

Dear Mr. Asral:

On behalf of our members, the Chemistry Council of New Jersey (CCNJ) appreciates the opportunity to provide the following preliminary comments to the New Jersey Department of Environmental Protection (NJDEP) on the greenhouse gas (GHG) monitoring and reporting rulemaking focus areas, as presented at the stakeholder meeting held on February 21, 2020.

The business of chemistry is committed to promoting a cleaner environment. The industry has made changes to its operations which has allowed the industry to reduce its Toxic Release Inventory (TRI) emissions by more than 93 percent since 1988 and to significantly reduce carbon emissions. New Jersey chemical industry products and technologies support the fight against climate change in applications such as renewable energy sources, electric and high-efficiency vehicles and building materials that reduce energy consumption. Our scientists are developing new emissions reduction technologies and clean energy alternatives to protect the environment and sustain our quality of life.

CCNJ encourages the NJDEP to consider global sustainability programs already utilized by industry to inform their regulatory process and help simplify the collection of data. Many facilities that operate in New Jersey are a part of a global company that often collects and reports data on a company-wide basis. Global companies with a local footprint should be allowed to get some credit for their overall company-wide environmental impact reduction efforts, and not specific to New Jersey. As well, industry associations, like the American Chemistry Council, have implemented <u>sustainability principles</u> to address the environmental impacts of its members' operations and products, including:

- Achieving measurable reductions in GHG emissions and pollutants in the manufacturing and distribution of our products; and
- Conserving materials and resources, and reducing waste through reuse and recycling.

We want to ensure that industry's proactive programs and measures are considered in any final rulemaking.

Please note that the comments below are focused on fossil fuels and are in response to the NJDEP's questions included on slide 15 of the presentation shared during the February 21, 2020 stakeholder meeting.

Under the current United States Environmental Protection Agency (USEPA) regulations (40 CFR Part 98; subsections C, P, Y and MM), general stationary fuel combustion sources, hydrogen production sources, petroleum refineries, and suppliers of petroleum products are required to report GHG emissions from their operations and fuel manufacturing. Following years of negotiations, the USEPA more than adequately addresses GHG monitoring via thorough reporting. As such, CCNJ sees no issue with submitting GHG inventory data from the fossil fuel industry since this information is currently being calculated and submitted on an annual basis to the USEPA; however, we would not be supportive of additional, duplicative, and/or more frequent reporting requirements.

Please note that the robust and accurate GHG inventory from stationary fossil fuel sources that is already being prepared and submitted on an annual basis to the USEPA is available online via USEPA's website, where it has been housed since their rule was enacted in 2009. CCNJ believes that the most efficient way for the NJDEP to obtain an accurate assessment of the current GHG inventory in the state of New Jersey is to retrieve that information from the USEPA directly. If the NJDEP is not willing to develop the tools to retrieve this information from the USEPA, CCNJ members would be amenable to copying the NJDEP on their federal electronic Greenhouse Gas Reporting Tool (eGGRT) submission for stationary fossil fuel sources. There is no need to develop an entirely new reporting requirement/system for an industry that is already meeting the intent of this rule through a federal submission, and we respectfully request that the NJDEP reconsider the value of its proposed annual reporting requirement.

Also, should a modification of any NJDEP GHG monitoring and reporting program be made that would require additional information be submitted, this would unnecessarily result in additional administrative costs and burden for companies already complying with the USEPA requirement.

In summary, CCNJ sees no reason for the NJDEP to require additional GHG reporting beyond what is already required to be submitted to the USEPA in accordance with 40 CFR Part 98 as we do not believe there is any significant benefit in providing this information separately to the NJDEP and/or on a more frequent basis. In addition, we recommend that the NJDEP consider giving credit to companies that are already engaged in global sustainability efforts that reduce their GHG emissions.

CCNJ and its members remain committed to being solution providers that help the state achieve its goal and address the negative impacts of climate change, while protecting the investments made by business of chemistry companies employing more than 40,000 people in New Jersey.

We would like the record to reflect our support of any comments submitted by members of CCNJ.

Thank you for your consideration of our comments on this very important rulemaking effort. We look forward to continuing to work with the NJDEP on this and other matters of critical importance to CCNJ members. If I can be of further assistance, please let me know.

Sincerely,

Dennis Hart

Executive Director

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