



Combined Air Emissions Reporting System (CAER)

A State's Perspective

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2016 Midwest and Central States Air Quality Workshop
St. Louis, Missouri
June 21 - 23, 2016



Overview

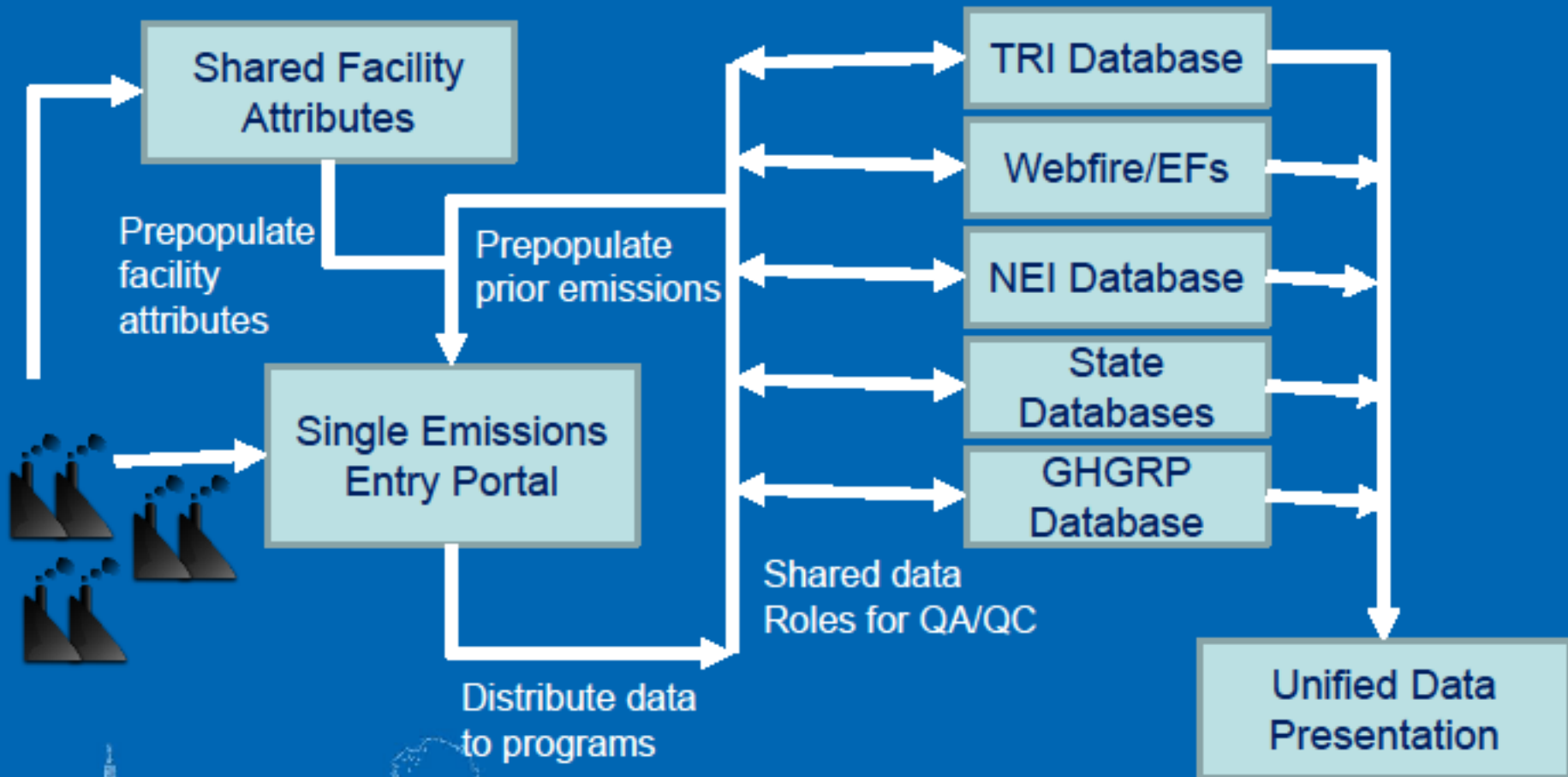
- CAER program – *quick overview*
- CAER benefits
- State perspective of CAER program challenges: “*Why you need to participate*”



Consolidate Air Emissions Reporting to the EPA

- CAER would support annual reporting of air emissions data by companies directly to the EPA at one time through an entry portal.
 - Companies already submit some data directly to the EPA.
 - Toxics Release Inventory
 - Greenhouse Gas Reporting
 - Compliance and Enforcement Data Reporting Interface (CEDRI)
 - Companies report National Emissions Inventory (NEI) data to states.
- Appropriate data are available for each regulatory program, including the state.

Future State Process Map





Shared Facility Attributes System

- CAER is proposing to use a shared facility attribute system for site and source identification.
 - It is an enhancement or replacement for current Facility Reporting System (FRS).
- FRS is being developed by a separate team.
- FRS will identify and label
 - All emissions sources (sites)
 - Potentially all emissions units at a site
- Companies can update attributes as needed.
 - Ownership transfer
 - New or shutdown/removed equipment
 - Name changes



CAER Benefits

- Web-based Source Classification Codes
- Harmonizing data codes
 - Contaminant codes
 - Abatement codes
- Establishing data dictionaries
- Reducing the amount of EPA's data augmentation after submittal
 - Up-front data checks might be established.
- Open dialog
 - States share quality assurance (QA) methodologies
 - Common issues addressed



In general.....

- Texas supports CAER as long as it remains **optional** for a state to require regulated entities to use it for NEI reporting.
- Texas supports many CAER objectives.
 - Electronic reporting options
 - Assistance in QA and EI processing
 - Earlier available data
 - Improved data quality



Data Submission Using CAER Must be Optional for States

- Discussions, thus far, have not included any “optional” approaches for the data submission.
- Many states have robust electronic systems established.
 - Upfront data format and completeness checks
 - Formal review processes to assess data adequacy
 - Standard process for correcting data



Data Submission Using CAER Must be Optional for States, cont.

- Significant resources were used to build systems in many states and many of these systems work quite well.
- Companies, local programs, and states are highly invested.
- Companies should not have to submit NEI data two times.

One time to the EPA and a second to the state

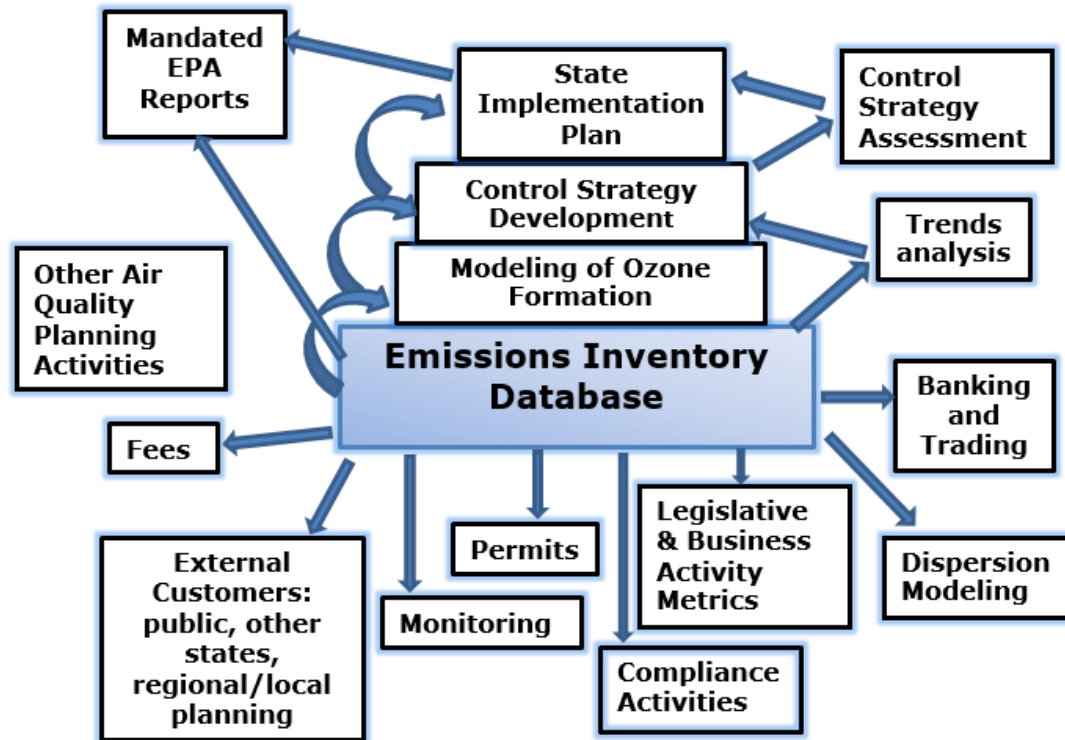


Data Submission Using CAER Must be Optional for States, cont.

- Systems were designed, developed, and maintained over many years to meet state-specific business requirements, including:
 - Gathering data outside NEI requirements
 - Supporting state implementation plans
 - Permitting
 - Fee assessment
 - Emissions banking and trading
 - Collection of data from non-major sources
 - Other air quality planning needs



EI Data are Critical in State Processes



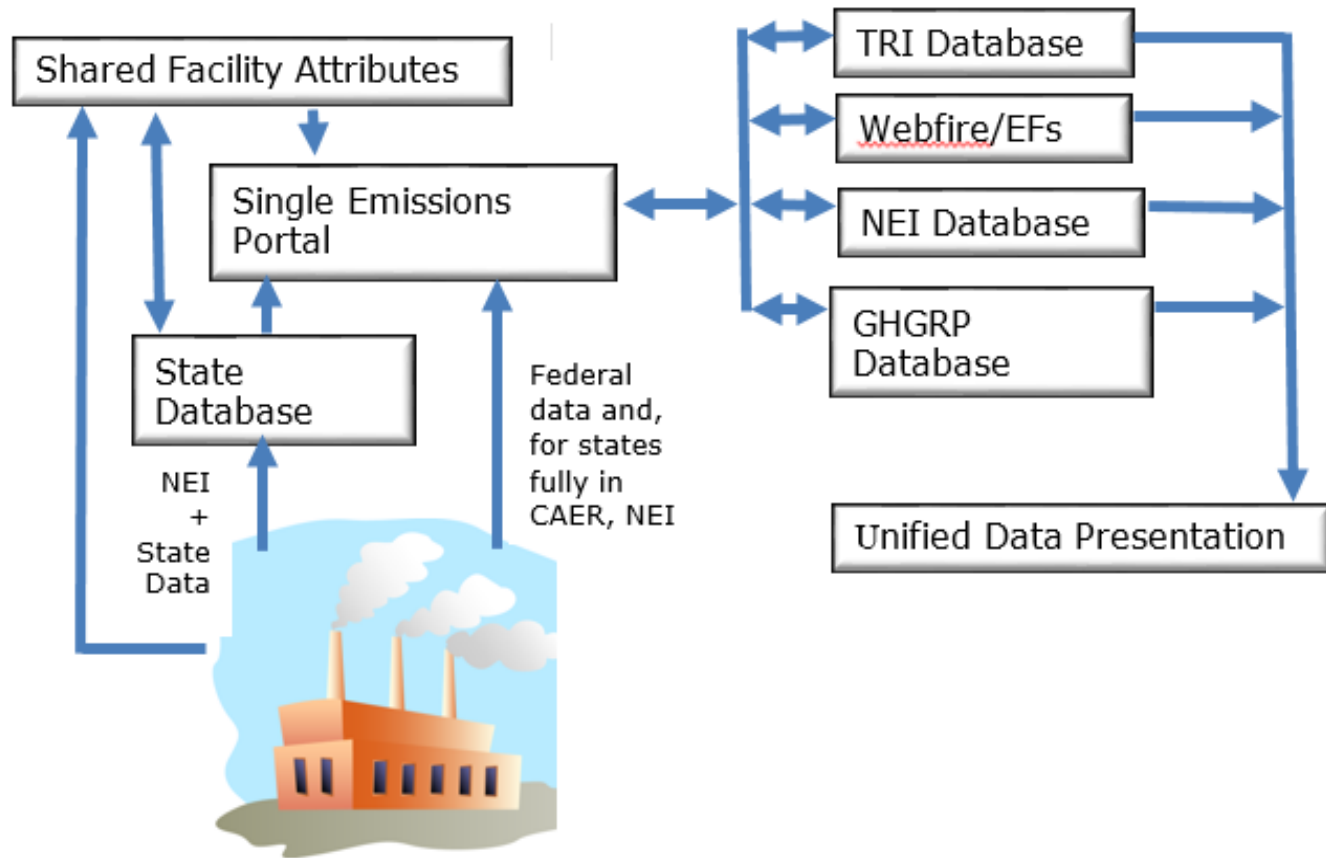


Data Submission Using CAER Must be Optional for States, cont.

- Example alternative:
 - Companies submit data to state
 - State submits data earlier to the EPA in spring
 - State continues to QA data
 - Submits an updated dataset later in the year, if needed



Process with States Having Option to Use CAER for NEI





Participate - Stay Informed!

- Rapidly moving program
- Assess and minimize impact to a state's
 - Reporting of data
 - QA processes
 - Specific requirements for estimating emissions
 - Current data needs are met
 - Flexibility to meet future data needs
- Determine if changes impact other state activities including, but not limited to:
 - State implementation plan development
 - Permit support
 - Enforcement
 - Small source reporting
 - Fee assessment



Challenge: Impact to Existing State Systems

- A new system will cause states to spend additional resources to modify its system even if it “opts out” of participation.
 - State reporting of data to EPA will change because the EPA portal will change.
 - Companies’ established reporting systems may be impacted.



Challenges: Regulatory Issues and Estimating Practices

- Regulatory issues could be avoided if CAER participation is optional.
 - 40 Code of Federal Regulations 51 delegate NEI reporting to the states.
 - Estimation methodology is driven by regulation and/or policy.
- Data collected through CEDRI by the EPA will be used to update emissions factors.
 - In case of dispute, which program's emissions factors take precedence?
 - Will EPA dictate the use of standard factor when site-specific factors are available?



Challenges: Data Misalignment

- Potential data misalignment is possible between state, company, and EPA because of
 - Timing of FRS updates
 - Site and unit differences (or groupings of unit) dictated by state and federal program rules or practices
- A common site definition has been a challenge for some states to achieve across their own programs.
- Definitions are typically regulation driven.
- Data misalignment ***will*** cause data submission issues.



Challenges: Shared Quality Assurance (QA)

- EPA desires a shared responsibility between states and the EPA for QA.
 - How will gaps in coverage be addressed?
 - Who has enforcement responsibility for missing inventories and data?
 - Data certification requested by the EPA.
 - What if state doesn't want to certify data it did not review?
 - Who is ultimately responsible for data quality?



Challenges: Data Ownership

- Revisions to EI data can have wide-ranging impacts and states will have different rules/practices in place.
 - Who is responsible for data changes?
 - Who approves changes?
 - What if the change is not approved by one of the reviewers but is acceptable to another?
 - Who or how are parties notified of changes?
- Changes can be requested by regulators and regulated entities.



Challenges: Version Control

- How and when are data revisions updated?
- Can changes occur after review process is completed?
- Who is notified?
- Who is responsible?



Challenges: Data Harmonization

- A CAER objective is to have the emissions units listed for a site and one emission rate (per pollutant) reported for each unit.
- Data requirements vary by program.
 - Site definitions vary.
 - Some programs allow for unit groupings.
 - Emissions estimation methods vary.
- Will “one-size-fits-all” approach reduce data quality or cause the data to not meet all the programs’ requirements?



Challenges: Duplicative Reporting

- States collect data elements that are not required by NEI, TRI, or GHG.
 - Would a company continue to report NEI and non-NEI data to the state, but also NEI-only data to the CAER portal?
 - Would companies report all state-required data elements to CAER even if not required by federal program?
 - What if state data needs changed?
- A significant number of non-major sites also report NEI data to some states.
 - How would these be handled by CAER?



Regulated Entities Have Voiced Concerns

- Requirements across programs need to be addressed first.

There should be no rule writing by database design.

- Data harmonization between programs could decrease data quality and usefulness.

Data are critical for important regulatory decisions.

- More people not familiar with a specific program's requirements could be doing more of the work leading to lower quality.
- Industry wants more participation.