

DRAFT
WRAP Emissions Trading Information System Analysis Project
Kickoff Teleconference Meeting Notes
May 13, 2003

The purpose of the call was to discuss the WRAP Emissions Trading Information System Analysis Project. Conference call participants were Lee Alter from Western Governors' Association, Dwight Alpern, Lily Wong, and Janice Wagner from EPA, Tom Moore from WRAP, Bob Gruenig from National Tribal Environmental Council, Colleen Delaney -- Utah, Corky Martinkovic -- Arizona, and Peggy Quarles, Bill Balcke, and Justin Britt from PQA. The meeting started at 2:30 p.m.

Summary of Project Objectives

It was agreed that the objective of the project is to develop a document with two purposes: 1) Planning Document -- to demonstrate that WRAP understands the information management obligations of the proposed emissions trading program; and 2) Roadmap Document -- to help WRAP implement the proposed emissions trading program once it has been triggered.

During the creation of the system analysis document, the special situation of tribal allowances needs to be taken into consideration. Their additional allowances and special privacy needs will require further analysis.

To maintain the consistency of the SIP/TIP, PQA will obtain the standard format template from Brian Finneran. PQA will contact him directly at (503) 229-6278 in Oregon.

Information System Scope Issues

- It was decided that early reductions will be calculated offline and will not be included in the system.
- During the post-trigger, pre-trading period, compliance checks with the milestones will still be performed, but will not be used for regulatory purposes. The five-year window following the trigger will allow time to decide upon the process of ongoing trigger analysis. The potential interface between the current Emissions Data Management System developed by Tom and the Emissions Trading Information System will have to be further investigated.
- The calculations for the allowance allocation process will be performed offline and totals will be entered into the system by the administrator.
- As of now, tracking for enforcement purposes will not be a part of the system.

- The frequency of data that will be reported for monitoring and quality assurance generated significant discussion. Corky and Colleen suggested that the minimum reporting possible was appropriate to ensure rule approval; CAMD suggested hourly reporting would likely be necessary for EPA approval. Dwight suggested that the rule language may need to be left open so as to allow states and tribes to require reporting of hourly data and not suggest that some lesser amount is minimally acceptable. The issue of how to balance the data requirements for EPA approval with the concerns of individual sources may need to be addressed in the document, but will ultimately depend on what the model trading rule requires for emissions reporting. Bill and Lee will be discussing these issues with the Monitoring Workgroup.

Other Issues and Questions

1. The variability of state programs is low and Corky has a list of variability by state. They did not find many places where the programs were drastically different.
2. Regarding the system's level of public access, the brokers are okay with the current EPA's system transparency. Tribes may want less transparency and their requirements will need to be further analyzed. Lily will put something together on the special tribal needs.

Revised Project Schedule

(a) Contract Date	May 8, 2003
(b) Draft Outline	May 22, 2003
(c) Outline Comments	May 27, 2003
(d) Final Outline	May 28, 2003
(e) Draft Report	June 5, 2003
(f) Teleconference to Discuss Draft	June 12, 2003
(g) Draft Comments	June 19, 2003
(h) Final Report	June 24, 2003

Action Items and Next Steps

- Lily will put together a document on the special needs of the tribes. (Completed)
- Bill and Lee will discuss the data level requirement for non-Part 75 sources during the MTF Monitoring Workgroup Call on May 14, 2003. (Completed)
- Lee will set up a call on or about June 12 that fits in everyone's schedules. (Teleconference has been scheduled for June 12th at 10:00 AM PDT, 1:00 EDT.)
- When questions arise, PQA will communicate via email to everyone to solicit

responses.

Attached is a copy of the agenda for the call.

**WRAP Emissions Trading Information System Analysis Project
Kickoff Teleconference**

**May 13, 2003 11:30 am PDT, 2:30 pm EDT
Call-in: 312-461-9324, passcode 107912**

Agenda

1. Introduction

- (a) Summary of project objectives/purpose
- (b) Other content in Technical Support Document?
- (c) Questions about the proposal?

2. Information System Scope Issues

- (a) Known scope: source inventory (representatives and owners), general accounts, annual emissions, allowances and allowance trading, annual compliance (true-up)
- (b) Scope questions:
 - Early reductions
 - Baseline inventory support and integration with ongoing emissions reporting for program trigger analysis
 - Allowance allocation process
 - Enforcement
 - Monitoring plans and emissions data

3. Other Issues or Questions

- (a) Availability of other materials (such as an implementation timeline or summary, baseline inventory requirements)
- (b) Impact of and accommodation for State program variability

(applicability, enforcement, petitions, monitoring)

- (c) Public access requirements
- (d) Emissions data quality issues and responsibilities
- (e) Use of emissions and monitoring data for Part 75 for WRAP emissions trading purposes

4. Proposed Project Schedule

- (a) Contract date: May 8, 2003
- (b) Draft outline: May 22, 2003
- (c) Outline comments: May 27, 2003
- (d) Final outline: May 28, 2003
- (e) Draft report: June 5, 2003
- (f) Report comments: June 12, 2003
- (g) Final report: June 17, 2003