

Monitoring and reporting guidelines for N₂O activities in the EU ETS

Key differences, challenges and lessons for linking

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N₂O project for the Commission

- Some MSs wanted to 'opt-in' activities emitting N₂O in Phase II:
 - nitric acid production
 - adipic acid production
 - glyoxal and glyoxylic acid production
 - caprolactam production
- Required new monitoring and reporting guidelines for N₂O and benchmarking methodology
- EC commissioned Entec to prepare MRV guidelines based on existing MRV Decision
- New Annex XIII developed
- Combustion N₂O not included

Key differences and similarities to CO₂

- Continuous emissions monitoring required - calculation only allowed for minor & accidental unabated emissions
- Mass emissions determined by monitoring flue gas flow and N₂O concentration
- Uncertainty thresholds apply to average hourly mass emission with fallback to total annual mass emission (latter same as for CO₂)
- Uncertainty thresholds: Tier 1 = 10%, Tier 2 = 7.5% and Tier 3 = 5%
- Flue gas flow and oxygen measurement same methods as for CO₂
- Some additional reporting and verification

Challenges

- Consistency with existing guidelines on continuous emissions monitoring for CO₂
- Experience with emissions monitoring within industry, but not necessarily to required quality
- Assessment of uncertainty and values to apply thresholds to – different approaches, limited experience
- Ensuring practical and cost effective monitoring – time to develop and implement requirements
- Right balance between detail, prescription, setting quality requirements and allowing flexibility for unusual situations

Lessons for linking

- Accurate, good quality monitoring required for gases with high GWP i.e. 310 for N₂O (financial implications potentially higher)
- Clear and consistent guidelines on calculating uncertainty – otherwise it's a meaningless quality requirement
- Important to review and refine methods so emission reports can be trusted and improvements are made
- Robust rules for effective, consistent and verifiable monitoring are integral to all trading schemes – beware 'the devil is in the detail!'
- ISO/CEN standards need to recognise they are also used for emissions trading (if referred to)
- Consistent methods to determine baseline and future emissions