This guidance document discusses the cessation of reporting requirements. The California Air Resources Board (ARB) first approved the Regulation for the Mandatory Reporting of Greenhouse Gas (GHG) Emissions, title 17, California Code of Regulations, sections 95100-95133 in 2007 (2007 version).1 In 2010 and 2012, ARB initiated a rulemaking to amend the 2007 version. These amendments became effective on January 1, 2012 and 2013, respectively, and are found in title 17, California Code of Regulations, sections 95100-95157 (reporting regulation).2

Requirements for cessation of reporting are found in section 95101(h) of the reporting regulation, which incorporates Title 40, Code of Federal Regulations (CFR), §98.2(i), but specifies differences between California and the federal requirements. The incorporated 40 CFR §98.2(i) language is included as attachment A of this guidance document.

Emissions drop below the threshold

If emissions from facility operators or suppliers of natural gas, transportation fuels, or carbon dioxide (CO₂) drop below 10,000 MTCO₂e, they may cease reporting after meeting all of the following conditions specified in section 95101(h):

- The operator or supplier wishing to cease reporting must not be subject to the cap-and-trade regulation. Per section 95812 of the cap-and-trade regulation, a facility operator or supplier of a covered entity must continue to meet all the reporting and verification requirements until there is no longer a compliance obligation. The inclusion thresholds of section 95812 take precedence over the cessation period of section 95101(h); however, the same reporting years can be used to satisfy both requirements. For example, a facility that has greater than 25,000 MTCO₂e in 2009, but emissions of less than 10,000 MTCO₂e in 2010 through 2014 would be in the cap-and-trade program and must meet all reporting and verification requirements through 2014. For purposes of the reporting requirements, the years, 2012 through 2014 may be used for cessation purposes.

- If reported emissions are less than 10,000 MTCO₂e per year for three consecutive years, the operator or supplier may cease reporting after submitting an emissions data report for the third consecutive year of <10,000 MTCO₂e emissions.

- The option to cease reporting due to reduced emissions also applies to facilities without a reporting threshold (i.e. facilities with source category in

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2 For reference, the reporting regulation is available here: http://www.arb.ca.gov/cc/reporting/ghg-rep/regulation/mrr_2012_clean.pdf.
Table A-3 of 40 CFR Part 98, such as Part 75 facilities). For a facility without reporting threshold that had less than 10,000 MTCO$_2$e of emissions for all years in 2008-2010, and had been reporting those emissions to ARB under the 2007 version, the 3 consecutive years for cessation of reporting starts with the 2011 data year. For example, a Part 75 peaker power plant with less than 10,000 MTCO$_2$e per year of emissions would still report their 2011, 2012, and 2013 emissions, but may cease reporting starting with their 2014 emissions.

- Send a notification to ARB at the address listed in section 95103(n) explaining the reasons for the emission reduction. The notification is due on March 31 of the year immediately following the third consecutive year of <10,000 MTCO$_2$e emissions. For example, for a facility that reports 2011-2013 data below the threshold, the notification would be due by March 31, 2015 (date is to ensure the 2014 emissions were indeed below the threshold).

- Follow the recordkeeping requirements in section 95105(a), i.e. maintain records for 10 years for reporting entities covered by the cap-and-trade program, and 5 years for reporting entities not covered by cap-and-trade.

- If annual emissions in any future calendar year exceed 10,000 MTCO$_2$e, the operator or supplier must resume reporting as required by the regulation.

- The abbreviated reporting option in section 95103(a) is not available for facility operators or suppliers that have a compliance obligation under the cap-and-trade regulation during any year of the current compliance period. Therefore, for facility operators and suppliers that are covered by cap-and-trade and whose emissions drop below 10,000 MTCO$_2$e for 3 consecutive years, they must follow full reporting requirements for those 3 consecutive years.

**Permanent shutdown**

In cases of permanent shutdown, facility operators or suppliers may cease reporting under the following conditions as specified in section 95101(h):

- Submit an emissions data report for the year in which a facility or supplier ceased to operate, as well as for the first full year of non-operation that follows. For the first full year of non-operation, the operator or supplier would report zero emissions and certify that the reported zero data are true and accurate.

- Send a notification to ARB at the address listed in section 95103(n) certifying the closure of all GHG-emitting processes and operations.

- Verification requirements do not apply to the first full year of non-operation, but apply to the year in which the facility or supplier ceased to operate and to all prior years.

- If any of the GHG-emitting processes or operations resume operation in any future calendar year, the operator or supplier must resume reporting.
Electric Power Entities
There is no reporting threshold for electric power entities. Pursuant to section 95101(h)(4):

- Electric power entities that import or export electricity in 2011 or 2012 must continue to certify and verify an emissions data report through the 2014 data year, the end of the first compliance period, indicating zero imports or exports, if applicable.

- Electric power entities that import or export electricity in any year of a subsequent compliance period must continue to certify and verify an emissions data report through the end of the same compliance period, including indicating zero imports or exports, if applicable.

- Electric power entities no longer importing or exporting electricity at the beginning of a subsequent compliance period are not required to certify and verify an emissions data report demonstrating that they have no imports or exports pursuant to this article, but must notify the Executive Officer in writing of the reason(s) for cessation of reporting.

- Electric power entities who meet the definition of “retail provider” always report retail sales for each calendar year. WAPA and DWR always report pump loads for each calendar year.

- Send a notification to ARB at the address listed in section 95103(n) providing the reason(s) for cessation of reporting.
(i) Except as provided in this paragraph, once a facility or supplier is subject to the requirements of this part, the owner or operator must continue for each year thereafter to comply with all requirements of this part, including the requirement to submit annual GHG reports, even if the facility or supplier does not meet the applicability requirements in paragraph (a) of this section in a future year.

(1) If reported emissions are less than 25,000 metric tons CO$_2$e per year for five consecutive years, then the owner or operator may discontinue complying with this part provided that the owner or operator submits a notification to the Administrator that announces the cessation of reporting and explains the reasons for the reduction in emissions. The notification shall be submitted no later than March 31 of the year immediately following the fifth consecutive year of emissions less than 25,000 tons CO$_2$e per year. The owner or operator must maintain the corresponding records required under §98.3(g) for each of the five consecutive years and retain such records for three years following the year that reporting was discontinued. The owner or operator must resume reporting if annual emissions in any future calendar year increase to 25,000 metric tons CO$_2$e per year or more.

(2) If reported emissions are less than 15,000 metric tons CO$_2$e per year for three consecutive years, then the owner or operator may discontinue complying with this part provided that the owner or operator submits a notification to the Administrator that announces the cessation of reporting and explains the reasons for the reduction in emissions. The notification shall be submitted no later than March 31 of the year immediately following the third consecutive year of emissions less than 15,000 tons CO$_2$e per year. The owner or operator must maintain the corresponding records required under §98.3(g) for each of the three consecutive years and retain such records for three years following the year that reporting was discontinued. The owner or operator must resume reporting if annual emissions in any future calendar year increase to 25,000 metric tons CO$_2$e per year or more.

(3) If the operations of a facility or supplier are changed such that all applicable GHG-emitting processes and operations listed in paragraphs (a)(1) through (a)(4) of this section cease to operate, then the owner or operator is exempt from reporting in the years following the year in which cessation of such operations occurs, provided that the owner or operator submits a notification to the Administrator that announces the cessation of reporting and certifies to the closure of all GHG-emitting processes and operations no later than March 31 of the year following such changes. This paragraph (i)(3) does not apply to seasonal or other temporary cessation of operations. This paragraph (i)(3) does not apply to facilities with municipal solid waste landfills or industrial waste landfills, or to underground coal mines. The owner or operator must resume reporting for any future calendar year during which any of the GHG-emitting processes or operations resume operation.