

# **EPA Proposes to End Greenhouse Gas Reporting**

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### Introduction

On September 12, 2025, EPA proposed to eliminate greenhouse gas (GHG) reporting requirements for all source categories and suspend requirements until reporting year 2034 for oil and natural gas sources that are currently subject to the Greenhouse Gas Reporting Program (GHGRP) Subpart W.¹ In its proposal, EPA states that the agency is not using the data for its own rulemaking, and therefore, it is unnecessary, dismissing the many other uses of the data by federal, state, and industry actors. To justify its proposal, EPA advances an aggressive legal argument that, if upheld by courts, would constrain EPA's GHG data collection authority under Clean Air Act section 114.

Well-designed and effective regulations require accurate and transparent data. The GHGRP, established by EPA in 2009 consistent with Congressional direction, forms the bedrock of GHG reporting from industrial sources in the US. Using this information, regulators can understand the current level of emissions, where there are opportunities to reduce emissions, and why certain sectors or companies have higher or lower emissions than others. The data also inform other federal policies, many state-level policies and emissions inventories, and industry progress on emissions reduction.

EPA first developed the GHGRP in 2009 under its Clean Air Act authority in response to a 2008 Congressional mandate.<sup>2</sup> The GHGRP requires GHG reporting from 47 source categories, including the oil and gas sector, power plants, refineries, and chemical plants, as well as fuel suppliers and carbon dioxide (CO<sub>2</sub>) injection sites. Facilities that emit 25,000 metric tons of CO<sub>2</sub> equivalent or more report direct GHG emissions (scope 1 emissions), and fuel suppliers also report the CO<sub>2</sub> equivalent of their products once they are consumed (scope 3 emissions). EPA estimates that 2023 reporting included 8,000 facilities and suppliers accounting for roughly 85 to 90 percent of US GHG emissions.<sup>3</sup>

The GHGRP elicits comprehensive, transparent, and comparable GHG emissions data, with companies in a sector reporting the same way, using industry-standard methodology rather than a piecemeal voluntary system. If EPA finalizes the proposal and ends required GHG data collection, it will also be undercutting the expertise and decision-making ability of EPA and hamper emissions reporting, tracking, and mitigation efforts by states and the private sector. That result would be

<sup>&</sup>lt;sup>1</sup> Reconsideration of the Greenhouse Gas Reporting Program, 90 Fed. Reg. 44591 (Sept. 16, 2025). EPA proposes to suspend reporting under Subpart W until the methane waste emissions charge, implemented in the Inflation Reduction Act and delayed in the One Big Beautiful Bill Act, goes back into effect. EPA also notes that it intends to revisit Subpart W in a subsequent rulemaking. *Id.* at 44596, fn. 10.

<sup>&</sup>lt;sup>2</sup> "Of the funds provided in the Environmental Programs and Management account, not less than \$3,500,000 shall be provided for activities to develop and publish a draft rule not later than 9 months after the date of enactment of this Act, and a final rule not later than 18 months after the date of enactment of this Act, to require mandatory reporting of greenhouse gas emissions above appropriate thresholds in all sectors of the economy of the United States." PUBLIC LAW 110–161—DEC. 26, 2007.

<sup>&</sup>lt;sup>3</sup> See EPA, Greenhouse Gas Reporting, <a href="https://www.epa.gov/ghgreporting/what-ghgrp">https://www.epa.gov/ghgreporting/what-ghgrp</a>; EPA, GHGRP and US Inventory, <a href="https://www.epa.gov/ghgreporting/ghgrp-and-us-inventory-greenhouse-gas-emissions-and-sinks">https://www.epa.gov/ghgreporting/ghgrp-and-us-inventory-greenhouse-gas-emissions-and-sinks</a>.



consistent with the Trump administration's effort to undermine and eliminate key sources of data that allow regulators and communities to make informed decisions.

In this piece, we review the fundamental uses of GHGRP data and evaluate EPA's response to those uses. We then turn to EPA's legal justification for ending the program, which relies on a novel, narrow interpretation of EPA's data collection authority under Clean Air Act section 114.

#### Uses of GHGRP data

The GHGRP has been an important tool for EPA rulemakings and other federal government policies, including Treasury tax credits and state GHG inventories and emissions policies. Along with these federal and state government uses, the data allow companies to track their own progress, benchmark against others, and meet the decarbonizing demands of their investors and consumers.

In the proposal, EPA does not wrestle with the implications of ending the collection of this information, focusing narrowly on its near-term intent not to regulate GHGs. In its dismissal of the value of a single, centralized database that provides consistent reporting requirements to industry, EPA suggests that piecemeal program-by-program and state-by-state reporting is preferable. However, this type of fragmented approach could result in disparate reporting requirements and increasing costs for industry.

The consistent collection of data by one entity allows agencies, industry, and stakeholders to track and understand emissions within and across sectors even if the data is not used for regulatory purposes.

#### Clean Air Act Rulemakings

EPA used the data collected through the GHGRP to develop Clean Air Act section 111 emissions standards for oil and gas facilities, fossil fuel-fired power plants, and landfills. Access to data about emission levels across industries enables EPA to understand the problem it needs to address and determine what is reasonably achievable by that industry. Regulating without this data source would require EPA to design a rule without a full understanding and risk setting less accurate, informed policies.

While the proposal acknowledges the role that GHGRP data played in developing section 111 rules, the agency now argues that because "EPA has not proceeded with developing emissions standards that would apply to the majority of source categories reporting to the GHGRP," it is no longer useful to collect this data for regulatory purposes.<sup>4</sup> EPA also notes that the agency has relied on other information sources in implementing regulations, and could issue "more targeted" Clean Air Act section 114 information collection requests for future rulemakings.<sup>5</sup>

#### **HFC Regulations**

EPA uses GHGRP data to inform hydrofluorocarbon (HFC) reduction under the American Innovation and Manufacturing (AIM) Act. HFCs are a potent GHG and to address their harmful impact, the AIM Act established targets for phasing down HFCs consistent with <u>an international agreement</u> reached in 2016. Data reported by producers under GHGRP Subpart 00, industrial gas suppliers, form the

<sup>&</sup>lt;sup>4</sup> 90 Fed. Reg. 44598.

<sup>&</sup>lt;sup>5</sup> Id.



baseline for establishing annual phasedown schedule and allocations. In this case, GHGRP data is the foundation to meet a congressional mandate.

In the proposal, EPA acknowledges the use of GHGRP data for the AIM Act but dismisses the obligation, stating that "gases regulated under the AIM Act, this information, if needed, could be collected as part of any program directly related to the AIM Act." EPA does not consider the risk of using siloed, piecemeal data collection to meet the statutory requirements.

## **US GHG Inventory**

The GHGRP informs the US Inventory of GHG Emissions — a top-down analysis of annual US emissions used to track and, in past years, to report GHG emissions to the UN Framework Convention on Climate Change to meet <a href="Paris Agreement">Paris Agreement</a> obligations. The US inventory served a model for other countries reporting under the agreement. As EPA explains on its website, GHGRP data is an "important resource for the Inventory, providing not only annual emissions information, but also other annual information, such as activity data and emission factors that can improve and refine national emission estimates and trends over time." EPA's website explaining the inventory emphasizes that these databases are complementary and work together to offer a US-wide estimates and more granular, facility-level reporting. Without the ability to check and calibrate the inventory based on GHGRP data, EPA's inventories will be less informed and potentially less accurate.

The proposal does not discuss the use of GHGRP data in the US inventory.

## State Programs

States rely on GHGRP data and tools to inform their own GHG inventories and regulations. States can use EPA's Electronic GHG Reporting Tool (EGGRT), the Facility Level Information on GHG Gases Tool (FLIGHT), and State Inventory and Projection Tool (SIT) databases. For example, Alaska uses EPA data on facility-level reporting to inform its periodic GHG inventory and analysis.<sup>8</sup> California, which maintains a GHG reporting program to operate its cap-and-trade program and other climate policies, relies on GHGRP data to calculate emissions and validate its data.<sup>9</sup> However, some states have taken steps to move more inventory reporting and calculation in-state because of concerns about the continued availability of federal data, but even these states continue to use GHGRP to verify their data.<sup>10</sup>

EPA dismisses the importance of GHGRP data for states in its proposal. EPA states: "EPA understands that several states use the emissions estimation, reporting methodologies, and data from the GHGRP to develop or supplement state-level GHG emissions inventory programs." EPA discounts with these needs for data with minimal analysis, stating that these data could be collected separately outside of the GHGRP: "this information, if needed, could be collected [...] under state

<sup>&</sup>lt;sup>6</sup> Id.

<sup>&</sup>lt;sup>7</sup> EPA, GHGRP and US Inventory, https://www.epa.gov/sites/default/files/2015-

<sup>07/</sup>documents/ghgrp inventory emissions comparison.pdf.

<sup>&</sup>lt;sup>8</sup> State of Alaska, Emission Inventory Information, https://dec.alaska.gov/air/anpms/projects-reports/emission-inventory-information/.

<sup>&</sup>lt;sup>9</sup> California Air Resources Board, GHG Inventory Method, https://ww2.arb.ca.gov/sites/default/files/2024-09/nc-ghg inventory 00-22 method update document.pdf.

<sup>&</sup>lt;sup>10</sup> Argus Media, US GHG Data Threats Prompt State Actions (March 2025), <a href="https://www.argusmedia.com/es/news-and-insights/latest-market-news/2695190-us-ghg-data-threat-prompts-state-actions">https://www.argusmedia.com/es/news-and-insights/latest-market-news/2695190-us-ghg-data-threat-prompts-state-actions</a>.

<sup>&</sup>lt;sup>11</sup> 90 Fed. Reg. 44598.



authorities to support state programs." <sup>12</sup> The proposal does not evaluate the burden of state-by-state reporting schemes to industry and the role of EPA as an expert agency to assist states' clean air policies.

#### Tax Credits

The Department of Treasury and the Internal Revenue Service rely on GHGRP data to implement the carbon sequestration (45Q) and clean hydrogen (45V) tax credits. The GHGRP provides the mechanism for quantifying emissions to claim these tax credits. To claim the 45Q tax credit, companies must report stored and captured CO<sub>2</sub> through the GHGRP and have a monitoring, verification, and reporting plan approved by EPA. For the 45V tax credit, GHGRP data informs the lifecycle GHG emissions analysis that determines project eligibility.

The proposal concludes that this use of the data is outside the agency's scope: "EPA considers the use of GHGRP data for such purposes an additional benefit for these entities that is not required to carry out the Agency's functions under the CAA, and believes that information could be provided in different, more efficient, ways." EPA also note that the IRS has other data sources available, for example the US Energy Information Administration's Manufacturing Energy Consumption Survey. The proposal does not evaluate whether the elimination of the GHGRP data would create near-term obstacles for industry to use this tax credit and hamstring the IRS's ability to verify the emissions for any claimed credits.

#### Value to Industry

The private sector uses GHGRP data to benchmark their performance, show improvement, and respond to investor and customer inquiries. Increasingly, investors and consumers are asking for comprehensive, comparable emissions data. For example, US gas companies need transparent data to sell their gas to meet monitoring, reporting, and verification requirements for regulatory compliance and to market their product to particular buyers. The proposal does not discuss the impact for industry and their interest in GHGRP to track and document performance improvements within a sector.

#### Voluntary Programs

Voluntary efforts for GHG reporting exist, but a mandatory federal program ensures that the GHGRP elicits consistent, high-quality data that is comparable in a way that voluntary reporting is unlikely to enable.

EPA's proposal states that the GHGRP can be replaced by voluntary reporting, but also undercuts such programs stating that voluntary schemes lack reliability. While the proposal would not preclude companies or other government entities from reporting through voluntary standards, EPA notes that "a voluntary reporting program could also result in submittal of incomplete or piecemeal reports, and the verification and accuracy of the data submitted would be limited."

#### EPA's legal justification seeks to narrow data collection authority

While EPA's policy arguments focus on the idea that this data is not necessary or can be collected by other government entities, its legal arguments go further in attempting to lock in a narrow reading of

<sup>&</sup>lt;sup>12</sup> Id.

<sup>13</sup> Id. at 44599.

<sup>&</sup>lt;sup>14</sup> *Id.* at 44598.



EPA's legal authority to collect data. EPA's primary rationale is that Clean Air Act section 114 does not authorize continuous data collection. Alternatively, EPA proposes that it has the discretion to rescind the program. EPA offers several additional legal justifications related to the Trump administration's January 2025 executive orders, the Paperwork Reduction Act, and its overall goal of reducing regulatory costs.

### EPA's 2009 position: Section 114 enables continuous data collection

EPA's 2009 GHGRP rule relied on EPA's authority under Clean Air Act sections 114 and 208, which EPA explained "provide EPA broad authority to require the information mandated by this rule because such data will inform and are relevant to EPA's carrying out a wide variety of CAA provisions." Specifically, "section 114(a)(1) authorizes the Administrator to require emissions sources, persons subject to the CAA, or persons whom the Administrator believes may have necessary information to monitor and report emissions and provide such other information the Administrator requests for the purposes of carrying out any provision of the CAA." In the 2008 Consolidated Appropriations Act, and again in 2009, Congress allocated funding and directed EPA to undertake this data collection rulemaking—which at the time Congress considered a first step to more comprehensive GHG regulations. EPA issued many subsequent GHGRP rules under this data collection authority, adding sectors and refining reporting methodologies.

### Primary proposal: EPA narrows data collection authority to "close nexus"

In sharp contrast to its 2009 rule, the agency's primary argument for eliminating the program is that EPA does not have the statutory authority to continue to implement the GHGRP program because the "reporting requirements do not serve an underlying statutory purpose." Acknowledging that it is a departure from the agency's previous legal interpretation, EPA states that "CAA section 114(a)(1) authorizes the collection of information 'on a one-time, periodic or continuous basis,' but believes that the statute is best read to require a closer nexus between continuous reporting obligations and an underlying statutory purpose, particularly given the Agency's obligation to take the cost of information collection and reporting into account when taking action." While abandoning its past interpretation of section 114, EPA states that "this [new] interpretation is most consistent with the text of the statute and supported by the Agency's experience with the GHGRP since 2011."

Through this legal framing, EPA is attempting to impose a narrower interpretation of section 114 arguing that under *Loper Bright v. Raimondo* this reading would be the only permissible interpretation of the statute. If courts were to agree and uphold this interpretation of EPA's data collection authority, future administrations would be limited in their ability to restore a continuous data collection program similar to the GHGRP.

Section 114 provides the agency with broad data collection authority, which it has exercised repeatedly in establishing and implementing the GHGRP. EPA is proposing to read new constraints into the Clean Air Act, and its proposal is attempting to ensure this interpretation applies to all future administrations.

<sup>&</sup>lt;sup>15</sup> 74 Fed. Reg. 56264.

<sup>&</sup>lt;sup>16</sup> 74 Fed. Reg. 56264-56265.

<sup>&</sup>lt;sup>17</sup> EPA, GHGRP Historical Rulemakings, <a href="https://www.epa.gov/ghgreporting/historical-rulemakings">https://www.epa.gov/ghgreporting/historical-rulemakings</a>.

<sup>18 90</sup> Fed. Reg. 44596-44597.

<sup>&</sup>lt;sup>19</sup> *Id*.



## Alternative proposal: EPA has discretion not to collect this information

EPA's proposed alternative argument is that the agency's Clean Act Action section 114 authority is discretionary, but EPA "no longer believes the information is necessary to carry out the provisions of the CAA, including relevant rulemaking and enforcement functions." Unlike its primary proposal, this alternative legal reasoning would allow a future administration to reinstate the GHGRP using its section 114 authority. However, if the alternative approach is upheld by courts, there would be a gap in this data collection until a future administration implemented a new rulemaking to reinstate the program.

## **Looking Ahead**

EPA has requested comment on a range of issues, including "any legitimate reliance interest that bears on the statutory purposes for which CAA section 114(a) authorizes the Agency to impose information collection and reporting obligations;"<sup>21</sup> specific reliance interests on Subpart W reporting;<sup>22</sup> and costs and benefits of reporting.<sup>23</sup> Comments are due by November 3, 2025.

We will be watching to see how EPA finalizes the rule and the legal justifications it relies on, especially whether it leaves open the possibility of continuous data collection in the future or tries to narrow the "best reading" of its statutory authority. We will also assess how entities that rely on this data respond in comments and to the final rule.

<sup>&</sup>lt;sup>20</sup> Id.

<sup>&</sup>lt;sup>21</sup> Id. at 44597-44598.

<sup>&</sup>lt;sup>22</sup> Id. at 44602.

<sup>&</sup>lt;sup>23</sup> Id. at 44599.