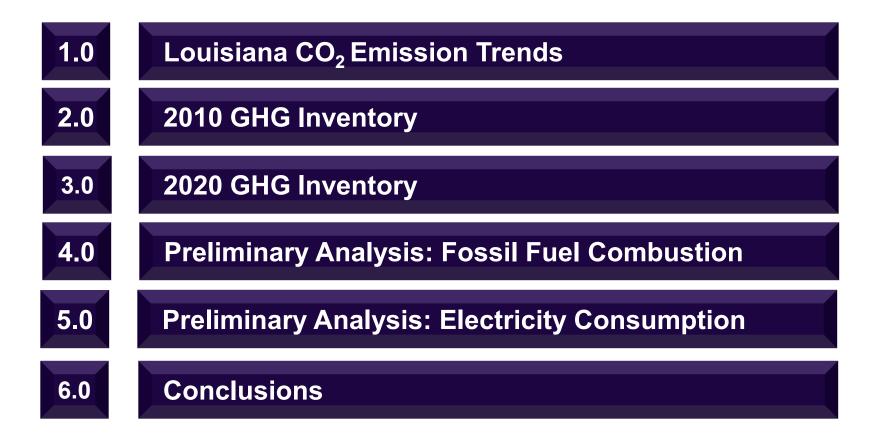


Status and briefing on the Louisiana greenhouse gas inventory and emissions analysis.

Scientific Advisory Group ("SAG") Meeting, Governor's Climate Initiatives Task Force, March 29, 2021, Baton Rouge, Louisiana.

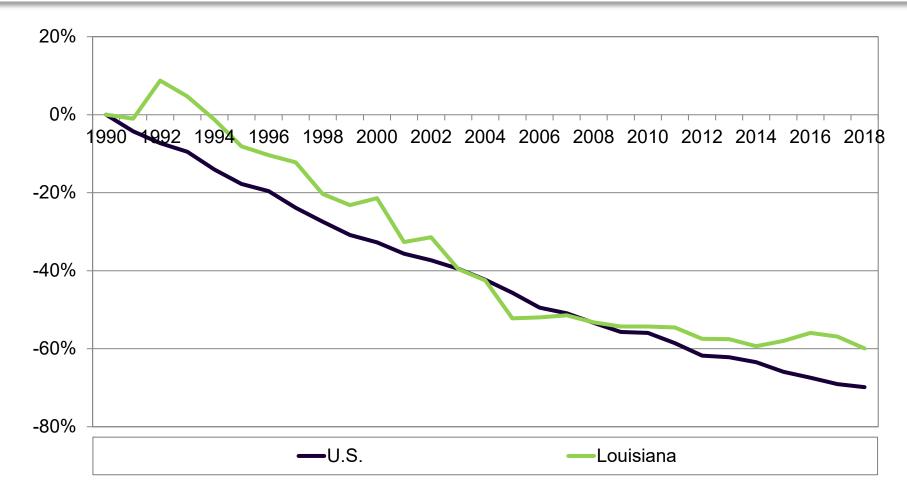
David E. Dismukes, Ph.D. Center for Energy Studies Louisiana State University



Section 1: Louisiana CO₂ Emission Trends

Gross CO₂E per GDP and GSP, U.S. and Louisiana

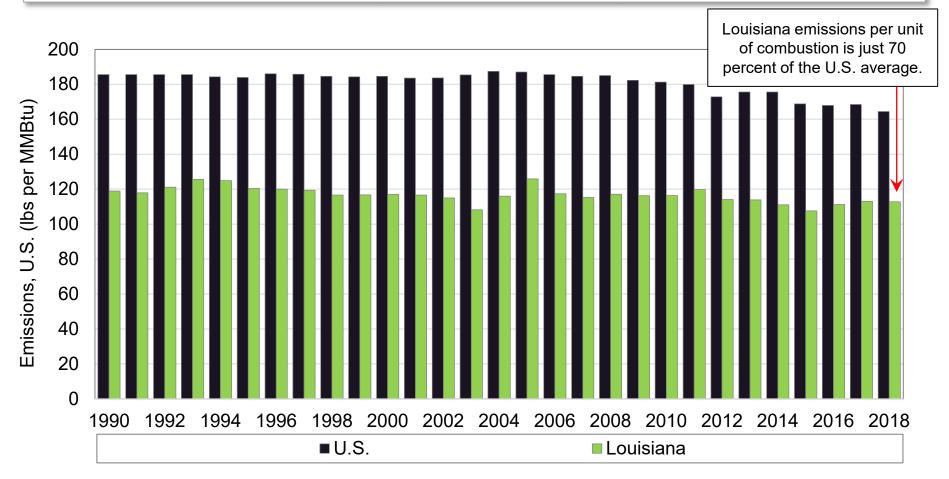
Historic Louisiana CO₂ emissions trends per unit of economic output fallen faster than the U.S. average from 2002 to 2008, but have slowed since.



Note: CO₂ emissions are from fossil fuel combustion only.

CO₂E per Btu of fossil fuel consumption, U.S. and Louisiana

Louisiana also tends to be significantly more efficient in emissions per unit of energy consumed. Louisiana's high reliance on relatively clean-burning natural gas is one of the primary sources of this competitive emissions advantages.

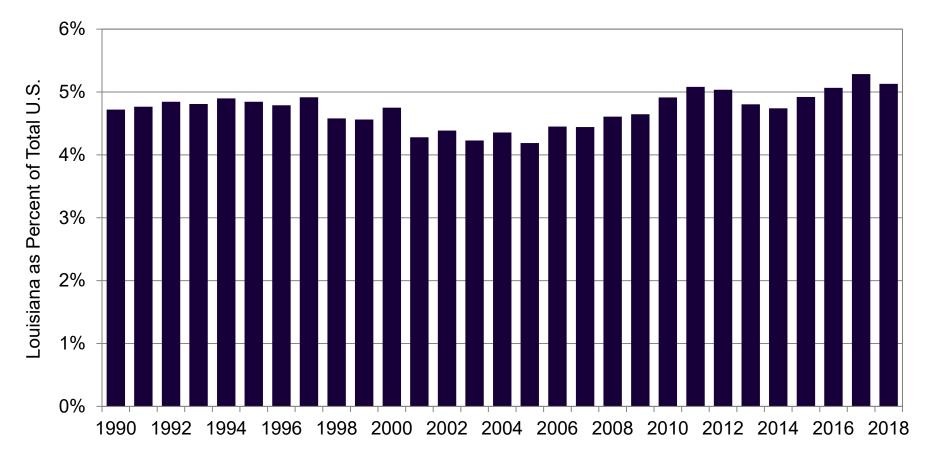


Source: U.S. Environmental Protection Agency, State CO2 Emissions from Fossil Fuel Combustion. Available at: <u>https://www.epa.gov/statelocalenergy/state-co2-emissions-fossil-fuel-combustion</u>; and U.S. Energy Information Administration, Detailed State Electricity Data. Available at: https://www.eia.gov/electricity/data/state/

Emission Trends

Louisiana share of total U.S. CO₂ emissions

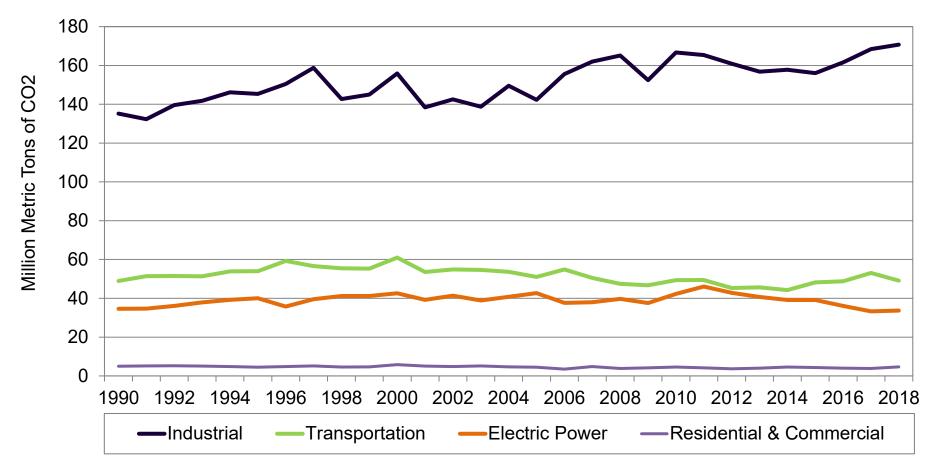
Louisiana's share of total U.S. CO₂ emissions has been between four and five percent. Louisiana now accounts for just over five percent of all U.S. carbon emissions.



Note: CO₂ emissions are from fossil fuel combustion only.

Louisiana CO₂ emissions per sector

Louisiana carbon emissions have been dominated by the industrial sector.

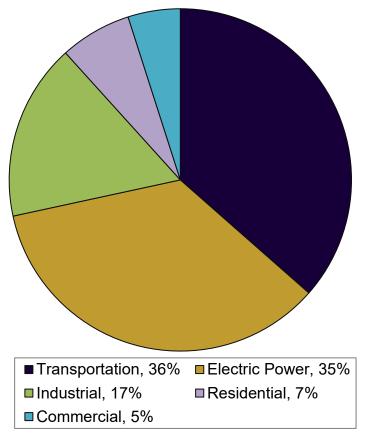


Note: CO₂ emissions are from fossil fuel combustion only.

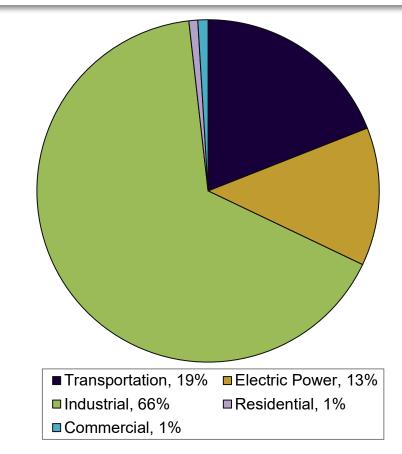
Emission Trends

U.S. and Louisiana CO₂ emissions per sector, 2018

In the U.S., power generation comprises about 35 percent of overall national emissions.



In Louisiana, power generation comprises about 17 percent of overall state emissions. Louisiana's primary source of CO₂ emissions comes from industrial sources.



Note: CO₂ emissions are from fossil fuel combustion only.

Louisiana 2020 Greenhouse Gas Inventory

Section 2: 2010 Greenhouse Gas Inventory

2010 Study: Objectives

- Develop a comprehensive state-wide greenhouse gas inventory.
- Conduct a thorough review of measures being taken or contemplated by other states to accommodate climate change concerns or expected federal greenhouse gas regulations.
- Prepare a high-level assessment of the impacts of the most likely federal greenhouse gas regulatory schemes on Louisiana's economy.
- Prepare a list of potential state and industry strategies for responding to requirements and opportunities brought by federal greenhouse gas regulation.

2010 Study: Methodology

- The EPA's State Inventory Tool (SIT) was the principal method employed in the state's GHG inventory. Emission estimations are calculated across specific sources of emissions within economic sectors such as residential, commercial, mobile, industrial, and agricultural.
- Emphasis was placed on CO2 emissions; however, all six internationally-recognized GHG gases were included in the inventories: CO2, methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexaflouride (SF6).
- 2005 was selected for the inventory because U.S. climate legislation employed that year as the base year against which emission reductions would be compared.

2010 Study: Sources

- The EPA's State Inventory Tool (SIT) was used because it is a proven and vetted calculation tool, is consistent for all states, and is readily available. It is also a "top-down" model that uses state-level data.
- Other sources utilized:
 - Energy Information Administration (EIA)
 - Louisiana Department of Natural Resources (LDNR) and other relevant federal and state agencies
 - World Resources Institute Climate Analysis Indicators Tool (CAIT-US) Version 3.0
 - Input from our Project Advisory Team, and information developed during an earlier GHG inventory prepared by CES for LDNR in 2000.

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2010 Study: Areas of Focus

- The 2010 GHG study was segmented across the following areas:
 - State-Level Emissions
 - Source-Specific Emissions
 - Sector-Specific Emissions
 - Emissions Projections
- Most sub-sections (especially those that were based upon the EPA's SIT tool) included the following elements:
 - Overview
 - Historical emissions
 - Data assessment
 - Results

Summary of 2010 results.

Not surprisingly, most emissions come from direct combustion of fossil fuels.

	Greenhouse Gas	CO ₂ Equivalent Emissions MMT	Percent Total Emissions
Energy			
CO ₂ from fossil fuel combustion	CO2	191.32	84.0%
Stationary combustion (non CO)	CH4	0.18	0.1%
Stationary combustion (non-CO ₂)	N ₂ O	0.42	0.2%
Mobile combustion (non-CO ₂)	CH₄	0.06	0.0%
Wobile combustion (non-co ₂)	N ₂ O	0.92	0.4%
Natural gas & oil systems	CO2	0.25	0.1%
Natural gas & on systems	CH₄	13.13	5.8%
Coal mining	CH₄	0.04	0.0%
	CO2	3.30	1.4%
Industrial Processes	N ₂ O	3.27	1.4%
	HFC, PFC, SF ₆	6.85	3.0%
Wastes			
Municipal solid waste	CH4	0.37	0.2%
Wastewater	CH4	0.65	0.3%
Wastewater	N ₂ O	0.13	0.1%
Agriculture	CH4	2.76	1.2%
Agriculture	N ₂ O	3.68	1.6%
	CH4	0.17	0.1%
Land-use Change & Forestry	N ₂ O	0.13	0.1%
	CO2	-13.02	
Те	otal Gross CO ₂	1	100.00%
	Total Net CO ₂	214.64	

Louisiana 2020 Greenhouse Gas Inventory

Section 3: 2020 Greenhouse Gas Inventory

2020 Study: Methodology

- The 2020 study, like the 2010 study, will rely heavily upon the EPA's State Inventory Tool (SIT) in order to estimate emissions across specific sources.
- Also, like the 2010 study, emphasis will be placed on CO₂ emissions; however, all six internationally-recognized GHG gases will be included in the inventories: CO₂, methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexaflouride (SF₆).
- The 2020 GHG inventory will largely analyze the same sets of sources and sectors that previous GHG inventories were based upon.

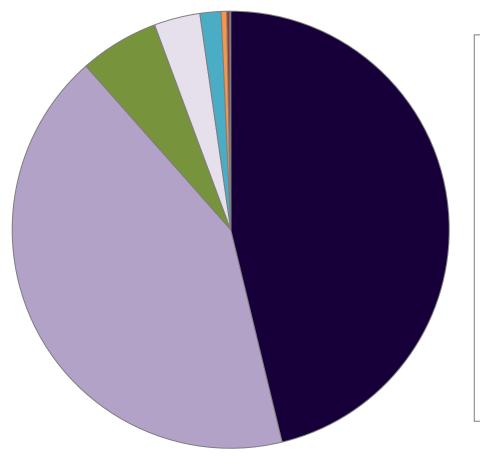
Potential Additions to 2020 Greenhouse Gas Inventory

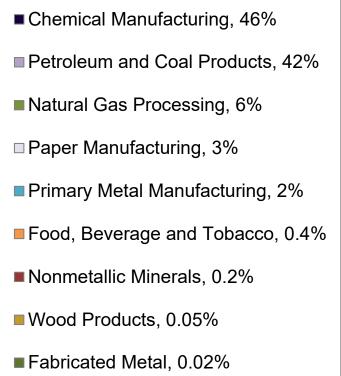
2010 Study explicitly made no attempt to break-out greenhouse gas emissions by industrial sub-sector.

- Industrial sector greenhouse gas emissions were found in the 2010 study to comprise nearly half (49 percent) of all state emissions.
- Industrial emissions could be separated by sub-sector based on 2007 North American Industry Classification System (NAICS)
- Majority of industrial sector emissions were determined in the 2010 analysis to be driven by electric power consumption.

Example: Potential industrial decomposition (Prior CES-CCUS Feasibility Study).

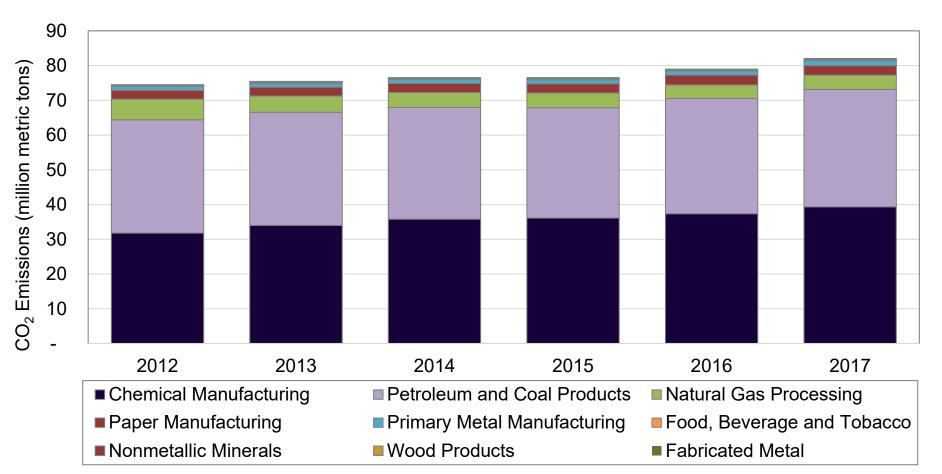
Most of the Louisiana industrial CO_2 emissions are concentrated in the chemical and refining sectors. Natural gas processing is a distant third.





Louisiana industrial and gas processing facilities, CO₂ emissions.

Refinery-related activity has led to the relatively larger 2016 emissions increase; while chemical manufacturing increased in 2017.



Source: U.S. EPA Envirofacts.

Louisiana industrial and gas processing facilities, top 10 CO₂ emitters.

Industrial emissions come from stationary combustion as well as other industrial operations. This differentiation is important since the cost of capturing CO2 from chemical/refinery emissions is much lower than capturing from individual stationary combustion sources. The largest source, however, is to the north of the industrial corridor at the state's largest ammonia plant.

Facility Name	Facility Type	Stationary Combustion	Electricity Generation	Ammonia Production - (metric tons tot	Production	Petrochemical Production	Refining
CF Industries Nitrogen - Donaldsonville	Chemical Manufacturing	14,277,707	-	21,405,086	-	-	-
ExxonMobil - Baton Rouge Refinery	Petroleum and Coal Products	27,039,348	-	-	-	222,825	10,200,415
Citgo Petroleum - Lake Charles	Petroleum and Coal Products	20,730,968	-	-	-	-	7,077,450
Norco Manufacturing Complex	Petroleum and Coal Products	15,448,233	-	-	126,668	330,827	6,886,008
Marathon Petroleum Company	Petroleum and Coal Products	16,794,081	-	-	-	-	6,891,871
Union Carbide Corp, St Charles	Chemical Manufacturing	13,821,670	-	-	-	2,710,378	-
Valero Refining - New Orleans	Petroleum and Coal Products	5,869,363	-	-	3,781,646	-	5,981,683
Eagle US 2 LLC	Chemical Manufacturing	7,710,797	9,381,927	-	-	130,391	-
Phillips 66 - Alliance Refinery	Petroleum and Coal Products	8,901,410	-	-	-	-	5,172,241
Motiva Enterprises - Convent Refinery	Petroleum and Coal Products	7,572,384	-	-	130,006	-	5,429,001
Total		138,165,960	9,381,927	21,405,086	4,038,319	3,394,421	47,638,669

Data Inputs for EPA's State Inventory Tool – Agriculture

- The agricultural module for the SIT will be consistent with those of the 2010 study and range across some of the following areas:
 - Enteric Fermentation
 - Manure Management
 - Agricultural soils
 - Rice Cultivation
 - Agricultural Residue Burning

Data Inputs for EPA's State Inventory Tool – Land-Use Change and Forestry

- The land-use change and forestry module for the SIT will be consistent with those of the 2010 study and range across some of the following areas:
 - Forest Carbon Flux
 - Urban Trees
 - Landfilled Yard Trimmings and Food Scraps
- In addition, the module will consider some of the following new data types:
 - Land Converted to Forest Land
 - Forest Land Converted to Land

2020 Study

Data Inputs for EPA's State Inventory Tool – Waste Management

- The waste management module for the SIT will be consistent with those of the 2010 study and range across some of the following areas:
 - Municipal solid waste landfills (CH₄)
 - \circ Methane flaring at landfills (CH₄)
 - \circ Landfill gas recovered (CH₄)

Current Status

- SIT has been compiled and preliminary estimates have been conducted.
- Generator-specific emissions analysis has been completed. Also have preliminary estimates of (a) electric consumption SIT module and (b) fossil fuel combustion (generation) sector in the fossil fuel SIT module. These will need to be reconciled.
- Site-specific industrial emissions have been updated. These will need to be reconciled with the fossil fuel combustion SIT module and oil and gas systems SIT module.
- Preliminary estimates by SIT module will be provided to SAG chairs no later than week of April 5, 2021. One powerpoint will be provided per SIT module along with estimates and data.

Louisiana 2020 Greenhouse Gas Inventory

Section 4: Preliminary Analysis: Fossil fuel combustion

SIT module results: fossil fuel consumption overview

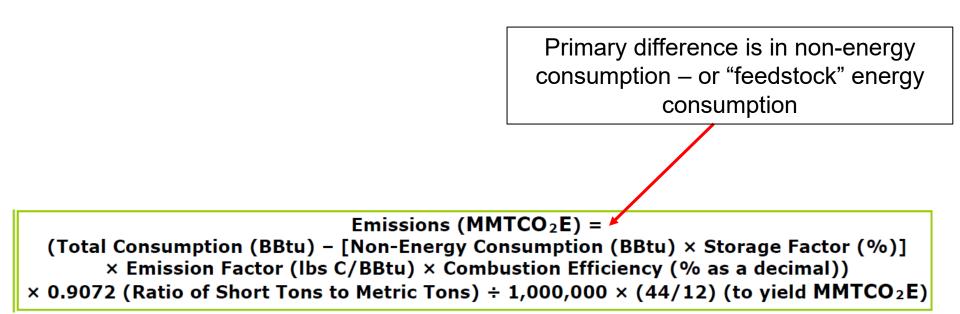
- Most GHG emissions arise from the combustion of fossil fuels.
- Fossil fuel consumption is ubiquitous across over every major economic sector.
- The GHG state inventory tool estimates fossil fuel-related emissions across six sectors/areas: residential; commercial; transportation; electric power; bunker fuels; and industrial.
- Coal, petroleum, and natural gas are the main emitters of fossil fuels from combustion
- For Louisiana, the industrial sector is the largest GHG emitter followed by the transportation and electric power sectors.

Mathematics of estimating fossil fuel emissions – general equation

The fossil fuel module estimates the carbon content of fossil fuels, in tons, converts to metric tons, and then standardizes to CO_2 equivalent. This is done for each fuel type and for each economic sector

Emissions (MMTCO₂E) = Consumption (BBtu) × Emission Factor (lbs C/BBtu) × 0.0005 short ton/lbs × Combustion Efficiency (% as a decimal) × 0.9072 (Ratio of Short Tons to Metric Tons) ÷ 1,000,000 × (44/12) (to yield MMTCO₂E)

Mathematics of estimating fossil fuel emissions – industrial equation



Preliminary analysis

Combustion of Fossil Fuels - Residential

						Re	sic	lential fu	el 1	ypes		
	Residential Sector			2017								
	Fuel Type	Consumption (Billion Btu)	-	Emission Factor bs C/Million Btu		Combustion Efficiency (%)) (:	Emissions short tons carboi	n)	Emissions (MMTCE)		Emissions (MMTCO2E)
/	Coal	-	×	62.02	×	100.0%	=	-	=	0.000	= [0.000
	Distillate Fuel	44	x	44.47	x	100.0%	=	978	=	0.001	=	0.003
	Kerosene	2	x	44.01	×	100.0%	=	44	=	0.000	=	0.000
	Hydrocarbon Gas Liquids	1,699	x	37.11	x	100.0%	=	31,525	=	0.029	= [0.105
Ν	Natural Gas	29,680	x	31.90	×	100.0%	=	473,396	=	0.429	=	1.575
	Other	-	×		×		=	-	=	0.000	=	0.000
	Residential Sector			2018								

	Consumption	E	mission Facto	r	Combustion		Emissions		Emissions		Emissions
Fuel Type	(Billion Btu)	(Ib	s C/Million B	tu) E	Efficiency (%	6) (s	short tons carbo	n)	(MMTCE)		(MMTCO₂E)
Coal	-	×	62.02	x	100.0%	=	-	=	0.000	=	0.000
Distillate Fuel	8	×	44.47	x	100.0%	=	178	=	0.000	=	0.001
Kerosene	4	×	44.01	x	100.0%	=	88	=	0.000	=	0.000
Hydrocarbon Gas Liquids	1,748	×	37.11	x	100.0%	=	32,434	=	0.029	=	0.108
Natural Gas	38,629	×	31.90	×	100.0%	=	616,133	=	0.559	=	2.049
Other	-	×		x		=	-	=	0.000	=	0.000

Preliminary analysis

Combustion	Combustion of Fossil Fuels - Industrial Feedstock																	
												- Fe	ee	aslock				
											/							
												/	U:	ses.				
			\frown								/							
									/									
Industrial Sect	or		2018			🔽 Default	t No	n-Energy Consum	ption	Data								
	Total		Non-Energy					Net combustible										
	Consumption	_ /	Consumption		١.			Consumption		- Emission Facto	or	Combustion		Emissions	l	Emissions		Emissions
Fuel Type	(Billion Btu)		(Billion Btu)	s	stora	ge Factor ('	%)	(Billion Btu)	(1	bs C/Million Bt	tu)	Efficiency (%)	(short tons carbon)	(MMTCE)		(MMTCO₂E)
Coking Coal	-	(-	×		10%)=		×	0.00	×	100.0%	=	-	=	0.000	=	0.000
Other Coal	3,960	- (77	×		0%	X=	3,960	×	55.85	×	100.0%	=	110,592	=	0.100	=	0.368
Asphalt and Road Oil	15,039	- (15,039	×		100%) =	66	×	45.31	×	100.0%	=	1,496	=	0.001	=	0.005
Aviation Gasoline Blending		1					/											
Components	(276)	- (-	×		0%) =	(276)	×	41.60	×	100.0%	=	(5,741)	=	-0.005	=	-0.019
Crude Oil	-	- (-	×		0%	<u>۲</u>	-	×	44.77	×	100.0%	=	-	=	0.000	=	0.000
Distillate Fuel	31,937	- (170	×		50%) =	31,852	×	44.47	×	100.0%	=	708,230	=	0.642	=	2.356
Feedstocks, Naphtha less than						1 /												
401 F	65,677	- (61,447	×		62%) =	27,288	×	40.90	×	100.0%	=	558,038	=	0.506	=	1.856
Feedstocks, Other Oils		,		\mathbf{k}		1												
greater than 401 F	239,081	- (217,698	×	<u>/</u> _	62%) =	103,074	×	44.47	×	100.0%	=	2,291,853	=	2.079	=	7.623
Kerosene	41	- (-	×		0%) =	41	×	44.01	×	100.0%	=	902	=	0.001	=	0.003
LPG	625,348	- (552,401	×		62% 9%) =	280,236	×	37.07	×	100.0%		5,193,959	=	4.712		17.277
Lubricants Motor Gasoline	3,058 3,675	- (3,058	×		9% 0%) =	2,783 3.675	×	44.53 42.90	×	100.0%	=	61,959	=	0.056	=	0.206
Motor Gasoline Motor Gasoline Blending	3,675	- (-	×		0%) =	3,675	×	42.90	×	100.0%	=	78,830	-	0.072	=	0.262
Components		- (×		0%) =	_	×	42.90	x	100.0%	=	_	=	0.000	=	0.000
Misc. Petro Products	29.248	- (29.248	x		0%)=	29.248	x	44.77	x	100.0%	=	654.770	=	0.594	=	2.178
Petroleum Coke	98,809	- (-	x		30%)=	98,809	x	61.39	x	100.0%	=	3,032,942	=	2.751	=	10.089
Pentanes Plus	32,988	- (15,402	x		62%)=	23,366	x	42.10	x	100.0%	=	491,844	=	0.446	=	1.636
Residual Fuel	3,812	- (-	x		50%)=	3,812	x	45.15	x	100.0%	=	86,056	=	0.078	=	0.286
Still Gas	286,652	- (29,673	x		65%) =	267,265	x	40.11	x	100.0%	=	5,359,996	=	4.862	=	17.829
Special Naphthas	1,308	- č	1,229	×		0%) =	1,308	×	43.51	×	100.0%	=	28,456	=	0.026	=	0.095
Unfinished Oils	5,487	ì	-	×		0%) =	5,487	×	44.77	×	100.0%	=	122,837	=	0.111	=	0.409
Waxes	147	ì	147	x		58%) =	62	x	43.64	×	100.0%	=	1,347	=	0.001	=	0.004
Natural Gas	1,341,378	-	40,624	x		62%) =	1,315,998	x	31.90	×	100.0%	=	20,990,168	=	19.042	=	69.820
Other	-	- (×) =	-	×		×		=	-	=	0.000	=	0.000

Non-energy related emissions (feedstock uses)/shares (fossil fuels)

Feedstock shares based on national industry averages

National Non-Energy Consumption %'s	2	3	4	5	6	26	27	28	29	30
	1990	1991	1992	1993	1994	2014	2015	2016	2017	2018
Industrial Sector										
Coking Coal	0%	0%	0%	100%	100%	100%	100%	100%	100%	100%
Other Coal	0%	1%	1%	1%	1%	1%	1%	2%	2%	2%
Natural Gas	4%	3%	3%	4%	4%	4%	4%	3%	3%	3%
Asphalt and Road Oil	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
LPG	73%	77%	73%	73%	76%	91%	88%	86%	87%	88%
Lubricants	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Pentanes Plus	47%	47%	47%	46%	47%	49%	49%	47%	47%	47%
Feedstocks, Naphtha less than 401 F	94%	93%	94%	93%	94%	98%	98%	94%	94%	94%
Feedstocks, Other Oils greater than 401 F	88%	90%	83%	79%	76%	96%	95%	92%	92%	91%
Still Gas	2%	3%	2%	3%	2%	11%	11%	10%	10%	10%
Petroleum Coke	4%	2%	9%	3%	6%	0%	0%	0%	0%	0%
Special Naphthas	94%	94%	94%	93%	95%	98%	98%	95%	95%	94%
Distillate Fuel	1%	1%	1%	1%	1%	0%	1%	1%	1%	1%
Residual Fuel	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Waxes	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Misc. Petro Products	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Other Coal	0%	1%	1%	1%	1%	1%	1%	2%	2%	2%
Aviation Gasoline Blending Components	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Crude Oil	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Kerosene	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Motor Gasoline	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Motor Gasoline Blending Components	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Unfinished Oils	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Transportation	1990	1991	1992	1993	1994	2014	2015	2016	2017	2018
Lubricants	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Louisiana 2020 Greenhouse Gas Inventory

Section 5: Preliminary Analysis: Electricity consumption

Electricity emission factors

- Electricity emission factors are derived from the generation that is utilized to make the electricity which is consumed across end-user classes.
- These emission factors, in turn, are a function of the fuel mix and generation profiles of the utilities in a respective state.
- Emission factors are measured in terms of pounds per megawatthour ("MWh") generated/consumed.
- Utilities with relatively-higher shares of coal generation (and other fossil fuels) will have higher emission factors than those that are more concentrated by nuclear, high efficiency natural gas turbines, high efficiency industrial cogeneration and renewables.
- Emission factors come from EPA's eGRID database.



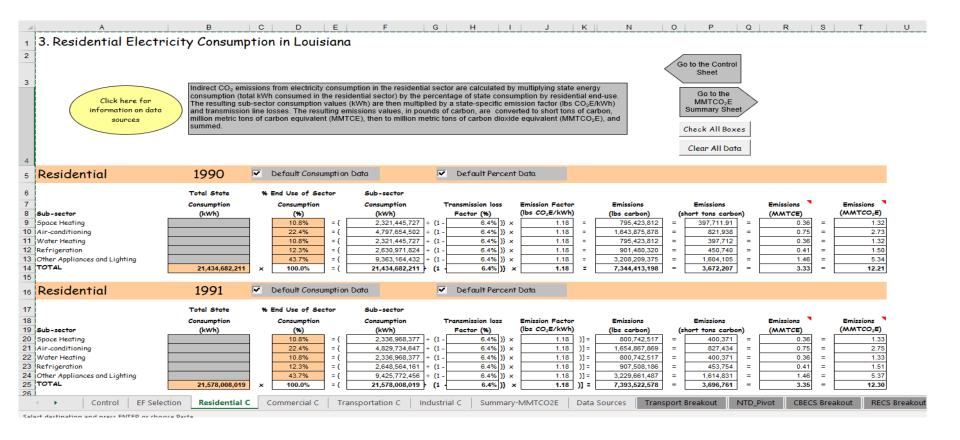
Calculation/Formulas

$Emissions_i = (consumption_i / losses_i) x EF$

Total EC emissions = $\sum_{i=1}^{n} emissions_i$

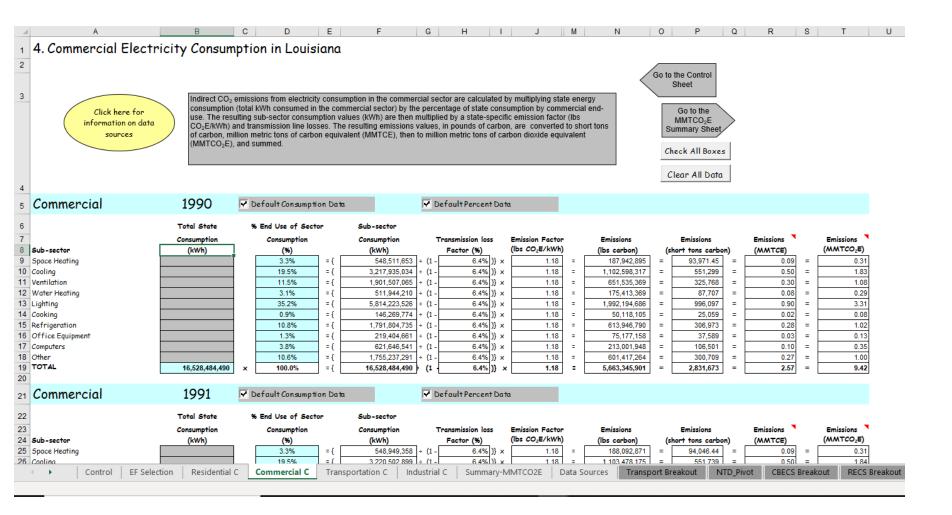
Preliminary analysis

ECM module layout (residential)



Preliminary analysis

ECM module layout (commercial)



Section 6: Conclusions

Preliminary numbers – 2018 (not for attribution or dissemination)

			Greenhouse Gas	CO ₂ Equivalent Emissions MMT	Percent Total Emissions
		Energy			
		CO ₂ from fossil fuel combustion	CO2	191.32	84.0%
Emission Sector Source	Total MMTCO₂E	Stationary combustion (non-CO ₂)	CH4	0.18	0.1%
			N ₂ O	0.42	0.2%
A unit and farmed	7.00	Mobile combustion (non-CO ₂)	CH4	0.06	0.0%
Agricultural	7.83	mobile combuscion (non co ₂)	N ₂ O	0.92	0.4%
Combustion of Fossil Fuels	219.74	Natural gas & oil systems	CO2	0.25	0.1%
Coal	0.07	Natural gas & on systems	CH4	13.13	5.8%
Electricity Consumption	37.55	Coal mining	CH4	0.04	0.0%
Industrial Processes	8.74		CO2	3.30	1.4%
Land-use, land-use changes, forestry	-35.64	Industrial Processes	N ₂ O	3.27	1.4%
Mobile Combustion	0.36		HFC, PFC, SF6	6.85	3.0%
Natural Gas and Oil ¹	6.92	Wastes			
Solid Waste	2.74	Municipal solid waste	CH₄	0.37	0.2%
Stationary Combustion	0.09		CH₄	0.65	0.3%
Wastewater ²		Wastewater	N ₂ O	0.13	0.1%
Total	248.40	Agriculture	CH4	2.76	1.2%
		Agriculture	N ₂ O	3.68	1.6%
			CH4	0.17	0.1%
		Land-use Change & Forestry	N ₂ O	0.13	0.1%
			CO2	-13.02	

100.00%

227.66

214.64

Total Gross CO

Total Net CO

Conclusions

Major milestones include:

- Various scoping & status mtgs with SAG = 1 to 3 months.
- First, preliminary data & report = 3 to 4 months.
- Second version of data & report = 5 months.
- Task Force briefing/Final Report = 6 months.

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