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CLIENT ALERT | May 5, 2025

# Understanding New York's Proposed Mandatory Greenhouse Gas Reporting Program: Key Insights and Comparative Analysis

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***The proposal targets large emissions sources and specific industries, focusing on data collection only.***

On March 26, 2025, the New York State Department of Environmental Conservation (NYSDEC) announced [proposed regulations](#) that would establish a mandatory greenhouse gas (GHG) reporting program for fuel suppliers, waste haulers and transporters, electric power entities, and certain other industries as well as large emissions sources located in New York. The proposed program is for data collection only and would not impose requirements to reduce GHG emissions or obtain emission allowances.

These proposed regulations, the New York Codes, Rules, and Regulations (NYCRR) Part 253, Mandatory Greenhouse Gas Reporting (the NY Reporting Rule), would require subject industries and large facilities and emitting sources to monitor their annual GHG emissions, annually provide emissions and other data reports to NYSDEC, and follow specified record-keeping requirements for supporting data.

The proposed NY Reporting Rule shares a number of similarities with California's Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (MRR), adopted in accordance with the California Global Warming Solutions Act of 2006 (AB 32). The MRR requires electricity generators, industrial facilities, fuel suppliers, and electricity importers to report GHG emissions annually.<sup>1</sup> California has collected almost two decades' worth of data on GHG emissions and related industrial activity, which has informed its climate policies, including its economy-wide Cap-and-Trade Program.

If the NY Reporting Rule is adopted, New York would join California in requiring large emitters to report, verify, and monitor their GHG emissions. The NY Reporting Rule would require reporting entities to submit first reports by June 1, 2027, based on 2026 data. Future reports would be submitted annually.

This Client Alert identifies which facilities and entities are in scope, compares the NY Reporting Rule to existing regimes, and discusses next steps.

## What Facilities and Entities Are in Scope?

The proposed NY Reporting Rule requirements have two categories for in-scope entities, which are determined based on emissions source and degree of emissions in a given year: Reporting Entities and Large Emissions Sources.

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## Reporting Entities

These include:

- **Owners and operators of facilities in New York that emit 10,000 metric tons (MT) or more of carbon dioxide equivalent (CO<sub>2</sub>e) per year**, such as electricity generation facilities, stationary combustion facilities, landfills, waste-to-energy facilities, and natural gas compressor stations
- **Fuel suppliers** that generate any amount of GHG emissions per year and deliver fuel to an end user in New York, such as natural gas, liquid fuels, petroleum products, and coal
- **Waste haulers and transporters** for which the estimated emissions from solid wastes transported to landfills or combustion facilities outside of New York exceed 10,000 MT CO<sub>2</sub>e emissions in any year
- **Electric power entities** that emit any GHG emissions or import megawatt hours into New York
- **Agricultural lime and fertilizer suppliers** that supply a quantity of agricultural lime and fertilizer necessary to generate any GHG emissions per emission year
- **Owners and operators of anaerobic digestion and liquid storage of waste facilities** where wastes imported to, or generated at, the facility would generate 10,000 MT of CO<sub>2</sub>e per year, such as wastewater treatment plants and concentrated animal feeding operations

## Large Emissions Sources

If a Reporting Entity exceeds a given higher emissions threshold, it will be considered a Large Emissions Source. These include:

- Facilities that emit more than 25,000 MT CO<sub>2</sub>e per year
- Suppliers of natural gas, liquefied natural gas, and compressed natural gas that supply more than 15 million ft<sup>3</sup> per year
- Liquid fuel and petroleum product suppliers that supply more than 100,000 gallons of affected liquid fuels per year
- Coal suppliers that supply more than 500 US tons of coal per year
- Waste haulers and transporters that emit more than 25,000 MT CO<sub>2</sub>e per year, including the sum of emissions reported for out-of-state landfill facilities and out-of-state combustion facilities for all waste exported out of New York State

The NYSDEC stated that it will conduct outreach and information sessions to provide further guidance regarding which entities may be Reporting Entities or Large Emissions Sources. Additionally, the NYSDEC has developed a [GHG Estimation Tool](#) to assist fuel suppliers with approximating whether they may be in scope.

## What Are the Key Requirements?

If an entity meets the criteria of a Reporting Entity for a given year, it must report annual GHG data, as well as industrial product data relevant to the emissions source. Under the proposal, emissions reports are due by June 1 of the given reporting year, with first reports due June 1, 2027, for 2026 data.

In addition, if an entity meets the criteria of a Large Emissions Source for a given year, it will be required to engage a third-party verifier accredited by NYSDEC to verify the reported emissions and industrial product data. Verification is due by August 10 of the given reporting year, with first verification statements due August 10, 2027, for 2026 data.

Reports are to be submitted via the New York State Greenhouse Gas Reporting Tool (NYS e-GGRT), an electronic reporting platform being developed by the NYSDEC.

## How Does the NY Reporting Rule Compare to Other Regimes?

### California

The proposed regulation appears to mirror California's [MRR](#). AB 32, which established comprehensive, long-term climate-based policies. The MRR initially established the goal of reducing California's GHG emissions to 1990 levels by 2020, and subsequent legislation has ratcheted down the goals, with the most recent target to achieve [carbon neutrality by 2045 or earlier](#).

The MRR has been amended several times since its inception, with the most recent amendments becoming effective in April 2019. The MRR classifies three types of reporting entities: industrial facilities that emit more than 10,000 MT CO<sub>2</sub>e per year; suppliers of natural gas, CO<sub>2</sub>, and transportation fuels; and electric power entities. These entities must report their annual GHG emissions to the California Air Resources Board (CARB). According to CARB, the MRR program captures approximately 80% of the GHG emissions included in California's GHG inventory.<sup>2</sup> Each year, CARB prepares a [public summary](#) of reported GHG emissions data reported under the MRR.

While there may be minor differences between the NY Reporting Rule and the California regime — such as differences in third-party verification requirements — the rules are similar in many ways. Namely, both programs focus on transparency rather than mandate emissions reductions. However, these reporting requirements may help inform other state policies designed to address climate change and GHG emissions.

For example, the MRR is a key component of California's Cap-and-Trade Program, a market-based system that is designed to reduce the state's GHG emissions. Under the Cap-and-Trade Program, CARB has set a declining cap on statewide emissions. Based on this cap, CARB generates a number of carbon credits — each representing one metric ton of CO<sub>2</sub>e — and entities acquire a certain number of tradable credits, or allowances. These credits determine how much CO<sub>2</sub>e an entity may emit.<sup>3</sup> Entities

that emit 25,000 or more metric tons of CO<sub>2</sub>e per year are subject to the Cap-and-Trade Program. Thus, the data reported under the MRR is used for compliance within the Cap-and-Trade Program.

The NY Reporting Rule is similarly intended to gather information in order to inform future programs in support of the [Climate Leadership and Community Protection Act](#), including laying the necessary groundwork for any future cap-and-invest program, which may follow the strategy used by California.

## Federal Government

The federal government is prioritizing deregulation, particularly as it relates to GHG regulations and climate change-related programs. For example, the April 8, 2025, executive order titled “Protecting American Energy From State Overreach” directs the US Attorney General to identify any state and local regulations that may burden energy sources, calling out certain New York and California programs, which may affect the NY Reporting Rule. Further information on that executive order and other orders may be found [here](#) and [here](#).

Notably, the NY Reporting Rule is being proposed in the context of an evolving federal regulatory framework and federal agency actions to roll back GHG regulations. The NY Reporting Rule’s [Regulatory Impact Statement](#) outlines that the rule is intended to allow entities to leverage existing reporting, such as the Regional Greenhouse Gas Initiative (RGGI) and the Environmental Protection Agency’s GHGRP. NYSDEC has stated that this regulation may serve as a backstop for potential changes to the federal programs.

## Texas

On March 7, 2025, a [bill](#) was introduced in Texas that would disallow companies doing business in the state from tracking their GHG emissions for purposes of complying with state or foreign laws, except as required by federal law. The bill received no action in committee, effectively tabling the bill for this legislative session. However, the bill represents a proposed state-level policy at odds with the MRR and the proposed NY Reporting Rule.

## Comparison of GHG Reporting Programs by Jurisdiction

	Federal	New York	California
<b>Name of law</b>	Greenhouse Gas Reporting Program (GHGRP).	NYCRR Part 253, Mandatory Greenhouse Gas Reporting.	California Global Warming Solutions Act of 2006 (AB 32), Regulation for the Mandatory Reporting of Greenhouse Gas Emissions.
<b>Scoping criteria</b>	Facilities and suppliers are generally required to	The NY Reporting Rule applicability is determined	The MRR program requires annual reporting

	<p>submit annual reports under Part 98 if:</p> <ul style="list-style-type: none"> <li>• GHG emissions from covered sources exceed 25,000 metric tons CO<sub>2</sub>e per year;</li> <li>• Supply of certain products would result in over 25,000 metric tons CO<sub>2</sub>e of GHG emissions if those products were released, combusted, or oxidized;</li> <li>• The facility receives 25,000 metric tons or more of CO<sub>2</sub> for underground injection.</li> </ul>	<p>based on an entity's emissions source and degree of emissions in a given year.</p>	<p>of GHGs by industrial sources that emit more than 10,000 MT CO<sub>2</sub>e, transportation and natural gas fuel suppliers, and electric power entities (both in-state generators and certain importers).</p> <p>Abbreviated reporting is permitted for entities that emit between 10,000 and 25,000 MT CO<sub>2</sub>e, so long as they are not a fuel supplier or electric power entity, not subject to a cap-and-trade program, and not subject to GHGRP reporting for sectors included in CARB regulation.</p>
<b>Disclosure requirements</b>	<ul style="list-style-type: none"> <li>• Annual GHG emissions data</li> </ul>	<ul style="list-style-type: none"> <li>• Annual GHG emissions data</li> <li>• Specific industrial product data</li> </ul>	<ul style="list-style-type: none"> <li>• Annual GHG emissions data</li> <li>• Specific industrial product data</li> </ul>
<b>Verification requirement</b>	<p>Reporters are required to self-certify the data they submit to EPA. EPA verifies the data submitted. EPA does not require third-party verification.</p>	<p>Yes, verification is required, but only for entities that meet the higher Large Emissions Source criteria for the given industry.</p>	<p>Verification is required for reporting entities that submit an emissions data report that indicates emissions equaled or exceeded 25,000 MT CO<sub>2</sub>e, electric power entities that are electricity importers or exporters, certain specified facilities, or each reporting entity that has or has had a compliance obligation under the cap-and-trade regulation in any year of the current compliance period.</p>

			An abbreviated emissions data report is not subject to the third-party verification requirements.
<b>Due date of first report</b>	N/A.	June 1, 2027, for 2026 data, and annually thereafter.	N/A.
<b>Due date for verification</b>	Self-certification is required upon submittal.	August 10, 2027, for 2026 data, and annually thereafter.	August 10 each year, for the previous year's data.
<b>Where reporting must be placed, filed, and posted</b>	Greenhouse Gas Reporting Tool (e-GGRT), an electronic reporting tool.	New York State Greenhouse Gas Reporting Tool (NYS e-GGRT), an electronic reporting tool.	California Electronic Greenhouse Gas Reporting Tool (Cal e-GGRT), an electronic reporting tool.
<b>Due date for ongoing reporting</b>	Annual reports covering emissions from the prior calendar year are due by March 31 of each year.	Reports are due annually by June 1.	<p>The reporting deadline for facilities and suppliers of fuels and CO<sub>2</sub>, except when subject to abbreviated reporting, is April 10 each year.</p> <p>The reporting deadline for submitting electric power entity reports and for those subject to abbreviated reporting is June 1 each year.</p>
<b>Effective date</b>	The rule was published in October 2009 and went into effect in January 2010.	Effective upon enactment, projected for late 2025.	<p>The MRR was originally approved in 2007 and revised in 2010, 2012, 2013, and 2014.</p> <p>Amendments to the MRR were approved by the Office of Administrative Law on March 29, 2019.</p> <p>The amendments became effective on April 1, 2019.</p>

## Next Steps

NYSDEC is accepting clarifying questions on the NY Reporting Rule through May 8, 2025. Answers to questions and an explanation of the proposed NY Reporting Rule will also be provided during virtual webinars held by NYSDEC on May 15.

The formal public comment period opened on April 2, 2025, and will run through July 1, 2025, with hearings to be held both in person and virtually in June 2025. Further information on the hearings and comment period is available [here](#).

Entities that are subject to the MMR and the GHGRP would be well served to monitor and potentially comment on the NY Reporting Rule to avoid any major differences to facilitate data collection, such as differences in reporting methodology, carbon boundaries, or timing of reporting or type of emissions verification required.

NYSDEC anticipates publication of the final rule by the end of 2025.

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## Endnotes

<sup>1</sup> The California program borrowed heavily from the US EPA Greenhouse Gas Reporting Program (GHGRP). (40 CFR part 98.) The NY Reporting Rule also makes reference to and draws upon the GHGRP.

<sup>2</sup> Agricultural emissions, high global warming potential gases, emissions from landfills and composting, and select fugitive emissions are not captured under the MRR.

<sup>3</sup> The Cap-and-Trade Program also uses offsets, a tradable compliance instrument that represents a GHG reduction or GHG removal enhancement of one metric ton of CO<sub>2</sub>e.