



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☒ NPUA

☒ Regular ☐ Special

Meeting Date: August 12, 2025

Title: Accept the AB32 Greenhouse Gas (GHG) Emissions Verification Report 2024 Emissions prepared by WZI Inc.

Background: The California Air Resources Board requires a third-party verifier of the GHG. WZI Inc. reported, "The City of Needles' 2024 emission data reports for Electric Power Entity (ARB AD 3047) are found to be **free of material misstatement and in conformance** with the Mandatory Reporting Requirement". The City's annual metric ton of CO₂e is reported for 2024 is **29,815**.

Every year, covered entities turn in allowances and offsets for 30 percent of the previous year's emissions. The City of Needles meets this requirement annually by utilizing the free allocation of allowances provided by CARB. For 2024, the City of Needles has **6,082 free allowances**.

At the end of each compliance period, covered entities must turn in the remaining 70 percent allowances and a limited number of offsets covering the remainder of emissions in that compliance period. To meet the remaining 70 percent requirement, entities may participate in CARB auctions or purchase allowances and offsets from the open market. The current compliance period is a three-year period beginning in 2024 to 2026.

Fiscal Impact: Remaining allowances and offsets for 2024 are 23,733; market prices for 2023 was \$37.40/allowance. The estimated fiscal impact for 2024 GHG allowances and offsets is \$887K. The City of Needles will not transact for the required allowances and offsets until the enclosed verification report is accepted by CARB and posted to the City of Needles Compliance and Tracking System to verify quantities needed.

Environmental Impact: Reduction in greenhouse gas emissions

Recommended Action: Accept the AB32 Greenhouse Gas (GHG) Emissions Verification Report 2024 Emissions prepared by WZI Inc.

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez

Date: 8/7/2025

Other Department Approval (when required): _____

Date: _____

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐