

Subpart D—Allowance Transfers

SOURCE: 58 FR 3694, Jan. 11, 1993, unless otherwise noted.

§ 73.50 Scope and submission of transfers.

(a) *Scope of transfers.* Except as provided in § 73.51 and § 73.52, the Administrator will record transfers of an allowance to and from Allowance Tracking System accounts.

(b) *Submission of transfers.* (1) Authorized account representatives seeking recordation of an allowance transfer shall request such transfer by submitting to the Administrator, in a format to be specified by the Administrator, an Allowance Transfer Form. To be considered correctly submitted the request for transfer shall include:

- (i) The numbers identifying both the transferrer and transferee accounts;
- (ii) A specification by serial number of each allowance to be transferred;
- (iii) Signatures of the authorized account representatives of both the transferrer and transferee accounts;
- (iv) The dates of the signatures of the authorized account representatives;
- (v) The numbers identifying the authorized account representatives for both the transferrer and transferee account; and
- (vi) Where the transferee account has not been established, information as required pursuant to § 73.31 (b) or (c).

(2)(i) The authorized account representative for the transferee account can meet the requirements in paragraphs (b)(1)(iii) and (iv) of this section by submitting, in a format prescribed by the Administrator, a statement signed by the authorized account representative and identifying each account into which any transfer of allowances, submitted on or after the date on which the Administrator receives such statement, is authorized. Such authorization shall be binding on any authorized account representative for such account and shall apply to all transfers into the account that are submitted on or after such date of receipt, unless and until the Administrator receives a statement in a format prescribed by the Administrator and signed by the authorized account rep-

resentative retracting the authorization for the account.

(ii) The statement under paragraph (b)(2)(i) of this section shall include the following: "By this signature, I authorize any transfer of allowances into each account listed herein, except that I do not waive any remedies under State or federal law to obtain correction of any erroneous transfers into such accounts. This authorization shall be binding on any authorized account representative for such account unless and until a statement signed by the authorized account representative retracting this authorization for the account is received by the Administrator."

[58 FR 3694, Jan. 11, 1993, as amended at 63 FR 68404, Dec. 11, 1998; 70 FR 25336, May 12, 2005]

§ 73.51 [Reserved]**§ 73.52 EPA recordation.**

(a) *General recordation.* Except as provided in this paragraph (a), the Administrator will record an allowance transfer by no later than five business days (or longer as necessary to perform a transfer in perpetuity of allowances allocated to a unit) following receipt of an allowance transfer request pursuant to § 73.50, by moving each allowance from the transferrer account to the transferee account as specified by the request pursuant to § 73.50, provided that:

- (1) The transfer is correctly submitted under § 73.50;
- (2) The transferor account includes each allowance identified by serial number in the transfer; and
- (3) If the allowances identified by serial number specified pursuant to § 73.50(b)(1)(ii) are subject to the limitation on transfer imposed pursuant to § 72.44(h)(1)(i) of this chapter, § 74.42 of this chapter, or § 74.47(c) of this chapter, the transfer is in accordance with such limitation.

(b) To the extent an allowance transfer submitted for recordation after the allowance transfer deadline includes allowances allocated for any year before the year in which the allowance transfer deadline occurs, the transfer of such allowance will not be recorded

§ 73.53

until after completion of the deductions pursuant to §73.35(b) for year before the year in which the allowance transfer deadline occurs.

(c) Where an allowance transfer submitted for recordation fails to meet the requirements of paragraph (a) of this section, the Administrator will not record such transfer.

[58 FR 3694, Jan. 11, 1993, as amended at 60 FR 17114, Apr. 4, 1995; 70 FR 25336, May 12, 2005]

§ 73.53 Notification.

(a) *Notification of recordation.* The Administrator will notify each party to an allowance transfer within five business days following the recordation of the transfer. Notice will be given in writing or in a format to be specified by the Administrator, to the authorized account representatives of both the transferor and transferee accounts.

(b) *Notification of non-recordation.* By no later than five business days following receipt of an allowance transfer request by the Administrator, the Administrator will notify, in writing or in a format to be specified by the Administrator, the authorized account representatives of the accounts subject to the allowance transfer request submitted for recordation of:

(1) A decision not to record the transfer, and

(2) The reasons for such non-recordation.

(c) Nothing in this section shall preclude the submission of an allowance transfer request for recordation following notification of non-recordation.

Subpart E—Auctions, Direct Sales, and Independent Power Producers Written Guarantee

SOURCE: 56 FR 65601, Dec. 17, 1991, unless otherwise noted.

§ 73.70 Auctions.

(a) *Allowances to be auctioned.* Every year the Administrator will auction allowances from the Auction Sub-account, established pursuant to subpart B of this part, according to the following schedule:

40 CFR Ch. I (7–1–10 Edition)

TABLE I—ALLOWANCE SCHEDULE FOR AUCTIONS

Year of purchase	Spot auction	Advance auction	Advance auction*
1993	50,000 ^a	100,000 ^b	
1994	50,000 ^a	100,000 ^b	25,000 ^c
1995	50,000 ^a	100,000 ^b	25,000 ^c
1996	150,000	100,000 ^b	25,000 ^c
1997	150,000	125,000 ^b	25,000 ^c
1998	150,000	125,000 ^b	
1999	150,000	125,000 ^b	
2000 and after	125,000	125,000 ^b	

^a Not usable until 1995.

^b Not usable until 7 years after purchase.

^c Not usable until 6 years after purchase.

*These are unsold advance allowances from the direct sale program for 1993, 1994, 1995, and 1996 respectively.

In addition to the allowances listed above, the Administrator will auction allowances pursuant to paragraph (c) of this section and §73.72(q) in the amounts and at the times provided for therein.

(b) *Timing of the auctions.* The spot auction and the advance auction will be held on the same day, selected each year by the Administrator, but no later than March 31 of each year. The Administrator will conduct one spot auction and one advance auction in each calendar year.

(c) *Submittal for other allowances for auction.* Authorized account representatives may offer allowances for sale at auction, provided that allowances are dated for the year in which they are offered or for any previous year or for seven years following the year in which they are offered. Such authorized account representatives may specify a minimum price for the allowances offered at the auctions. The authorized account representative must notify the Administrator fifteen business days prior to the auctions, using the SO₂ Allowance Offer Form published by the Administrator, or by means of electronic communication if the Administrator, following public notice, so requires or permits at some future time. The notification shall include:

(1) The compliance use date of the allowances offered;

(2) The number of allowances to be sold and any other information identifying the allowances offered that may be required by subpart C of this part;

(3) Any minimum price; and

(4) Whether the authorized account representative is willing to sell fewer allowances than the number stated in paragraph (c)(2) of this section, if the