(i) The environmental effects of acid rain, acid deposition, sulfur dioxide, or nitrogen oxides generally; and
(ii) Offset plan approval procedures or actions on other proposed offset plans that are not relevant to approval or disapproval of the draft offset plan in question.

(4) Persons who do not wish to raise issues on the draft offset plan or denial of a draft offset plan, but who wish to be notified of any subsequent actions concerning such matter, may so indicate during the public comment period or at any other time. The Administrator will place their names on a list of interested persons.

Opportunity for Public Hearing.

(1) During the public comment period, any person may request a public hearing. A request for a public hearing shall be made in writing and shall state the issues proposed to be raised in the hearing.

(2) On the Administrator's own motion or on the request of any person, the Administrator may, at his or her discretion, hold a public hearing whenever the Administrator finds that such a hearing will contribute to the decision-making process by clarifying one or more significant issues affecting the draft offset plan or disapproval of a draft offset plan. Public hearings will not be held on issues under paragraphs (h)(3) (i) and (ii) of this section.

(3) During a public hearing under this section, any person may submit oral or written comments concerning the draft offset plan or disapproval of a draft offset plan. The Administrator may set reasonable limits on the time allowed for oral statements and will require the submission of written summaries of each oral statement.

(4) The Administrator will assure that a record is made of the hearing.

Response to Comments.

(1) The Administrator will consider comments on the draft offset plan or disapproval of a draft offset plan received during the public comment period and any public hearing. The Administrator is not required to consider comments otherwise received.

(2) In approving or disapproving an offset plan, the Administrator will:
   (i) Identify any draft offset plan provision or portion of the statement of basis that has been changed and the reasons for the change; and
   (ii) Briefly describe and respond to relevant comments under paragraph (j)(1) of this section.

(k) Approval and Effective Date of Excess Emissions Offset Plans.

(1) After the close of the public comment period, the Administrator will approve an offset plan requiring allowance deductions in an amount equal to the unit's tons of excess emissions or disapprove an offset plan. The Administrator will serve a copy of any approved offset plan and the response to comments on the designated representative for the affected unit involved and serve written notice of the approval or disapproval of the offset plan on any persons who are entitled to written notice under paragraphs (g)(2)(i) (B) and (C) of this section or who submitted written or oral comments on the approval or disapproval of the draft offset plan. The Administrator will also give notice in the Federal Register.

(2) The Administrator will approve an offset plan requiring immediate deduction from the source's compliance account of all allowances necessary to offset the excess emissions except to the extent the designated representative of the source demonstrates that such a deduction will interfere with electric reliability.

(3) Upon approval of the offset plan by the Administrator, the offset plan will be incorporated into the Acid Rain permit in accordance with §72.84 (automatic permit amendment) and shall supersede any inconsistent provision of the permit.

the deductions to be made in accordance with paragraph (a) or paragraph (c) of this section.

(c) If the designated representative does not submit a timely and complete proposed offset plan, or if the Administrator disapproves a proposed offset plan under §77.4 (c) or (k), the Administrator will immediately deduct allowances allocated for the year after the year in which the source has excess emissions, from the source’s compliance account on a first-in, first-out basis in accordance with §73.35(c)(2) of this chapter, equal to the amount of the source’s excess emissions of sulfur dioxide.

[58 FR 3757, Jan. 11, 1993, as amended at 70 FR 25337, May 12, 2005]

§ 77.6 Penalties for excess emissions of sulfur dioxide and nitrogen oxides.

(a)(1) If excess emissions of sulfur dioxide occur at the affected source or nitrogen oxide occur at an affected unit during any year, the owners and operators respectively of the affected source and the affected units at the source or of the affected unit shall pay, without demand, an excess emissions penalty, as calculated under paragraph (b) of this section.

(2) If one or more affected units governed by an approved NO\textsubscript{X} averaging plan under §76.11 of this chapter fail (after applying §76.11(d)(1)(i)(C) of this chapter) to meet their respective alternative contemporaneous emission limitations or annual heat input limits, then excess emissions of nitrogen oxides occur during the year at each such unit. The sum of the excess emissions of nitrogen oxides of such units shall equal the amount determined under §76.13(b) of this chapter. The owners and operators of such units shall pay an excess emissions penalty, as calculated under paragraph (b) of this section using the sum of the excess emissions of nitrogen oxides of such units.

(3) Except as otherwise provided in this paragraph (a)(3), payment under paragraphs (a)(1) or (2) of this section shall be submitted to the Administrator by 30 days after the date on which the Administrator serves the designated representative a notice that process set forth in §72.91(b) of this chapter is completed.

(b) Penalty formula. (1) The following formulas shall be used to determine the excess emissions penalty:

Penalty for excess emissions of sulfur dioxide = $2000/ton \times \text{annual adjustment factor} \times \text{tons of excess emissions of sulfur dioxide.}

Penalty for excess emissions of nitrogen oxides = $2000/ton \times \text{annual adjustment factor} \times \text{tons of excess emissions of nitrogen oxides.}

(i) The annual adjustment factor will be calculated as follows:

\[
\text{Annual adjustment factor} = 1 + \left\{ \frac{\text{CPI(year)} - \text{CPI(1990)}}{\text{CPI(1990)}} \right\}
\]

where:

(A) “CPI(year)” is the Consumer Price Index as defined in §72.2 of this chapter and “year” is the year in which the source or unit as appropriate had excess emissions.

(B) “CPI(1990)” is the Consumer Price Index for 1990, as defined in §72.2 of this chapter.

(ii) The Administrator will publish the annual adjustment factor in the FEDERAL REGISTER by October 15 of each year beginning in 1995.

(2) The penalty may be rounded to the nearest dollar after completing the calculation in paragraph (b)(1)(i) of this section.

(3) The penalty for excess emissions of sulfur dioxide shall be paid separately from the payment for excess emissions of nitrogen oxides. Each payment shall be accompanied by a document, in a format prescribed by the Administrator, indicating the source or unit as appropriate for which the payment is made, whether the payment is for excess emissions of sulfur dioxide or nitrogen oxides, the number of tons