§ 1036.720 Trading.

(a) Trading is the exchange of emission credits between manufacturers, or the transfer of credits to another party to retire them. You may use traded emission credits for averaging, banking, or further trading transactions. Traded emission credits remain subject to the averaging-set restrictions based on the averaging set in which they were generated.

(b) You may trade actual emission credits as described in this subpart. You may also trade reserved emission credits, but we may revoke these emission credits if we are unable to verify them after reviewing your reports or auditing your records.

(c) Banked credits retain the designation of the averaging set in which they were generated.

§ 1036.725 What must I include in my application for certification?

(a) You must declare in your application for certification your intent to use the provisions of this subpart for each engine family that will be certified using the ABT program. You must also declare the FELs/FCL you select for each pollutant for which you are using the ABT program. Your FELs must comply with the specifications of subpart B of this part, including the FEL caps. FELs/FCL must be expressed to the same number of decimal places as the applicable standards.

(b) Include the following in your application for certification:

(1) A statement that, to the best of your belief, you will not have a negative balance of emission credits for any averaging set when all emission credits are calculated at the end of the year; or a statement that you will have a negative balance of emission credits for one or more averaging sets, but that it is allowed under §1036.745.

(2) Detailed calculations of projected emission credits (positive or negative) based on projected U.S.-directed production volumes. We may require you to include similar calculations from your other engine families to project your net credit balances for the model year. If you project negative emission credits for a family, state the source of positive emission credits you expect to use to offset the negative emission credits.

§ 1036.730 ABT reports.

(a) If any of your engine families are certified using the ABT provisions of this subpart, you must send an end-of-year report within 90 days after the end of the model year and a final report within 270 days after the end of the model year.

(b) Your end-of-year and final reports must include the following information for each engine family participating in the ABT program:

(1) Engine-family designation and averaging set.

(2) The emission standards that would otherwise apply to the engine family.

(3) The FCL for each pollutant. If you change the FCL after the start of production, identify the date that you started using the new FCL and give the engine identification number for the first engine covered by the new FCL. In this case, identify each applicable FCL and calculate the positive or negative emission credits as specified in §1036.225.

(4) The projected and actual U.S.-directed production volumes for the