Environmental Protection Agency

§ 74.50

Deducting opt-in source allowances from ATS accounts.

(a)(1) Deduction of allowances. The Administrator may deduct any allowances that were allocated to an opt-in source under §74.40 by removing, from any Allowance Tracking System accounts in which they are held, the allowances in an amount specified in paragraph (d) of this section, under the following circumstances:

(i) When the opt-in source has permanently shut down; or

(ii) When the opt-in source has been reconstructed; or

(iii) When the opt-in source becomes an affected unit under §72.6 of this chapter; or

(iv) When the opt-in source fails to renew its opt-in permit.

(b) An opt-in allowance may not be deducted under paragraph (a)(1) of this section from any Allowance Tracking System Account other than the account of the source that includes opt-in source allocated such allowance:

(i) After the Administrator has completed the process of recordation as set forth in §73.34(a) of this chapter following the deduction of allowances from the compliance account of the source that includes opt-in source allocated such allowance:

(i) When the opt-in source has permanently shut down; or

(ii) When the opt-in source has been reconstructed; or

(iii) When the opt-in source becomes an affected unit under §72.6 of this chapter; or

(iv) When the opt-in source fails to renew its opt-in permit.

(2) An opt-in allowance may not be deducted under paragraph (a)(1) of this section from any Allowance Tracking System Account other than the account of the source that includes opt-in source allocated such allowance:

(i) After the Administrator has completed the process of recordation as set forth in §73.34(a) of this chapter following the deduction of allowances from the compliance account of the source that includes opt-in source allocated such allowance:

(ii) If the effective date of the opt-in source’s permit took effect on a date other than January 1, “Tons emitted” for the first calendar year shall be the total tons of sulfur dioxide emitted by the opt-in source during the calendar quarter for which the opt-in source’s opt-in permit is effective, as reported in accordance with subpart F of this part for combustion sources or subpart G of this part for process sources.

(2) “Allowances deducted for reduced utilization” shall be the total number of allowances deducted for reduced utilization as calculated in accordance with §74.44 for combustion sources or §74.45 for process sources.

(b) [Reserved]

(60 FR 17115, Apr. 4, 1995, as amended at 70 FR 25337, May 12, 2005)

§ 74.48 Transfer of allowances from the replacement of thermal energy—process sources. [Reserved]

§ 74.49 Calculation for deducting allowances.

(a) Allowance deduction formula. The following formula shall be used to determine the total number of allowances to be deducted for the calendar year from the allowances held in the compliance account of a source that includes an opt-in source as of the allowance transfer deadline applicable to that year:

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\text{Total allowances deducted} = \text{Tons emitted} + \text{Allowances deducted for reduced utilization}.
\]

(i) Except as provided in paragraph (a)(2)(ii) of this section, “Tons emitted” shall be the total tons of sulfur dioxide emitted by the opt-in source during the calendar year, as reported in accordance with subpart F of this part for combustion sources or subpart G of this part for process sources.

(ii) If the effective date of the opt-in source’s permit took effect on a date other than January 1, “Tons emitted” for the first calendar year shall be the total tons of sulfur dioxide emitted by the opt-in source during the calendar quarter for which the opt-in source’s opt-in permit is effective, as reported in accordance with subpart F of this part for combustion sources or subpart G of this part for process sources.

(2) “Allowances deducted for reduced utilization” shall be the total number of allowances deducted for reduced utilization as calculated in accordance with §74.44 for combustion sources or §74.45 for process sources.

(b) [Reserved]

(60 FR 17115, Apr. 4, 1995, as amended at 70 FR 25337, May 12, 2005)