§ 97.186 Withdrawal from CAIR NO\(_x\) Annual Trading Program.

Except as provided under paragraph (g) of this section, a CAIR NO\(_x\) opt-in unit may withdraw from the CAIR NO\(_x\) Annual Trading Program, but only if the permitting authority issues a notification to the CAIR designated representative of the CAIR NO\(_x\) opt-in unit of the acceptance of the withdrawal of the CAIR NO\(_x\) opt-in unit in accordance with paragraph (d) of this section.

(a) Requesting withdrawal. In order to withdraw a CAIR NO\(_x\) opt-in unit from the CAIR NO\(_x\) Annual Trading Program, the CAIR designated representative of the CAIR NO\(_x\) opt-in unit shall submit to the permitting authority a request to withdraw effective as of midnight of December 31 of a specified calendar year, which date must be at least 4 years after December 31 of the year of entry into the CAIR NO\(_x\) Annual Trading Program under § 97.184(g). The request must be submitted no later than 90 days before the requested effective date of withdrawal.

(b) Conditions for withdrawal. Before a CAIR NO\(_x\) opt-in unit covered by a request under paragraph (a) of this section may withdraw from the CAIR NO\(_x\) Annual Trading Program and the CAIR opt-in permit may be terminated under paragraph (e) of this section, the following conditions must be met:

(1) For the control period ending on the date on which the withdrawal is to be effective, the source that includes the CAIR NO\(_x\) opt-in unit must meet the requirement to hold CAIR NO\(_x\) allowances under § 97.106(c) and cannot have any excess emissions.

(2) After the requirement for withdrawal under paragraph (b)(1) of this section is met, the Administrator will deduct from the compliance account of the source that includes the CAIR NO\(_x\) opt-in unit CAIR NO\(_x\) allowances equal in amount to and allocated for the same or a prior control period as any CAIR NO\(_x\) allowances allocated to the CAIR NO\(_x\) opt-in unit under § 97.188 for any control period for which the withdrawal is to be effective. If there are no remaining CAIR NO\(_x\) units at the source, the Administrator will close the compliance account, and the owners and operators of the CAIR NO\(_x\) opt-in unit may submit a CAIR NO\(_x\) allowance transfer for any remaining CAIR NO\(_x\) allowances to another CAIR NO\(_x\) Allowance Tracking System in accordance with subpart GG of this part.

(c) Notification. (1) After the requirements for withdrawal under paragraphs (a) and (b) of this section are met (including deduction of the full amount of CAIR NO\(_x\) allowances required), the permitting authority will issue a notification to the CAIR designated representative of the CAIR NO\(_x\) opt-in unit of the acceptance of the withdrawal of the CAIR NO\(_x\) opt-in unit as of midnight on December 31 of the calendar year for which the withdrawal was requested.

(2) If the requirements for withdrawal under paragraphs (a) and (b) of this section are not met, the permitting authority will issue a notification to the CAIR designated representative of the CAIR NO\(_x\) opt-in unit that the CAIR NO\(_x\) opt-in unit’s request to withdraw is denied. Such CAIR NO\(_x\) opt-in unit shall continue to be a CAIR NO\(_x\) opt-in unit.

(d) Permit amendment. After the permitting authority issues a notification under paragraph (c)(1) of this section that the requirements for withdrawal have been met, the permitting authority will revise the CAIR permit covering the CAIR NO\(_x\) opt-in unit to terminate the CAIR opt-in permit for such unit as of the effective date specified under paragraph (c)(1) of this section. The unit shall continue to be a CAIR NO\(_x\) opt-in unit until the effective date of the termination and shall comply with all requirements under the CAIR NO\(_x\) Annual Trading Program concerning any control periods for which the unit is a CAIR NO\(_x\) opt-in unit, even if such requirements arise or must be complied with after the withdrawal takes effect.

(e) Reapplication upon failure to meet conditions of withdrawal. If the permitting authority denies the CAIR NO\(_x\) opt-in unit’s request to withdraw, the CAIR designated representative may submit another request to withdraw in accordance with paragraphs (a) and (b) of this section.

(f) Ability to reapply to the CAIR NO\(_x\) Annual Trading Program. Once a CAIR NO\(_x\) opt-in unit withdraws from the
§ 97.187 Change in regulatory status.

(a) Notification. If a CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104, then the CAIR designated representative shall notify in writing the permitting authority and the Administrator of such change in the CAIR NO\textsubscript{X} opt-in unit’s regulatory status, within 30 days of such change.

(b) Permitting authority’s and Administrator’s actions. (1) If a CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104, the permitting authority will revise the CAIR NO\textsubscript{X} opt-in unit’s CAIR opt-in permit to meet the requirements of a CAIR permit under §97.123, and remove the CAIR opt-in permit provisions, as of the date on which the CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104.

(2)(i) The Administrator will deduct from the compliance account of the source that includes the CAIR NO\textsubscript{X} opt-in unit that becomes a CAIR NO\textsubscript{X} unit under §97.104, the following amount of CAIR NO\textsubscript{X} allowances equal in amount to and allocated for the same or a prior control period as:

(A) Any CAIR NO\textsubscript{X} allowances allocated to the CAIR NO\textsubscript{X} opt-in unit under §97.188 for any control period after the date on which the CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104; and

(B) If the date on which the CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104 is not December 31, the CAIR NO\textsubscript{X} allowances allocated to the CAIR NO\textsubscript{X} opt-in unit under §97.188 for the control period that includes the date on which the CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104, multiplied by the ratio of the number of days, in the control period, starting with the date on which the CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104 divided by the total number of days in the control period and rounded to the nearest whole allowance as appropriate.

(ii) If the date on which the CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104 contains the CAIR NO\textsubscript{X} allowances necessary for completion of the deduction under paragraph (b)(2)(i) of this section.

(3)(i) For every control period after the date on which the CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104, the CAIR NO\textsubscript{X} opt-in unit will be allocated CAIR NO\textsubscript{X} allowances under §97.142.

(ii) If the date on which the CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104 is not December 31, the following amount of CAIR NO\textsubscript{X} allowances will be allocated to the CAIR NO\textsubscript{X} opt-in unit (as a CAIR NO\textsubscript{X} unit) under §97.142 for the control period that includes the date on which the CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104:

(A) The amount of CAIR NO\textsubscript{X} allowances otherwise allocated to the CAIR NO\textsubscript{X} opt-in unit (as a CAIR NO\textsubscript{X} unit) under §97.142 for the control period multiplied by:

(B) The ratio of the number of days, in the control period, starting with the date on which the CAIR NO\textsubscript{X} opt-in unit becomes a CAIR NO\textsubscript{X} unit under §97.104, divided by the total number of days in the control period; and

(C) Rounded to the nearest whole allowance as appropriate.