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action of the authorized account representative, with all the rights, duties, and responsibilities pertaining thereto.

(e) *Changes to the general account authorized account representative.* An authorized account representative for a general account may be succeeded by any person who submits an application pursuant to § 73.31(c). The actions of an authorized account representative for a general account shall be binding on any successor.

(f) *Objections to the authorized account representative.* Except for a certification pursuant to paragraph (e) of this section, no objection or other communication submitted to the Administrator concerning any submission to the Administrator by the authorized account representative shall affect the recordation of transfers submitted by the authorized account representative pursuant to subpart D of this part. Neither the United States, the Administrator, nor any permitting authority will adjudicate any dispute between and among persons concerning any submission to the Administrator by the authorized account representative; any actions of the authorized account representative; or any other matter arising directly or indirectly from the certification, actions or representations of the authorized account representative.

§ 73.34 Recordation in accounts.

(a) *Recordation in compliance subaccounts.* At the beginning of 1995 and, in the case of each year thereafter, after the Administrator has made all deductions from an affected unit's compliance subaccount pursuant to § 73.35(b), the Administrator will record in the compliance subaccount the allowances held in the future year subaccount for the year corresponding to the current calendar year. The future year subaccount for the new 30th year will be established at the same time and include the allowances allocated for the unit for that year pursuant to subpart B of this part.

(b) *Recordation in current year subaccounts.* At the beginning of 1995 and each year thereafter, the Administrator will record in the current year subaccount the allowances held in the future year subaccount for the year

corresponding to the current calendar year.

(c) *Recordation in subaccounts.* Allowances in each compliance, current year, and future year subaccounts will reflect:

(1) All allowances allocated or deducted for the unit for the year pursuant to subpart B of this part;

(2) All allowances allocated or deducted pursuant to §§ 72.41, 72.42, 72.43, and 72.44 and part 74 of this chapter;

(3) All allowances allocated pursuant to subparts F and G of this part;

(4) All allowances recorded as a result of purchases or returns from the annual auctions;

(5) All allowances recorded or deducted as a result of allowance transfers recorded pursuant to subpart D of this part; and

(6) All allowances deducted or returned pursuant to §§ 73.35(d), 72.91 and 72.92, part 74, and part 77 of this chapter.

(d) *Serial numbers for allocated allowances.* Upon the allocation of allowances to an account, including allowances contained in reserves as provided in subpart B of this part, the Administrator will assign each allowance a unique identification number that will include digits identifying the allowance's compliance use date.

[58 FR 3691, Jan. 11, 1993, as amended at 60 FR 17114, Apr. 4, 1995; 63 FR 68404, Dec. 11, 1998]

§ 73.35 Compliance.

(a) *Allowance transfer deadline.* No allowance shall be deducted for purposes of compliance with an affected unit's sulfur dioxide Acid Rain emissions limitation requirements pursuant to title IV of the Act and paragraph (b) of this section unless:

(1) The compliance use date of the allowance is no later than the year in which the unit's SO₂ emissions occurred; and

(2) Such allowance is:

(i) Recorded in the unit's compliance subaccount; or

(ii) Transferred to the unit's compliance subaccount, with the transfer submitted correctly pursuant to subpart D of this part for recordation in the compliance subaccount for the unit by not

later than the allowance transfer deadline in the calendar year following the year for which compliance is being established; or

(iii) Held in the compliance sub-account of another affected unit at the same source in accordance with paragraph (b)(3) of this section.

(b) *Deductions for compliance.* (1) Except as provided in paragraph (d) of this section, following the recordation of transfers submitted correctly for recordation in the compliance sub-account pursuant to paragraph (a) of this section and subpart D of this part, the Administrator will deduct allowances from each affected unit's compliance subaccount in accordance with the allowance deduction formula in § 72.95 of this chapter, or, for opt-in sources, the allowance deduction formula in § 74.49 of this chapter, and any correction made under § 72.96 of this chapter.

(2) The Administrator will make deductions until either the number of allowances deducted is equal to the amount calculated in accordance with § 72.95 of this chapter, or, for opt-in sources, in accordance with § 74.49 of this chapter, as modified under § 72.96 of this chapter or until no more allowances remain in the compliance sub-account.

(3)(i) If, after the Administrator completes the deductions under paragraph (b)(2) of this section for all affected units at the same source, a unit would otherwise have excess emissions and one or more other affected units at the source would otherwise have unused allowances in their compliance sub-accounts and available for such other units under paragraph (a)(1) and (a)(2)(i) and (ii) of this section for the year for which compliance is being established, the Administrator will notify in writing the authorized account representative. The Administrator will state that the authorized account representative may specify in writing which of such allowances to deduct up to the amount calculated as follows, in order to reduce the tons of excess emissions otherwise at the unit:

Maximum deduction from other units =
 $0.95 \times$ Excess emissions if no deduction from other units

Where:

"Maximum deduction from other units" is the maximum number of allowances that may be deducted for the year for which compliance is being established, for the unit otherwise having excess emissions, from the compliance subaccounts of other units at the same source, rounded to the nearest allowance.

"Excess emissions if no deduction from other units" is the tons of excess emissions that the unit would otherwise have if no allowances were deducted for the unit from other units under this paragraph (b)(3)(i) or paragraph (b)(3)(ii) of this section.

(ii) Notwithstanding paragraph (b)(3)(i) of this section, if the amount calculated results in less than 10 tons of excess emissions, the maximum deduction from other units shall be adjusted so that 10 tons of excess emissions, or the tons of excess emissions that would result if no allowances could be deducted from other units, whichever is less, remain for the unit.

(iii) If the authorized account representative submits within 15 days of receipt of a notification under paragraph (b)(3)(i) of this section a written request specifying allowances to deduct in accordance with paragraphs (b)(3)(i) and (ii) of this section, the Administrator will deduct such allowances, and reduce the tons of excess emissions otherwise at the unit by an equal amount, up to the amount calculated under paragraphs (b)(3)(i) and (ii) of this section.

(c)(1) *Identification of allowances by serial number.* By no later than sixty days after the end of the calendar year, the authorized account representative for each unit account may identify by serial number the allowances to be deducted from the compliance sub-account for purposes of compliance with the unit's sulfur dioxide emissions limitation requirements. Such identification shall be made pursuant to part 72 of this chapter.

(2) *First-in, first-out.* In the absence of an identification or in the case of a partial identification of allowances by serial number, as provided for in paragraph (b)(1) or (d) of this section, the Administrator will deduct allowances on a first-in, first-out (FIFO) accounting basis beginning with those allowances with the earliest compliance use date originally allocated for the unit

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and recorded in its compliance subaccount. Following the deduction of all originally allocated allowances from the compliance subaccount, the Administrator will deduct those allowances that were transferred and recorded in the unit's compliance subaccount pursuant to subpart D of this part, beginning with those with the earliest date of recordation.

(d) *Deductions for excess emissions.* Pursuant to § 77.4 of this chapter, and following the process of recordation set forth in § 73.34(a) of this part, the Administrator will deduct allowances for each unit with excess emissions for the preceding calendar year in an amount equal to the unit's excess emissions tonnage.

(e) *Deductions for units sharing a common emission stack.* In the case of units sharing a common emission stack and have emissions that are not individually monitored pursuant to part 75 of this chapter, the authorized account representative may identify the percentage of allowances to be deducted from each unit's compliance subaccount. Such identification shall be made pursuant to part 72, subpart I of this chapter. In the absence of an identification, the Administrator will deduct an equal percentage of allowances from each unit's compliance subaccount.

[58 FR 3691, Jan. 11, 1993, as amended at 60 FR 17114, Apr. 4, 1995; 64 FR 25842, May 13, 1999]

§ 73.36 Banking.

(a) *Unit accounts.* Any allowance in a compliance subaccount not deducted pursuant to § 73.35 will remain in the compliance subaccount.

(b) *General accounts.* In the case of a general account, any allowances in the current year subaccount at the end of the current calendar year will remain in the current year subaccount.

§ 73.37 Account error and dispute resolution.

(a) *Claim of error.* The authorized account representative may notify the Administrator of any claim that the Administrator made an error in recording transfer information that was submitted correctly pursuant to subpart D of this part, provided that such claim

of error notification is submitted to the Administrator by no later than 15 business days following the date mark of the notification by the Administrator pursuant to actions taken under § 73.37(d) or § 73.53. Such claim of error notification shall be in writing and shall include:

(1) A description of the error alleged to have been made by the Administrator;

(2) A proposed correction of the alleged error;

(3) Any supporting documentation or other information concerning the alleged error and proposed correction; and

(4) Certification by the signature of and the date of the signature of the authorized account representative.

The Administrator will not act on claim of error notifications received after the stated deadlines (except as provided under paragraph (f) of this section, or that do not contend that the Administrator made an error in recordation.

(b) *EPA action.* The Administrator, at the Administrator's sole discretion based on documentation provided, will determine what changes, if any, will be made to the accounts subject to the alleged error. Not later than 20 business days after receipt of a claim of error notification pursuant to paragraph (a) of this section, the Administrator will submit to the authorized account representative a written response stating:

(1) The determination made and any action taken by, the Administrator; and

(2) The reasons for such action.

(c) *Administrative appeals procedure.* Following the Administrator's action pursuant to paragraph (b) of this section, the authorized account representative may appeal the Administrator's action through the administrative appeals procedure pursuant to part 78 of this chapter.

(d) *EPA corrections.* The Administrator may, without prior notice of a claim of error and in the Administrator's sole discretion, correct any errors in any account on his or her own motion. The Administrator will notify the authorized account representative by no later than 20 business days following any such corrections.