

§ 72.95 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 an affected source's compliance account as of the allowance transfer deadline applicable to that year:

$$\text{Total allowances deducted} = \text{Tons emitted} + \text{Allowances surrendered for underutilization} + \text{Allowances deducted for Phase I extensions} + \text{Allowances deducted for substitution or compensating units}$$

where:

(a) "Tons emitted" is the total tons of sulfur dioxide emitted by the affected units at the source during the calendar year, as reported in accordance with part 75 of this chapter.

(b) "Allowances surrendered for underutilization" is the total number of allowances calculated in accordance with § 72.92 (a) and (c).

(c) "Allowances deducted for Phase I extensions" is the total number of allowances calculated in accordance with § 72.42(f)(1)(i).

(d) "Allowances deducted for substitution or compensating units" is the total number of allowances calculated in accordance with the surrender requirements specified under § 72.41(d)(3) or (e)(1)(iii)(B) or § 72.43(d)(2).

[58 FR 3650, Jan. 11, 1993, as amended at 62 FR 55485, Oct. 24, 1997; 70 FR 25334, May 12, 2005]

§ 72.96 Administrator's action on compliance certifications.

(a) The Administrator may review, and conduct independent audits concerning, any compliance certification and any other submission under the Acid Rain Program and make appropriate adjustments of the information in the compliance certifications and other submissions.

(b) The Administrator may deduct allowances from or return allowances to a source's compliance account in accordance with part 73 of this chapter based on the information in the compliance certifications and other submissions, as adjusted.

[58 FR 3650, Jan. 11, 1993, as amended at 70 FR 25334, May 12, 2005]

APPENDIX A TO PART 72—METHODOLOGY FOR ANNUALIZATION OF EMISSIONS LIMITS

For the purposes of the Acid Rain Program, 1985 emissions limits must be expressed in pounds of SO₂ per million British Thermal Unit of heat input (lb/mmBtu) and expressed on an annual basis.

Annualization factors are used to develop annual equivalent SO₂ limits as required by section 402(18) of the CAA. Many emission limits are enforced on a shorter term basis (or averaging period) than annually. Because of the variability of sulfur in coal and, in some cases, scrubber performance, meeting a particular limit with an averaging period of less than a year and at a specified statutory emissions level would require a lower annual average SO₂ emission rate (or annual equivalent SO₂ limit) than would the shorter term statutory limit. EPA has selected a compliance level of one exceedance per 10 years. For example, an SO₂ emission limit of 1.2 lbs/MMBtu, enforced for a scrubbed unit over a 7-day averaging period, would result in an annualized SO₂ emission limit of 1.16 lbs/MMBtu. In general, the shorter the averaging period, the lower the annual equivalent would be. Thus, the annualization of limits is established by multiplying each federally enforceable limit by an annualization factor that is determined by the averaging period and whether or not it's a scrubbed unit.

TABLE A-1—SO₂EMISSION AVERAGING PERIODS AND ANNUALIZATION FACTORS

Definition	Annualization factor	
	Scrubbed Unscrubbed	
	Unit	Unit
Oil/gas unit	1.00	1.00
<=1 day	0.93	0.89
1 week	0.97	0.92
30 days	1.00	0.96
90 days	1.00	1.00
1 year	1.00	1.00
Not specified	0.93	0.89
At all times	0.93	0.89
Coal unit: No Federal limit or limit unknown	1.00	1.00

APPENDIX B TO PART 72—METHODOLOGY FOR CONVERSION OF EMISSIONS LIMITS

For the purposes of the Acid Rain Program, all emissions limits must be expressed in pounds of SO₂ per million British Thermal Unit of heat input (lb/mmBtu).

The factor for converting pounds of sulfur to pounds of SO₂ is based on the molecular weights of sulfur (32) and SO₂ (64). Limits expressed as percentage of sulfur or parts per million (ppm) depend on the energy content