

Environmental Protection Agency

§ 80.315

and documentation requirements are met.

[65 FR 6823, Feb. 10, 2000, as amended at 66 FR 19308, Apr. 13, 2001; 67 FR 40183, June 12, 2002]

§ 80.310 How are credits generated beginning in 2004?

(a) A refiner for any refinery, or an importer, may generate credits in 2004 and thereafter if the annual average sulfur level for gasoline produced or imported for the averaging period is less than 30.00 ppm; or, for refiners that are subject to the small refiner standards in § 80.240, the small refiner annual average sulfur standard applicable to that refinery; or, for refiners and importers subject to the GPA standards in § 80.216, the least of 150.00 ppm, or the refinery's or importer's 1997-1998 sulfur level calculated under § 80.295 plus 30.00 ppm, or the refinery's lowest annual average sulfur level for any year from 2000 through 2003 during which the refinery generated credits or allotments plus 30.00 ppm.

(b) Credits are calculated as follows:

$$CR_a = V_a \times (S_{\text{Credit}} - S_a)$$

Where:

CR_a = Credits generated for the averaging period.

V_a = Total annual volume of gasoline produced at a refinery or imported during the averaging period.

S_{Credit} = 30.00 ppm; or the sulfur standard for a small refinery established under § 80.240; or, for gasoline designated as GPA gasoline under § 80.219, the least of 150.00 ppm, or the refinery's or importer's 1997-1998 sulfur level calculated under § 80.295 plus 30.00 ppm, or the refinery's lowest annual average sulfur level for any year from 2000 through 2003 during which the refinery generated credits or allotments plus 30.00 ppm.

S_a = Actual annual average sulfur level, calculated in accordance with the provisions of § 80.205, for gasoline produced at a refinery or imported during the averaging period, exclusive of any credits.

(c) Credits generated in accordance with this section must be identified by the year of creation.

[65 FR 6823, Feb. 10, 2000, as amended at 66 FR 19308, Apr. 13, 2001; 67 FR 40184, June 12, 2002; 71 FR 54912, Sept. 20, 2006]

ABT PROGRAM—CREDIT USE

§ 80.315 How are credits used and what are the limitations on credit use?

(a) *Credit use.* Credits may be used to meet the applicable refinery or importer annual average sulfur standards under § 80.195, § 80.216, or § 80.240, or may be used to meet the offset requirement under § 80.271(d)(1) for any refinery with an adjustment of itsper-gallon cap standard pursuant to § 80.271(a), provided that:

(1) Sulfur credits used were generated pursuant to the requirements of this subpart; and

(2) The requirements of paragraphs (b) and (c) of this section are met.

(b) *Credit transfers.* (1) Credits obtained from other persons may be used to meet the annual average standards specified in § 80.195, § 80.216, or § 80.240, or may be used to meet the offset requirement under § 80.271(d)(1) for any refinery with an adjustment of itsper-gallon cap standard pursuant to § 80.271(a), if all the following conditions are met:

(i) The credits are generated and reported according to the requirements of this subpart.

(ii) The credits are used in compliance with the limitations regarding the appropriate periods for credit use in this subpart.

(iii) Any credit transfer takes place no later than the last day of February following the calendar year averaging period when the credits are used.

(iv) No credit may be transferred more than twice: The first transfer by the refiner or importer who generated the credit may only be made to a refiner or importer who intends to use the credit; if the transferee cannot use the credit, it may make the second, and final, transfer only to a refiner or importer who intends to use the credit. In no case may a credit be transferred more than twice before being used or terminated.

(v) The credit transferor must apply any credits necessary to meet the transferor's applicable average standard before transferring credits to any other refiner or importer.