

TO: Permit Services Staff

FROM: Seyed Sadredin
Director of Permit Services

Date: September 22, 1994

RE: ADJUSTMENT TO AERs FOR SOURCES AFFECTED BY PROPOSED CONTROL MEASURES

To ensure that emission reductions are surplus, District Rule 2201 requires a number of adjustments to the calculated reductions. Sections 3.2.3.2 and 3.2.3.3 of Rule 2201 identify the adjustments that must be made as the result of proposed rules or control measures.

The purpose of this memorandum is to provide guidance on the amount of adjustments required as the result of the yet to be adopted proposed rules, and to identify the necessary language that must be included in the ERC certificate that would make the deducted reduction re-eligible for banking if the rule is not adopted as scheduled.

1. The quantity of adjustment for proposed regulations that have not yet been adopted must be as follows:
 - a. If a rule has not been proposed for workshop at the time the ATC application is deemed complete, for BARCT measures contained in the Plan for which a source specific control efficiency or emission limit has been identified in the Plan, the quantity of adjustment must be those identified in the Plan.
 - b. If a rule has not been proposed for workshop at the time the ATC application is deemed complete, for BARCT measures contained in the Plan for which a source specific control efficiency or emission limit has not been identified in the Plan, the quantity of adjustment must be equal to the BACT level for the source category.
 - c. If a rule has been proposed for workshop at the time the ATC application is deemed complete, the quantity of adjustment must be based on the level of control required by the latest version of the rule workshopped prior to the ATC application being deemed complete.

September 22, 1994

ADJUSTMENT TO AERs FOR SOURCES AFFECTED BY PROPOSED CONTROL

MEASURES

2. What if a proposed rule is not adopted as scheduled?

According to section 3.2.4, a portion of the actual emission reductions (AERs) taken away in accordance to the provisions of Rule 2201 3.2.3 may be re-eligible for credit if a rule is not ultimately adopted within 2 years of the scheduled adoption date. Therefore, all emission reduction credit (ERC) banking certificates affected by a control measure noticed for workshop, proposed in the State Implementation Plan, or an adopted Air Quality Attainment Plan must include the following note:

"NOTE: **The amount of the ERC has been adjusted to reflect** *(specify rule number or control measure name)* **currently identified for adoption. If such measures are not adopted by** *(specify actual date 2 years from scheduled adoption date, unless the APCO extends the scheduled adoption date, or specify actual date two years after the latest workshop notice for rules not called for in the Plan)* **additional reductions may be re-eligible for banking."**

--See example on following page.--

Southern Regional Office * 2700 M St., Suite 275 * Bakersfield, CA 93301

Emission Reduction Credit Certificate

S-0000-0

Issued To: **BILLY RAYS COMPANY**
September 22, 1992

Location of Reduction: 1234 Avenue 567
Porterville, California 93274

For NOx Reduction In The Amount Of:

Quarter 1	Quarter 2	Quarter 3	Quarter 4
1234 lbs.	5678 lbs.	9012 lbs.	3456 lbs.

Conditions Attached

NOTE: The amount of the ERC has been adjusted to reflect proposed rule 1234 currently identified for adoption. If rule 1234 is not adopted by June 30, 1995, unless the APCO extends the scheduled adoption date, additional reductions may be re-eligible for banking.

Method Of Reduction

Shutdown of Entire Stationary Source

Shutdown of Emissions Unit

Other: Diesel fired IC engine removed from service and replaced with an electric motor.

David L. Crow, APCO

Seyed Sadredin
Director of Permit Services