

**Outline for  
ERC APPLICATION  
EVALUATION**

Project # :

Engineer:

Date:

*Company Name*

*Location Address*

Contact Name:

Phone:

Date Application Received:

Date Deemed Complete:

**I. Summary:**

**II. Applicable Rules:**

- Rule 2301 Emission Reduction Credit Banking

**III. Location of Reduction:**

**IV. Method of Generating Reduction:**

**V. ERC Calculations:**

- A. Assumptions and Emission Factors
- B. Baseline Period Determination and Data
- C. Historical Actual Emissions
- D. Actual Emissions Reductions
- E. Community Bank Allowance
- F. Increased in Permitted Emissions
- G. Bankable Emissions Reductions

**VI. Compliance:**

- A. Real
- B. Enforceable
- C. Quantifiable
- D. Permanent
- E. Surplus
- F. Was application timely?

**VII. Recommendation:**

# ERC APPLICATION EVALUATION

Project # :

Engineer:

Date:

*Company Name*

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Contact Name:

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Date Application Received:

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## **I. Summary:**

This section should be used to summarize the proposed banking action, including a brief discussion of how and when the reductions were generated, and the quantity of reductions being granted. For reductions generated as a result of modifications, the applicable ATCs should be listed here, and copies of the ATC application evaluations should be attached. For shutdowns, list the equipment removed from service, and attach the applicable cancelled PTOs.

## **II. Applicable Rules:**

Rule 2301, Emission Reduction Credit Banking

## **III. Location of Reduction:**

Physical location of equipment: street address and/or section, township and range.

## **IV. Method of Generating Reductions:**

Give a detailed narrative discussion of how the reductions were achieved.

## **V. Calculations:**

### A. Assumptions and Emission Factors

This section should discuss process and control equipment descriptions, control efficiency assumptions, source test data, or any other consideration that relates to the emission factors used in the evaluation.

All emission factors should be summarized at the end of this section.

### B. Baseline Period Determination and Data

Discussion of the reasoning behind the baseline period used (as defined in Rule 2201, Section 3.7). All production/fuel-use data used to support the baseline determination should be listed, including those years not included in the baseline period.

- C. Historical Actual Emissions  
Calculation of HAE. The adjustments to HAE as required by Rule 2201, Section 6.2.1, must be shown here.
- D. Actual Emissions Reductions  
Calculation of AER per Rule 2201, Section 6.5. Note that reductions due to changes in operating parameters, reductions due to shut-downs, and reductions due to control devices must be calculated separately as each uses a different calculation.
- E. Community Bank Allowance  
Deduct 10% of all AERs for the Community Bank.
- F. Increases in Permitted Emissions  
Any IPE which were offset with the above HAE should be calculated discussed here. Fore shutdowns or modifications for which there is no IPE, state "No IPE associated with this project."
- G. Bankable Emissions Reductions Credits  
Final calculation of bankable ERCs include the subtraction of the community bank allocation above. (NOTE: Rule 2201, Section 6.5, states that IPE are to be subtracted after the 10% Community Bank Allocation.)

## **VI. Compliance:**

- A. Real  
Reiterate the method of the reduction and that the reductions were based on actual operating data, and close with the phrase, "...therefore the reductions are real."
- B. Enforceable  
For permitted sources, reference the applicable permits before and after the reduction and describe how the permit conditions make the conditions enforceable. For non-permitted sources, explain how the reductions are enforceable because of legal binding contracts, etc., as required by Rule 2301, Section 4.2.4. Close with the phrase, "...therefore the reductions are enforceable."
- C. Quantifiable  
Reference the calculation section and the fact that actual operating history and the best available emissions factors and/or source test data were used in these calculations and close with the phrase, "...therefore the reductions are quantifiable."

D. Permanent

Reiterate the existence of permit conditions (or the requirement that replacement equipment must first be permitted) as proof of the permanence of the reductions. Also, should the reductions be generated by the modification or shutdown of equipment which the district can not permit (by state law), legal contractual agreements shall ensure the permanency of the reductions (Rule 2301, Section 4.2.4).

Close with the phrase "...therefore the reductions are permanent.

E. Surplus

Show that any reductions required by prohibitory rules in effect at the time of application were subtracted from the total.

Show that the ERCs were adjusted for any work-shopped rule or regulation, any agreement, any control measures in the AQAP, etc. (See the definition of AER in Rule 2201, Section 3.2).

Also must demonstrate that any AERs used to offset onsite IPE were subtracted from the total.

In addition, state that the reductions are, or will be, included in the 1987 emissions inventory, or will be reflected as annual growth in the applicable AQAP. Close with the phrase, "...therefore the reductions are surplus."

F. Timeliness

Show that the application was filed within the time-frame required by the rule (within 180 days of the reduction, etc.) by identifying the date the reduction occurred and the date application was filed.

**VII. Recommendation:**

Supply a recommendation of issuance or denial of the ERC after the public notice period. If any of the above findings can not be met, the recommendation must be for denial.