

Environmental Protection Agency

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(c)(2)(v)(F)(I) of this section, then the power production facility has no non-utility generator emissions rate for purposes of paragraphs (c)(2)(v) (D) and (F) of this section and the generation from the facility shall be treated, for purposes of this paragraph (c)(2)(v) as generation from units and generators within the dispatch system if the facility is within the dispatch system or as generation from units and generators outside the dispatch system if the facility is outside the dispatch system.

(3) Notwithstanding paragraphs (c)(2)(v)(F) (I) and (2) of this section, if the power production facility is authorized under Federal or State law to use only natural gas as fuel, then the most stringent emissions limitation for the facility for the calendar year shall be deemed to be 0.0006 lbs/mmBtu.

(G) "Fraction of generation outside dispatch system" = 1 - fraction of generation within dispatch system - fraction of generation from non-utility generators.

(H) "Fraction of non-Phase I and non-foreign generation in NERC region" is the portion of the NERC region's total sales generated by units and generators other than Phase I units or foreign sources in the unit's NERC region in 1985, as set forth in table 1 of this section.

(I) "NERC region emissions rate" is the weighted average emission rate (in lbs/mmBtu) for the unit's NERC region in 1985, as set forth in table 1 of this section.

TABLE 1—NERC REGION GENERATION AND EMISSIONS RATE IN 1985

NERC region	Fraction of non-phase I and non-foreign generation in NERC region	NERC weighted average emissions rate (lbs/mmBtu)
WSCC	0.847	0.466
SPP	0.948	0.647
SERC	0.749	1.315
NPCC	0.423	1.058
MAPP	0.725	1.171
MAIN	0.682	1.495
MAAC	0.750	1.599
ERCOT	1.000	0.491
ECAR	0.549	1.564

[58 FR 3650, Jan. 11, 1993, as amended at 58 FR 40747, July 30, 1993; 60 FR 18470, Apr. 11, 1995]

§ 72.93 Units with Phase I extension plans.

Annual compliance certification report. The designated representative for a control unit governed by a Phase I extension plan shall include in the unit's annual compliance certification report for calendar year 1997, the start-up test results upon which the vendor is released from liability under the vendor certification of guaranteed sulfur dioxide removal efficiency under § 72.42(c)(12).

§ 72.94 Units with repowering extension plans.

(a) *Design and engineering and contract requirements.* No later than January 1, 2000, the designated representative of a unit governed by an approved repowering plan shall submit to the Administrator and the permitting authority:

(1) Satisfactory documentation of a preliminary design and engineering effort.

(2) A binding letter agreement for the executed and binding contract (or for each in a series of executed and binding contracts) for the majority of the equipment to repower the unit using the technology conditionally approved by the Administrator under § 72.44(d)(3).

(3) The letter agreement under paragraph (a)(2) of this section shall be signed and dated by each party and specify:

- (i) The parties to the contract;
- (ii) The date each party executed the contract;
- (iii) The unit to which the contract applies;
- (iv) A brief list identifying each provision of the contract;
- (v) Any dates to which the parties agree, including construction completion date;
- (vi) The total dollar amount of the contract; and
- (vii) A statement that a copy of the contract is on site at the source and will be submitted upon written request of the Administrator or the permitting authority.

(b) *Removal from operation to repower.* The designated representative of a unit

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governed by an approved repowering plan shall notify the Administrator in writing at least 60 days in advance of the date on which the existing unit is to be removed from operation so that the qualified repowering technology can be installed, or is to be replaced by another unit with the qualified repowering technology, in accordance with the plan.

(c) *Commencement of operation.* Not later than 60 days after the unit repowered under an approved repowering plan commences operation at full load, the designated representative of the unit shall submit a report comparing the actual hourly emissions and percent removal of each pollutant controlled at the unit to the actual hourly emissions and percent removal at the existing unit under the plan prior to repowering, determined in accordance with part 75 of this chapter.

(d) *Decision to terminate.* If at any time before the end of the repowering extension the owners and operators decide to terminate good faith efforts to design, construct, and test the qualified repowering technology on the unit to be repowered under an approved repowering plan, then the designated representative shall submit a notice to the Administrator by the earlier of the end of the repowering extension or a date within 30 days of such decision, stating the date on which the decision was made.

§ 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 unit's compliance sub-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 unit 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]

§ 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 unit's Allowance Tracking System account in accordance with part 73 of this chapter based on the information in the compliance certifications and other submissions, as adjusted.

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/