

1 15A NCAC 02D is proposed for amendment as follows:

2 **15A NCAC 02D .2303 APPLICABILITY AND ELIGIBILITY**

3 (a) Applicability. Any facility that has the potential to emit nitrogen oxides, volatile organic
4 compounds, sulfur dioxide, ammonia, or fine particulate (PM2.5) in amounts greater than 25 tons
5 per year ~~and that is in a federally designated ozone or fine particulate (PM2.5) nonattainment~~
6 ~~area in North Carolina~~ shall be eligible to create and bank nitrogen oxides, volatile organic
7 compounds, sulfur dioxide, ammonia, or fine particulate (PM2.5) emission reduction credits.

8 (b) Eligibility of emission reductions.

9 (1) To be approved by the Director as an emission reduction credit, a reduction in
10 emissions shall be real, permanent, quantifiable, enforceable, and surplus and
11 shall have occurred:

12 (A) for ozone after December 31, 2002 for the Charlotte-Gastonia-Rock Hill,
13 NC-SC nonattainment area, the Raleigh-Durham-Chapel Hill
14 nonattainment area, the Rocky Mount nonattainment area, and the
15 Haywood and Swain ~~Co~~s Counties (Great Smoky Mountains National
16 Park) nonattainment area, and after December 31, 2000 for all other
17 ~~nonattainment~~ areas.

18 (B) for fine particulate (PM2.5) after December 31, 2002 for the
19 Greensboro-Winston-Salem-High Point, NC and Hickory-Morganton-
20 Lenoir, NC nonattainment areas.

21 (2) To be eligible for consideration as emission reduction credits, emission
22 reductions may be created by any of the following methods:

23 (A) installation of control equipment beyond what is necessary to comply
24 with existing rules;

25 (B) a change in process inputs, formulations, products or product mix,
26 fuels, or raw materials;

27 (C) a reduction in actual emission rate;

28 (D) a reduction in operating hours;

29 (E) production curtailment or reduction in throughput;

30 (F) shutdown of emitting sources or facilities; or

31 (G) any other enforceable method that the Director finds resulting in real,
32 permanent, quantifiable, enforceable, and surplus reduction of
33 emissions.

34 (c) Ineligible for emission reduction credit. Emission reductions from the following shall not be
35 eligible to be banked as emission reduction credits:

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- 1 (1) sources covered under a special order or variance until compliance with the
2 emission standards that are the subject of the special order or variance is
3 achieved;
- 4 (2) sources that have operated less than 24 months;
- 5 (3) emission allocations and allowances used in the ~~nitrogen-oxide~~ budget trading
6 program under 15A NCAC 02D .1419 or .2408.4419;
- 7 (4) emission reductions outside North Carolina; or
- 8 (5) mobile sources.

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10 *History Note: Authority G.S. 143-215.3(a)(1); 143-215.107(a)(12);*
11 *Eff. December 1, 2005-2005;*
12 *Amended Eff.*

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