

Policy: Process for Handling Request to Bank Emissions

Objective The objective of this policy is to document the current process for handling requests to bank emissions.

Current Process The emissions banking process requires:

- The applicant to submit a banking application to initiate the emissions banking process.
- The calculation of the emission reduction credits (ERCs) to be based upon a baseline period that ends on the date the banking application is complete.

Past deviations Any past banking applications that did not follow these requirements are not considered precedents to current and future emissions banking requests.

Background The District revised its permitting rules in 2012. In several workshops and related meetings, industry requested clarifying the rules for banking ERCs. Industry also requested a “grace period” when determining baseline emissions.

Staff clarified and codified the current process used to bank ERCs when amending Regulations 2-2 and 2-4. A banking application is required to bank any ERCs. The three year baseline period used to calculate ERCs ends on the completeness date of the banking application.

Staff rejected the idea to provide a grace period for calculating baseline emissions as well as other requests made by industry: 1) use the NSR application to bank excess contemporaneous emissions and 2) use a shutdown notification date as a banking application or a banking application completeness date for calculating credits. The permitting and emissions banking processes are separate. A permit application that would result in a reduction of emissions is not considered a banking application. Notification that a source has shut down is not considered a banking application. It is the applicant’s decision to bank emissions. The banking evaluation requires that the reductions are real, permanent, quantifiable and enforceable.

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Sign & Date Jim Karas 3/15/2013
Director of Engineering Date
