



**ENVIRONMENTAL PROTECTION AGENCY**

**[FRL-9969-79-OAR]**

**Acid Rain Program: Notification of annual adjustment factors for excess emissions penalty.**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Annual adjustment factors for excess emissions penalty.

**SUMMARY:** The Acid Rain Program under title IV of the Clean Air Act provides for automatic excess emissions penalties in dollars per ton of excess emissions for sources that do not meet their annual Acid Rain emissions limitations. This document states the dollars per ton excess emissions penalty amounts, which must be adjusted for each compliance year commensurate with changes in the Consumer Price Index (CPI), for compliance years 2017 and 2018.

**FOR FURTHER INFORMATION CONTACT:** Robert L. Miller, Clean Air Markets Division (6204M), U.S. Environmental Protection Agency, 1200 Pennsylvania Ave., NW, Washington, DC 20460, at (202) 343-9077 or [miller.robertl@epa.gov](mailto:miller.robertl@epa.gov).

**SUPPLEMENTARY INFORMATION:** The Acid Rain Program under title IV of the Clean Air Act limits annual sulfur dioxide and nitrogen oxide emissions of fossil fuel-fired utility units. Under the Acid Rain Program, affected sources must hold enough allowances

to cover their sulfur dioxide emissions, and certain coal-fired sources must meet an emission limit for nitrogen oxides. Under 40 CFR 77.6, sources that do not meet these requirements must pay a penalty without demand to the Administrator based on the number of excess tons emitted times \$2,000 as adjusted by an annual adjustment factor, which must be published in the Federal Register.

The annual adjustment factor for adjusting the penalty for excess emissions of sulfur dioxide and nitrogen oxides under 40 CFR part 77.6(b) for compliance year 2017 is 1.9330. This value is derived using the CPI for 1990 and 2016 (defined respectively at 40 CFR 72.2 as the CPI for August of the year before the specified year for all urban consumers) and results in an automatic penalty of \$3,866 per excess ton of sulfur dioxide or nitrogen oxides emitted for 2017.

The annual adjustment factor for adjusting the penalty for such excess emissions under 40 CFR 77.6(b) for compliance year 2018 is 1.9705. This value is derived using the CPI for 1990 and 2017 and results in an automatic penalty of \$3,941 per excess ton of sulfur dioxide or nitrogen oxides emitted for 2018.

Dated: October 10, 2017. Reid P. Harvey, Director,  
Clean Air Markets Division,  
Office of Atmospheric Programs,  
Office of Air and Radiation.

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