



ENVIRONMENTAL PROTECTION AGENCY

[FRL-10014-07-OAR]

Administration of Cross-State Air Pollution Rule Trading Program Assurance Provisions for 2019 Control Periods

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of data availability.

SUMMARY: The Environmental Protection Agency (EPA) is providing notice of the availability of data on the administration of the assurance provisions of the Cross-State Air Pollution Rule (CSAPR) trading programs for the control periods in 2019. Total emissions of nitrogen oxides (NO_x) reported by Mississippi units participating in the CSAPR NO_x Ozone Season Group 2 Trading Program during the 2019 control period exceeded the state's assurance level under the program. Data demonstrating the exceedance and EPA's final calculations of the amounts of additional allowances that the owners and operators of certain Mississippi units must surrender have been posted in a spreadsheet on EPA's website.

DATES: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Questions concerning this notice should be addressed to Garrett Powers at (202) 564-2300 or powers.jamesg@epa.gov.

SUPPLEMENTARY INFORMATION: The regulations for each CSAPR trading program contain "assurance provisions" designed to ensure that the emissions reductions required from each state covered by the program occur within the state. If the total emissions from a given

state's affected units exceed the state's assurance level under the program, then two allowances must be surrendered for each ton of emissions exceeding the assurance level (in addition to the ordinary obligation to surrender one allowance for each ton of emissions). In the quarterly emissions reports covering the 2019 control period, Mississippi units participating in the CSAPR NO_x Ozone Season Group 2 Trading Program collectively reported emissions that exceed the state's assurance level under the program by 473 tons, resulting in a requirement for the surrender of 946 additional allowances.

When a state's assurance level is exceeded, responsibility for surrendering the required additional allowances is apportioned among groups of units in the state represented by "common designated representatives" based on the extent to which each such group's emissions exceeded the group's share of the state's assurance level. For the CSAPR NO_x Ozone Season Group 2 Trading Program, the procedures are set forth at 40 CFR 97.802 (definitions of "common designated representative," "common designated representative's assurance level," and "common designated representative's share"), 97.806(c)(2), and 97.825. Applying the procedures in the regulations for the 2019 control period for Mississippi, EPA completed calculations preliminarily indicating that responsibility for surrendering 946 additional allowances should be apportioned entirely to the group of units operated by Mississippi Power Company, all of which are represented by one common designated representative.

On May 15, 2020, EPA published a document in the Federal Register providing notice of the data relied on to determine the amount of the exceedance of the Mississippi assurance level and the preliminary calculations of the amounts of additional allowances that the owners and operators of certain Mississippi units must surrender as a result of the exceedance and describing the process for submitting any objections (85 FR 29445). In response to the May 15, 2020 notice,

EPA received one written submission which supported EPA's proposed administration of the assurance provisions.¹ Accordingly, in this document, EPA is providing notice of the final calculations of the amounts of additional allowances that must be surrendered, which are unchanged from the preliminary calculations. Each set of owners and operators identified pursuant to this notice of the final calculations must hold the required additional allowances in an assurance account by November 2, 2020.

The data and final calculations are set forth in an Excel spreadsheet entitled "2019_CSAPR_assurance_provision_calculations_final.xlsx" available at <http://www.epa.gov/csapr/csapr-assurance-provision-nodas>. The spreadsheet contains data for the 2019 control period showing, for each Mississippi unit identified as affected under the CSAPR NO_x Ozone Season Group 2 Trading Program, the amount of NO_x emissions reported by the unit and the amount of CSAPR NO_x Ozone Season Group 2 allowances allocated to the unit, including any allowances allocated from a new unit set-aside. The spreadsheet also contains calculations for the 2019 control period showing the total NO_x emissions reported by all such units and the amount by which the total reported NO_x emissions exceeded the state's assurance level under the program. Finally, the spreadsheet also includes calculations for the 2019 control period showing, for each common designated representative for a group of such units in the state, the common designated representative's share of the total reported NO_x emissions, the common designated representative's share of the state's assurance level, and the amount of additional CSAPR NO_x Ozone Season Group 2 allowances that the owners and operators of the units in the group must surrender.

¹ The submission also contained statements generally advocating for more stringent regulatory requirements. These additional statements are outside the scope of this ministerial action to administer the assurance provisions in the existing CSAPR regulations.

Authority: 40 CFR 97.825(b).

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Office of Atmospheric Programs,
Office of Air and Radiation.

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