Purpose: To establish the types of Emission Reduction Credit (ERC) transactions that can be included in a single ERC application.

I. Background

Pursuant to District Rule 2301 (Emission Reduction Credits Banking), applications may be filed for the following types of ERC transactions:

- First time banking of emission reductions
- ERC withdrawal (partial or total consumption of previously banked ERCs)
- Consolidating ERCs (obtaining a single ERC certificate for previously banked emission reductions at a single stationary source with multiple ERC certificates)
- Splitting ERCs (obtaining multiple ERC certificates for previously banked ERCs)
- Transfer of ownership (legal transfer of previously banked ERCs from one entity to another)

Occasionally, applicants wish to perform a number of such transactions simultaneously. Rule 2301, section 5.3, states that “An application shall be filed for each emission reduction. The application may be for reductions in one or more affected pollutant.” Consistent with the provisions of Rule 2301, this policy establishes the types of ERC transactions that may be combined in one (1) ERC application. The number of required applications establishes the amount of filing fees that would be necessary for each project.

II. Guidelines for Determining the Necessary Number of ERC Applications

A. Only one application shall be required for banking of all reductions occurring at a single stationary source within the preceding 180 days. One application would be necessary regardless of the number of pollutants, or the number of...
ERC certificates requested. However, after an application has been deemed complete, addition of any further reductions to the application shall render it incomplete and cause the process to start from the beginning. Alternatively, under such circumstances, the applicant may choose to file a separate application for the added reductions.

B. A separate ERC application shall be required for banking of reductions at each separate stationary source.

C. A separate ERC application shall be required for partial or total withdrawal (or use) of each ERC certificate.

D. A separate application shall be required for each ERC certificate for which the applicant is proposing a split into multiple certificates.

E. A separate application shall be required for each consolidated ERC certificate that the applicant requests to be issued by combining previously issued ERC certificates. The following guidelines apply when combining ERCs:

1. Only ERCs generated at the same location may be combined on a single certificate.

2. ERCs resulting from curtailments or shutdowns can not be combined with ERCs resulting from other types of actions.

3. ERCs that have varying restrictions on their use shall not be combined. For instance, certain pre-1988 ERCs can not be used unless certain conditions as specified in Rule 2310 are met. Such ERCs shall not be combined with others that are not subject to the same requirements.