

Texas Commission on Environmental Quality

Chapter 117 - Control of Air Pollution from Nitrogen Compounds.

Subchapter H : Administrative Provisions

DIVISION 2 : COMPLIANCE FLEXIBILITY

Section 117.9800, Use of Emission Credits for Compliance, as adopted by TCEQ March 28, 2012, effective April 19, 2012 and submitted to EPA April 13, 2012 (not April 6, 2012) (7-31).

Approved by EPA July 31, 2014 (79 FR 44299) effective September 2, 2014 (TXd158), Regulations.gov document EPA-R06-OAR-2013-0400-0003 [TX150.03].

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~~United States Code (USC), §§7401, *et seq.*, which requires states to submit state implementation plan revisions that specify the manner in which the National Ambient Air Quality Standards will be achieved and maintained within each air quality control region of the state.~~

~~The amended section implements TWC, §§5.102, 5.103, and 5.105; THSC, §§382.002, 382.011, 382.012, 382.016, 382.017, and 382.021; and FCAA, 42 USC, §§7401 *et seq.*~~

### **§117.9800. Use of Emission Credits for Compliance.**

(a) An owner or operator of a unit not subject to Chapter 101, Subchapter H, Division 3 of this title (relating to Mass Emissions Cap and Trade Program) may meet emission control requirements of the sections specified in paragraphs (1) - (8) of this subsection, in whole or in part, by obtaining an emission reduction credit (ERC), mobile emission reduction credit (MERC), discrete emission reduction credit (DERC), or mobile discrete emission reduction credit (MDERC) in accordance with Chapter 101, Subchapter H, Division 1 or 4 of this title (relating to Emission Credit Banking and Trading; and Discrete Emission Credit Banking and Trading), unless there are federal or state regulations or permits under the same commission account number that contain a condition or conditions precluding such use:

(1) §§117.105, 117.205, 117.305, 117.1005, 117.1105, or 117.1205 of this title (relating to Emission Specifications for Reasonably Available Control Technology (RACT));

(2) §§117.110, 117.210, 117.1010, or 117.1110 of this title (relating to Emission Specifications for Attainment Demonstration);

(3) §§117.1015, 117.1115, or 117.1215 of this title (relating to Alternative System-Wide Emission Specifications);

(4) §§117.115, 117.215, or 117.315 of this title (relating to Alternative Plant-Wide Emission Specifications);

(5) §§117.123, 117.223, 117.323, 117.423, or §117.3120 of this title (relating to Source Cap);

(6) §§117.2010, 117.3010, or 117.3110 of this title (relating to Emission Specifications);

(7) §§117.410, 117.1310, 117.2110, or 117.3310 of this title (relating to Emission Specifications for Eight-Hour Attainment Demonstration); or

(8) §117.3123 of this title (relating to Dallas-Fort Worth Eight-Hour Ozone Attainment Demonstration Control Requirements).

(b) An owner or operator of a unit subject to §§117.320, 117.1020, 117.1120, 117.1220, or 117.3020 of this title (relating to System Cap) may meet the emission control requirements of these sections in whole or in part, by complying with the requirements of Chapter 101, Subchapter H, Division 1 or 4 of this title, by obtaining an ERC, MERC, DERC, or MDERC, unless there are federal or state regulations or permits under the same commission account number that contain a condition or conditions precluding such use.

(c) For the purposes of this section, the term "reduction credit (RC)" refers to an ERC, MERC, DERC, or MDERC, whichever is applicable.

(d) Any lower nitrogen oxides (NO<sub>x</sub>) emission specification established under this chapter for the unit or units using RCs requires the user of the RCs to obtain additional RCs in accordance with Chapter 101, Subchapter H, Division 1 or 4 of this title and/or otherwise reduce emissions prior to the effective date of such rule change. For units using RCs in accordance with this section that are subject to new, more stringent rule limitations, the owner or operator using the RCs shall submit a revised final control plan to the executive director in accordance with §§117.156, 117.256, 117.356, 117.456, 117.1056, 117.1156, 117.1256, and 117.1356 of this title (relating to Revision of Final Control Plan) to revise the basis for compliance with the emission specifications of this

chapter. The owner or operator using the RCs shall submit the revised final control plan as soon as practicable, but no later than 90 days prior to the effective date of the new, more stringent rule. The owner or operator of the unit(s) currently using RCs shall calculate the necessary emission reductions per unit as follows.

Figure: 30 TAC §117.9800(d) (No change)

$$\Delta E = \left[ LA \times (ER_{old} - ER_{new}) \times \frac{d}{2000} \right]$$

Where:

$\Delta E$  = the differential of emissions;

LA = the maximum level of activity;

$ER_{old}$  = the existing NO<sub>x</sub> emission rate for the affected unit in pounds per unit of activity;

$ER_{new}$  = the new NO<sub>x</sub> emission rate for the affected unit in pounds per unit of activity; and

d = (A) to calculate annual emission reductions, d = 365; and

(B) to calculate emission reductions for the remainder of a control period, d = the number of days remaining in the control period.