



6560-50-P

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 97**

**[FRL-9963-26-OAR]**

**Allocations of Cross-State Air Pollution Rule Allowances from  
New Unit Set-Asides for the 2017 Compliance Year**

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

**ACTION:** Notice of data availability (NODA).

**SUMMARY:** The Environmental Protection Agency (EPA) is providing notice of the availability of data on emission allowance allocations to certain units under the Cross-State Air Pollution Rule (CSAPR). EPA has completed preliminary calculations for the first round of allocations of allowances from the CSAPR new unit set-asides (NUSAs) for the 2017 control periods and has posted spreadsheets containing the calculations on EPA's website. EPA will consider timely objections to the preliminary calculations (including objections concerning the identification of units eligible for allocations) and will promulgate a notice responding to any such objections no later than August 1, 2017, the deadline for recording the first-round allocations in sources' Allowance Management System accounts.

**DATES:** Objections to the information referenced in this notice must be received on or before [insert date 30 days after the publication date of this notice in the Federal Register].

**ADDRESSES:** Submit your objections via email to CSAPR\_NUSA@epa.gov. Include "2017 NUSA allocations" in the email subject line and include your name, title, affiliation, address, phone number, and email address in the body of the email.

**FOR FURTHER INFORMATION CONTACT:** Questions concerning this action should be addressed to Robert Miller at (202) 343-9077 or miller.robert1@epa.gov or Kenon Smith at (202) 343-9164 or smith.kenon@epa.gov.

**SUPPLEMENTARY INFORMATION:** Under each CSAPR trading program where EPA is responsible for determining emission allowance allocations, a portion of each state's emissions budget for the program for each control period is reserved in a NUSA (and in an additional Indian country NUSA in the case of states with Indian country within their borders) for allocation to certain units that would not otherwise receive allowance allocations. The procedures for annually allocating allowances from each NUSA to eligible units are set forth in the CSAPR regulations at 40 CFR 97.411(b) and 97.412 (NO<sub>x</sub> Annual Trading Program), 97.511(b) and 97.512 (NO<sub>x</sub> Ozone Season Group 1 Trading Program), 97.611(b) and 97.612 (SO<sub>2</sub> Group 1 Trading Program), 97.711(b) and 97.712 (SO<sub>2</sub>

Group 2 Trading Program), and 97.811(b) and 97.812 (NO<sub>x</sub> Ozone Season Group 2 Trading Program). Each NUSA allowance allocation process involves up to two rounds of allocations to eligible units, termed "new" units, followed by the allocation to "existing" units of any allowances not allocated to new units.

This notice concerns preliminary calculations for the first round of NUSA allowance allocations for the 2017 control periods. Generally, the allocation procedures call for each eligible unit to receive a first-round 2017 NUSA allocation equal to its 2016 emissions as reported under 40 CFR part 75 unless the total of such allocations to all eligible units would exceed the amount of allowances in the NUSA, in which case the allocations are reduced on a pro-rata basis.

The detailed unit-by-unit data and preliminary allowance allocation calculations are set forth in Excel spreadsheets titled "CSAPR\_NUSA\_2017\_NOx\_Annual\_1st\_Round\_Prelim\_Data", "CSAPR\_NUSA\_2017\_NOx\_OS\_1st\_Round\_Prelim\_Data", and "CSAPR\_NUSA\_2017\_SO2\_1st\_Round\_Prelim\_Data," available on EPA's website at <https://www.epa.gov/csapr/new-unit-set-aside-notice-data-availability-nusa-noda-cross-state-air-pollution-rule>. Each of the spreadsheets contains a separate worksheet for each state covered by that program showing, for each unit identified as eligible for a first-round NUSA allocation, (1) the unit's

emissions in the 2016 control period (annual or ozone season as applicable), (2) the maximum first-round 2017 NUSA allowance allocation for which the unit is eligible (typically the unit's emissions in the 2016 control period), (3) various adjustments to the unit's maximum allocation, many of which are necessary only if the NUSA pool is oversubscribed, and (4) the preliminary calculation of the unit's first-round 2017 NUSA allowance allocation.

Each state worksheet also contains a summary showing (1) the quantity of allowances initially available in that state's 2017 NUSA, (2) the sum of the first-round 2017 NUSA allowance allocations that will be made to new units in that state, assuming there are no corrections to the data, and (3) the quantity of allowances that would remain in the 2017 NUSA for use in second-round allocations to new units (or ultimately for allocation to existing units), again assuming there are no corrections to the data.

Objections should be strictly limited to the data and calculations upon which the NUSA allowance allocations are based and should be emailed to the address identified in **ADDRESSES**. Objections must include: (1) precise identification of the specific data and/or calculations the commenter believes are inaccurate, (2) new proposed data and/or calculations upon which

the commenter believes EPA should rely instead to determine allowance allocations, and (3) the reasons why EPA should rely on the commenter's proposed data and/or calculations and not the data referenced in this notice.

EPA notes that an allocation or lack of allocation of allowances to a given unit does not constitute a determination that CSAPR does or does not apply to the unit. EPA also notes that allocations are subject to potential correction.

(Authority: 40 CFR 97.411 (b), 97.511 (b), 97.611 (b), 97.711 (b), and 97.811 (b) .)

Dated: May 22, 2017.

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