

Amendments to 40 CFR Parts 52 and 97 Shown as Redline-Strikeout

Support Document for Interim Final Rule Amending the Good Neighbor Plan in Response to Judicial Stay

Docket ID EPA-HQ-OAR-2021-0668

October 2024

*Note: While EPA has taken steps to ensure the accuracy of this redline-strikeout document, it is not an official version of the regulations. For the amendatory language finalized in this action, please see the final rule published in the **Federal Register**, also available in the docket for this action. For the official regulatory text as amended, please see a future edition of the **Code of Federal Regulations**.*

40 CFR Part 52—Approval and Promulgation of Implementation Plans

Subpart A—General Provisions

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40 CFR Part 97—Federal NO_x Budget Trading Program, CAIR NO_x and SO₂ Trading Programs, CSAPR NO_x and SO₂ Trading Programs, and Texas SO₂ Trading Program

Subpart BBBB—CSAPR NO_x Ozone Season Group 1 Trading Program

Subpart EEEE—CSAPR NO_x Ozone Season Group 2 Trading Program

Subpart GGGG—CSAPR NO_x Ozone Season Group 3 Trading Program

40 CFR Part 52—Approval and Promulgation of Implementation Plans

Subpart A—General Provisions

§ 52.38 What are the requirements of the Federal Implementation Plans (FIPs) for the Cross-State Air Pollution Rule (CSAPR) relating to emissions of nitrogen oxides?

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(b) *NO_x ozone season emissions* —

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(2) *Applicability of CSAPR NO_x Ozone Season Group 1, Group 2, and Group 3 Trading Program provisions.*

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(ii)

(A) The provisions of subpart EEEEE of part 97 of this chapter apply to sources in each of the following States and Indian country located within the borders of such States with regard to emissions occurring in 2017 and each subsequent year:

Iowa, Kansas, and Tennessee.

(B) The provisions of subpart EEEEE of part 97 of this chapter apply to sources in each of the following States and Indian country located within the borders of such States with regard to emissions occurring in 2017 through 2020 only, except as provided in paragraph (b)(14)(iii) of this section:

Illinois, Indiana, Kentucky, Louisiana, Maryland, Michigan, New Jersey, New York, Ohio, Pennsylvania, Virginia, and West Virginia.

(C) The provisions of subpart EEEEE of part 97 of this chapter apply to sources in each of the following States and Indian country located within the borders of such States with regard to emissions occurring in 2017 through 2022 only, except as provided in paragraph (b)(14)(iii) of this section:

Alabama, Arkansas, Mississippi, Missouri, Oklahoma, Texas, and Wisconsin.

(D) Notwithstanding any other provision of this part:

(1) While a stay under paragraph (b)(2)(iii)(D)(1) or (4) of this section is in effect for the sources in a State and Indian country located within the borders of such State with regard to emissions occurring in a control period in a given year—

(i) The provisions of subpart EEEEE of part 97 of this chapter (as modified in any approval after [EFFECTIVE DATE OF FINAL RULE] of a SIP revision for such State by the Administrator under paragraph (b)(8) of this section) or the provisions of a SIP revision approved after [EFFECTIVE DATE OF FINAL RULE] for such State by the Administrator under paragraph (b)(9) of this section, if any, shall apply to the sources in such State and areas of Indian country within the borders of such State subject to the State's SIP authority, and the provisions of subpart EEEEE of part 97 of this chapter shall apply to the sources in areas of Indian country

within the borders of such State not subject to the State's SIP authority, with regard to emissions occurring in such control period; and

(ii) Such State shall be deemed to be listed in this paragraph (b)(2)(ii)(D)(1) for purposes of this part and part 97 of this chapter.

(2) While a stay under paragraph (b)(2)(iii)(D)(2) or (5) of this section is in effect for the sources in a State and Indian country located within the borders of such State with regard to emissions occurring in a control period in a given year—

(i) The provisions of subpart EEEEE of part 97 of this chapter (as modified in any approval of a SIP revision for such State by the Administrator under paragraph (b)(8) of this section) or the provisions of a SIP revision approved for such State by the Administrator under paragraph (b)(9) of this section, if any, shall apply to the sources in such State and areas of Indian country within the borders of such State subject to the State's SIP authority, and the provisions of subpart EEEEE of part 97 of this chapter shall apply to the sources in areas of Indian country within the borders of such State not subject to the State's SIP authority, with regard to emissions occurring in such control period; and

(ii) Such State shall be deemed to be listed in this paragraph (b)(2)(ii)(D)(2) for purposes of this part and part 97 of this chapter.

(iii)

(A) The provisions of subpart GGGGG of part 97 of this chapter apply to sources in each of the following States and Indian country located within the borders of such States with regard to emissions occurring in 2021 and each subsequent year:

Illinois, Indiana, Kentucky, Louisiana, Maryland, Michigan, New Jersey, New York, Ohio, Pennsylvania, Virginia, and West Virginia.

(B) The provisions of subpart GGGGG of part 97 of this chapter apply to sources in each of the following States and Indian country located within the borders of such States with regard to emissions occurring in 2023 and each subsequent year:

Alabama, Arkansas, Mississippi, Missouri, Oklahoma, Texas, and Wisconsin.

(C) The provisions of subpart GGGGG of part 97 of this chapter apply to sources in each of the following States and Indian country located within the borders of such States with regard to emissions occurring on and after August 4, 2023, and in each subsequent year:

Minnesota, Nevada, and Utah.

(D) Notwithstanding any other provision of this part:

(1) The effectiveness of paragraph (b)(2)(iii)(A) of this section is stayed for sources in Kentucky, Louisiana, and West Virginia and Indian country located within the borders of such States with regard to emissions occurring in 2023 and thereafter. While a stay under this paragraph (b)(2)(iii)(D)(1) is in effect for a State, such State shall be deemed not to be listed in paragraph (b)(2)(iii)(A) of this section for purposes of part 97 of this chapter for a control period after 2022.

(2) The effectiveness of paragraph (b)(2)(iii)(B) of this section is stayed for sources in Alabama, Arkansas, Mississippi, Missouri, Oklahoma, and Texas and Indian country located within the borders of such States with regard to emissions occurring in 2023

and thereafter. While a stay under this paragraph (b)(2)(iii)(D)(2) is in effect for a State, such State shall be deemed not to be listed in paragraph (b)(2)(iii)(B) of this section for purposes of part 97 of this chapter.

(3) The effectiveness of paragraph (b)(2)(iii)(C) of this section is stayed for sources in Minnesota, Nevada, and Utah and Indian country located within the borders of such States with regard to emissions occurring in 2023 and thereafter. While a stay under this paragraph (b)(2)(iii)(D)(3) is in effect for a State, such State shall be deemed not to be listed in paragraph (b)(2)(iii)(C) of this section for purposes of part 97 of this chapter.

(4) The effectiveness of paragraph (b)(2)(iii)(A) of this section is stayed for sources in Illinois, Indiana, Maryland, Michigan, New Jersey, New York, Ohio, Pennsylvania, and Virginia and Indian country located within the borders of such States with regard to emissions occurring in 2024 and thereafter. While a stay under this paragraph (b)(2)(iii)(D)(4) is in effect for a State, such State shall be deemed not to be listed in paragraph (b)(2)(iii)(A) of this section for purposes of part 97 of this chapter for a control period after 2023.

(5) The effectiveness of paragraph (b)(2)(iii)(B) of this section is stayed for sources in Wisconsin and Indian country located within the borders of such State with regard to emissions occurring in 2024 and thereafter. While a stay under this paragraph (b)(2)(iii)(D)(5) is in effect for a State, such State shall be deemed not to be listed in paragraph (b)(2)(iii)(B) of this section for purposes of part 97 of this chapter for a control period after 2023.

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(14) Continued applicability of certain federal trading program provisions for NO_x ozone season emissions.

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(iii) Notwithstanding any discontinuation pursuant to ~~paragraphs (b)(2)(i)(B), (b)(2)(ii)(B) or (C), (b)(2)(iii)(D)(1), paragraph (b)(2)~~ or (b)(13)(i) of this section of the applicability of subpart BBBB, EEEEE, or GGGGG of part 97 of this chapter to the sources in a State and areas of Indian country within the borders of the State subject to the State's SIP authority with regard to emissions occurring in any control period, the following provisions shall continue to apply with regard to all CSAPR NO_x Ozone Season Group 1 allowances, CSAPR NO_x Ozone Season Group 2 allowances, and CSAPR NO_x Ozone Season Group 3 allowances at any time allocated for any control period to any source or other entity in the State and areas of Indian country within the borders of the State subject to the State's SIP authority and shall apply to all entities, wherever located, that at any time held or hold such allowances:

(A) The provisions of §§ 97.526(c), ~~and 97.826(c), and 97.1026(c)~~ of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 1 allowances, ~~and~~ CSAPR NO_x Ozone Season Group 2 allowances, and CSAPR NO_x Ozone Season Group 3 allowances between certain Allowance Management System accounts under common control);

(B) The provisions of §§ 97.526(d), 97.826(d) and (e), and 97.1026(e) of this chapter (concerning the conversion of ~~unused CSAPR NO_x Ozone Season Group 1 allowances allocated for specified control periods to different amounts of CSAPR NO_x Ozone Season~~

~~Original Group 2 allowances or CSAPR NO_x Ozone Season Group 3 allowances, the conversion of unused CSAPR NO_x Ozone Season Original Group 2 allowances allocated for specified control periods to different amounts of CSAPR NO_x Ozone Season Group 3 allowances, and the conversion of unused CSAPR NO_x Ozone Season Group 3 allowances allocated for specified control periods to CSAPR NO_x Ozone Season Expanded Group 2 allowances~~ allowances of one type into allowances of another type, in the same or different quantities and issued for the same or different control periods, including conversions among CSAPR NO_x Ozone Season Group 1 allowances, CSAPR NO_x Ozone Season Original Group 2 allowances, CSAPR NO_x Ozone Season Expanded Group 2 allowances, and CSAPR NO_x Ozone Season Group 3 allowances); and

(C) The provisions of ~~§ 97.811(d) and (e)~~ §§ 97.811(d) and (e) and 97.1011(d) of this chapter (concerning the recall of certain CSAPR NO_x Ozone Season Original Group 2 allowances ~~equivalent in quantity and usability to all CSAPR NO_x Ozone Season Original Group 2 allowances allocated for specified control periods and recorded in specified Allowance Management System accounts~~ and CSAPR NO_x Ozone Season Group 3 allowances).

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(16) *States with approved SIP revisions addressing the CSAPR NO_x Ozone Season Group 2 Trading Program.*

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(ii)

(A) Notwithstanding any provision of subpart EEEEE of part 97 of this chapter or any State's SIP, with regard to any State listed in paragraph (b)(2)(ii)(B) of this section and any control period that begins after December 31, 2020, the Administrator will not carry out any of the functions set forth for the Administrator in subpart EEEEE of part 97 of this chapter, ~~except §§ 97.811(d) and 97.826(c) and (d) of this chapter,~~ or in any emissions trading program provisions in a State's SIP approved under paragraph (b)(8) or (9) of this section, except as otherwise provided in paragraph (b)(2)(ii)(D)(1) or (b)(14)(iii) of this section.

(B) Notwithstanding any provision of subpart EEEEE of part 97 of this chapter or any State's SIP, with regard to any State listed in paragraph (b)(2)(ii)(C) of this section ~~and not listed in paragraph (b)(2)(ii)(D)(2) of this section~~ and any control period that begins after December 31, 2022, the Administrator will not carry out any of the functions set forth for the Administrator in subpart EEEEE of part 97 of this chapter, ~~except §§ 97.811(e) and 97.826(c) and (e) of this chapter,~~ or in any emissions trading program provisions in a State's SIP approved under paragraph (b)(8) or (9) of this section, except as otherwise provided in paragraph (b)(2)(ii)(D)(2) or (b)(14)(iii) of this section.

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§ 52.40 What are the requirements of the Federal Implementation Plans (FIPs) relating to ozone season emissions of nitrogen oxides from sources not subject to the CSAPR ozone season trading program?

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(c) *General requirements.*

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(4) Notwithstanding any other provision of this part, the effectiveness of paragraphs (a) and (b), (c)(1) through (3), and (d) through (g) of this section and §§ 52.41, 52.42, 52.43, 52.44, 52.45, and 52.46 is stayed for sources located in Arkansas, California, Illinois, Indiana, Kentucky, Louisiana, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, Texas, Utah, Virginia, and West Virginia, including Indian country located within the borders of such States.

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Subpart F—California

§ 52.284 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

(a) The owner and operator of each source located in the State of California and Indian country within the borders of the State and for which requirements are set forth in § 52.40 and § 52.41, § 52.42, § 52.43, § 52.44, § 52.45, or § 52.46 must comply with such requirements with regard to emissions occurring in 2026 and each subsequent year.

(b) Notwithstanding any other provision of this part, the effectiveness of paragraph (a) of this section is stayed.

Subpart O—Illinois

§ 52.731 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

* * * * *

(b)

(1) The owner and operator of each source and each unit located in the State of Illinois and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 1 Trading Program in subpart BBBB of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2015 and 2016.

(2) The owner and operator of each source and each unit located in the State of Illinois and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 2 Trading Program in subpart EEEEE of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2017 through 2020.

(3) The owner and operator of each source and each unit located in the State of Illinois and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 3 Trading Program in subpart GGGG of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2021 and each subsequent year. The obligation to comply with such requirements will be eliminated by the promulgation of an approval by the Administrator of a revision to Illinois' State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and (b)(2)(iii), except to the extent the Administrator's approval is partial or conditional.

(4) Notwithstanding the provisions of paragraph (b)(3) of this section, if, at the time of the approval of Illinois' SIP revision described in paragraph (b)(3) of this section, the Administrator has already started recording any allocations of CSAPR NO_x Ozone Season Group 3 allowances under subpart GGGGG of part 97 of this chapter to units in the State for a control period in any year, the provisions of subpart GGGGG of part 97 of this chapter authorizing the Administrator to complete the allocation and recordation of CSAPR NO_x Ozone Season Group 3 allowances to units in the State for each such control period shall continue to apply, unless provided otherwise by such approval of the State's SIP revision.

(5) Notwithstanding the provisions of paragraph (b)(2) of this section, after 2020 the provisions of § 97.826(c) of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 2 allowances between certain accounts under common control), the provisions of § 97.826(d) of this chapter (concerning the conversion of amounts of unused CSAPR NO_x Ozone Season Group 2 allowances allocated for control periods before 2021 to different amounts of CSAPR NO_x Ozone Season Group 3 allowances), and the provisions of § 97.811(d) of this chapter (concerning the recall of CSAPR NO_x Ozone Season Group 2 allowances equivalent in quantity and usability to all such allowances allocated to units in the State for control periods after 2020) shall continue to apply.

(6) Notwithstanding any other provision of this part, the effectiveness of paragraph (b)(3) of this section is stayed with regard to emissions occurring in 2024 and thereafter, provided that while such stay remains in effect, the provisions of paragraph (b)(2) of this section shall apply with regard to such emissions.

(c)

(1) The owner and operator of each source located in the State of Illinois and for which requirements are set forth in § 52.40 and § 52.41, § 52.42, § 52.43, § 52.44, § 52.45, or § 52.46 must comply with such requirements with regard to emissions occurring in 2026 and each subsequent year.

(2) Notwithstanding any other provision of this part, the effectiveness of paragraph (c)(1) of this section is stayed.

Subpart P—Indiana

§ 52.789 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

* * * * *

(b)

(1) The owner and operator of each source and each unit located in the State of Indiana and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 1 Trading Program in subpart BBBBB of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2015 and 2016.

(2) The owner and operator of each source and each unit located in the State of Indiana and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 2 Trading Program in subpart EEEEE of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2017 through 2020. The obligation to comply with such requirements will

be eliminated by the promulgation of an approval by the Administrator of a revision to Indiana's State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and (b)(2)(ii), except to the extent the Administrator's approval is partial or conditional, provided that because the CSAPR FIP was promulgated as a partial rather than full remedy for an obligation of the State to address interstate air pollution, the SIP revision likewise will constitute a partial rather than full remedy for the State's obligation unless provided otherwise in the Administrator's approval of the SIP revision.

(3) The owner and operator of each source and each unit located in the State of Indiana and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 3 Trading Program in subpart GGGGG of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2021 and each subsequent year. The obligation to comply with such requirements will be eliminated by the promulgation of an approval by the Administrator of a revision to Indiana's State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and (b)(2)(iii), except to the extent the Administrator's approval is partial or conditional.

(4) Notwithstanding the provisions of paragraphs (b)(2) and (3) of this section, if, at the time of the approval of Indiana's SIP revision described in paragraph (b)(2) or (3) of this section, the Administrator has already started recording any allocations of CSAPR NO_x Ozone Season Group 2 allowances or CSAPR NO_x Ozone Season Group 3 allowances under subpart EEEEE or GGGGG, respectively, of part 97 of this chapter to units in the State for a control period in any year, the provisions of such subpart authorizing the Administrator to complete the allocation and recordation of such allowances to units in the State for each such control period shall continue to apply, unless provided otherwise by such approval of the State's SIP revision.

(5) Notwithstanding the provisions of paragraph (b)(2) of this section, after 2020 the provisions of § 97.826(c) of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 2 allowances between certain accounts under common control), the provisions of § 97.826(d) of this chapter (concerning the conversion of amounts of unused CSAPR NO_x Ozone Season Group 2 allowances allocated for control periods before 2021 to different amounts of CSAPR NO_x Ozone Season Group 3 allowances), and the provisions of § 97.811(d) of this chapter (concerning the recall of CSAPR NO_x Ozone Season Group 2 allowances equivalent in quantity and usability to all such allowances allocated to units in the State for control periods after 2020) shall continue to apply.

(6) Notwithstanding any other provision of this part, the effectiveness of paragraph (b)(3) of this section is stayed with regard to emissions occurring in 2024 and thereafter, provided that while such stay remains in effect, the provisions of paragraph (b)(2) of this section shall apply with regard to such emissions.

(c)

(1) The owner and operator of each source located in the State of Indiana and for which requirements are set forth in § 52.40 and § 52.41, § 52.42, § 52.43, § 52.44, § 52.45, or § 52.46 must comply with such requirements with regard to emissions occurring in 2026 and each subsequent year.

(2) Notwithstanding any other provision of this part, the effectiveness of paragraph (c)(1) of this section is stayed.

Subpart V—Maryland

§ 52.1084 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

* * * * *

(b)

(1) The owner and operator of each source and each unit located in the State of Maryland and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 1 Trading Program in subpart BBBB of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2015 and 2016.

(2) The owner and operator of each source and each unit located in the State of Maryland and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 2 Trading Program in subpart EEEEE of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2017 through 2020.

(3) The owner and operator of each source and each unit located in the State of Maryland and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 3 Trading Program in subpart GGGGG of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2021 and each subsequent year. The obligation to comply with such requirements will be eliminated by the promulgation of an approval by the Administrator of a revision to Maryland's State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and (b)(2)(iii), except to the extent the Administrator's approval is partial or conditional.

(4) Notwithstanding the provisions of paragraph (b)(3) of this section, if, at the time of the approval of Maryland's SIP revision described in paragraph (b)(3) of this section, the Administrator has already started recording any allocations of CSAPR NO_x Ozone Season Group 3 allowances under subpart GGGGG of part 97 of this chapter to units in the State for a control period in any year, the provisions of subpart GGGGG of part 97 of this chapter authorizing the Administrator to complete the allocation and recordation of CSAPR NO_x Ozone Season Group 3 allowances to units in the State for each such control period shall continue to apply, unless provided otherwise by such approval of the State's SIP revision.

(5) Notwithstanding the provisions of paragraph (b)(2) of this section, after 2020 the provisions of § 97.826(c) of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 2 allowances between certain accounts under common control), the provisions of § 97.826(d) of this chapter (concerning the conversion of amounts of unused CSAPR NO_x Ozone Season Group 2 allowances allocated for control periods before 2021 to different amounts of CSAPR NO_x Ozone Season Group 3 allowances), and the provisions of § 97.811(d) of this chapter (concerning the recall of CSAPR NO_x Ozone Season Group 2 allowances equivalent in quantity and usability to all such allowances allocated to units in the State for control periods after 2020) shall continue to apply.

(6) Notwithstanding any other provision of this part, the effectiveness of paragraph (b)(3) of this section is stayed with regard to emissions occurring in 2024 and thereafter, provided that while such stay remains in effect, the provisions of paragraph (b)(2) of this section shall apply with regard to such emissions.

(c)

(1) The owner and operator of each source located in the State of Maryland and for which requirements are set forth in § 52.40 and § 52.41, § 52.42, § 52.43, § 52.44, § 52.45, or § 52.46 must comply with such requirements with regard to emissions occurring in 2026 and each subsequent year.

(2) Notwithstanding any other provision of this part, the effectiveness of paragraph (c)(1) of this section is stayed.

Subpart X—Michigan

§ 52.1186 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

* * * * *

(e)

(1) The owner and operator of each source and each unit located in the State of Michigan and Indian country within the borders of the State and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 1 Trading Program in subpart BBBBB of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2015 and 2016.

(2) The owner and operator of each source and each unit located in the State of Michigan and Indian country within the borders of the State and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 2 Trading Program in subpart EEEEE of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2017 through 2020.

(3) The owner and operator of each source and each unit located in the State of Michigan and Indian country within the borders of the State and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 3 Trading Program in subpart GGGGG of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2021 and each subsequent year. The obligation to comply with such requirements with regard to sources and units in the State and areas of Indian country within the borders of the State subject to the State's SIP authority will be eliminated by the promulgation of an approval by the Administrator of a revision to Michigan's State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and(b)(2)(iii) for those sources and units, except to the extent the Administrator's approval is partial or conditional. The obligation to comply with such requirements with regard to sources and units located in areas of Indian country within the borders of the State not subject to the State's SIP authority will not be eliminated by the promulgation of an approval by the Administrator of a revision to Michigan's SIP.

(4) Notwithstanding the provisions of paragraph (e)(3) of this section, if, at the time of the approval of Michigan's SIP revision described in paragraph (e)(3) of this section, the Administrator has already started recording any allocations of CSAPR NO_x Ozone Season Group 3 allowances under subpart GGGGG of part 97 of this chapter to units in the State and areas of Indian country within the borders of the State subject to the State's SIP authority for a control period in any year, the provisions of subpart GGGGG of part 97 of this chapter authorizing the

Administrator to complete the allocation and recordation of CSAPR NO_x Ozone Season Group 3 allowances to such units for each such control period shall continue to apply, unless provided otherwise by such approval of the State's SIP revision.

(5) Notwithstanding the provisions of paragraph (e)(2) of this section, after 2020 the provisions of § 97.826(c) of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 2 allowances between certain accounts under common control), the provisions of § 97.826(d) of this chapter (concerning the conversion of amounts of unused CSAPR NO_x Ozone Season Group 2 allowances allocated for control periods before 2021 to different amounts of CSAPR NO_x Ozone Season Group 3 allowances), and the provisions of § 97.811(d) of this chapter (concerning the recall of CSAPR NO_x Ozone Season Group 2 allowances equivalent in quantity and usability to all such allowances allocated to units in the State and Indian country within the borders of the State for control periods after 2020) shall continue to apply.

(6) Notwithstanding any other provision of this part, the effectiveness of paragraph (e)(3) of this section is stayed with regard to emissions occurring in 2024 and thereafter, provided that while such stay remains in effect, the provisions of paragraph (e)(2) of this section shall apply with regard to such emissions.

(f)

(1) The owner and operator of each source located in the State of Michigan and Indian country within the borders of the State and for which requirements are set forth in § 52.40 and § 52.41, § 52.42, § 52.43, § 52.44, § 52.45, or § 52.46 must comply with such requirements with regard to emissions occurring in 2026 and each subsequent year.

(2) Notwithstanding any other provision of this part, the effectiveness of paragraph (f)(1) of this section is stayed.

Subpart FF—New Jersey

§ 52.1584 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

* * * * *

(e)

(1) The owner and operator of each source and each unit located in the State of New Jersey and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 1 Trading Program in subpart BBBB of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2015 and 2016.

(2) The owner and operator of each source and each unit located in the State of New Jersey and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 2 Trading Program in subpart EEEEE of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2017 through 2020.

(3) The owner and operator of each source and each unit located in the State of New Jersey and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 3 Trading Program in subpart GGGGG of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2021 and each subsequent year. The obligation to comply with such requirements will be eliminated by the promulgation of an approval by the Administrator of

a revision to New Jersey's State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and (b)(2)(iii), except to the extent the Administrator's approval is partial or conditional.

(4) Notwithstanding the provisions of paragraph (e)(3) of this section, if, at the time of the approval of New Jersey's SIP revision described in paragraph (e)(3) of this section, the Administrator has already started recording any allocations of CSAPR NO_x Ozone Season Group 3 allowances under subpart GGGGG of part 97 of this chapter to units in the State for a control period in any year, the provisions of subpart GGGGG of part 97 of this chapter authorizing the Administrator to complete the allocation and recordation of CSAPR NO_x Ozone Season Group 3 allowances to units in the State for each such control period shall continue to apply, unless provided otherwise by such approval of the State's SIP revision.

(5) Notwithstanding the provisions of paragraph (e)(2) of this section, after 2020 the provisions of § 97.826(c) of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 2 allowances between certain accounts under common control), the provisions of § 97.826(d) of this chapter (concerning the conversion of amounts of unused CSAPR NO_x Ozone Season Group 2 allowances allocated for control periods before 2021 to different amounts of CSAPR NO_x Ozone Season Group 3 allowances), and the provisions of § 97.811(d) of this chapter (concerning the recall of CSAPR NO_x Ozone Season Group 2 allowances equivalent in quantity and usability to all such allowances allocated to units in the State for control periods after 2020) shall continue to apply.

(6) Notwithstanding any other provision of this part, the effectiveness of paragraph (e)(3) of this section is stayed with regard to emissions occurring in 2024 and thereafter, provided that while such stay remains in effect, the provisions of paragraph (e)(2) of this section shall apply with regard to such emissions.

(f)

(1) The owner and operator of each source located in the State of New Jersey and for which requirements are set forth in § 52.40 and § 52.41, § 52.42, § 52.43, § 52.44, § 52.45, or § 52.46 must comply with such requirements with regard to emissions occurring in 2026 and each subsequent year.

(2) Notwithstanding any other provision of this part, the effectiveness of paragraph (f)(1) of this section is stayed.

Subpart HH—New York

§ 52.1684 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

* * * * *

(b)

(1) The owner and operator of each source and each unit located in the State of New York and Indian country within the borders of the State and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 1 Trading Program in subpart BBBBB of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2015 and 2016.

(2) The owner and operator of each source and each unit located in the State of New York and Indian country within the borders of the State and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 2 Trading Program in subpart EEEEE of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2017 through 2020.

(3) The owner and operator of each source and each unit located in the State of New York and Indian country within the borders of the State and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 3 Trading Program in subpart GGGGG of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2021 and each subsequent year. The obligation to comply with such requirements with regard to sources and units in the State and areas of Indian country within the borders of the State subject to the State's SIP authority will be eliminated by the promulgation of an approval by the Administrator of a revision to New York's State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and(b)(2)(iii) for those sources and units, except to the extent the Administrator's approval is partial or conditional. The obligation to comply with such requirements with regard to sources and units located in areas of Indian country within the borders of the State not subject to the State's SIP authority will not be eliminated by the promulgation of an approval by the Administrator of a revision to New York's SIP.

(4) Notwithstanding the provisions of paragraph (b)(3) of this section, if, at the time of the approval of New York's SIP revision described in paragraph (b)(3) of this section, the Administrator has already started recording any allocations of CSAPR NO_x Ozone Season Group 3 allowances under subpart GGGGG of part 97 of this chapter to units in the State and areas of Indian country within the borders of the State subject to the State's SIP authority for a control period in any year, the provisions of subpart GGGGG of part 97 of this chapter authorizing the Administrator to complete the allocation and recordation of CSAPR NO_x Ozone Season Group 3 allowances to such units for each such control period shall continue to apply, unless provided otherwise by such approval of the State's SIP revision.

(5) Notwithstanding the provisions of paragraph (b)(2) of this section, after 2020 the provisions of § 97.826(c) of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 2 allowances between certain accounts under common control), the provisions of § 97.826(d) of this chapter (concerning the conversion of amounts of unused CSAPR NO_x Ozone Season Group 2 allowances allocated for control periods before 2021 to different amounts of CSAPR NO_x Ozone Season Group 3 allowances), and the provisions of § 97.811(d) of this chapter (concerning the recall of CSAPR NO_x Ozone Season Group 2 allowances equivalent in quantity and usability to all such allowances allocated to units in the State and Indian country within the borders of the State for control periods after 2020) shall continue to apply.

(6) Notwithstanding any other provision of this part, the effectiveness of paragraph (b)(3) of this section is stayed with regard to emissions occurring in 2024 and thereafter, provided that while such stay remains in effect, the provisions of paragraph (b)(2) of this section shall apply with regard to such emissions.

(c)

(1) The owner and operator of each source located in the State of New York and Indian country within the borders of the State and for which requirements are set forth in § 52.40 and § 52.41,

§ 52.42, § 52.43, § 52.44, § 52.45, or § 52.46 must comply with such requirements with regard to emissions occurring in 2026 and each subsequent year.

(2) Notwithstanding any other provision of this part, the effectiveness of paragraph (c)(1) of this section is stayed.

Subpart KK—Ohio

§ 52.1882 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

* * * * *

(b)

(1) The owner and operator of each source and each unit located in the State of Ohio and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 1 Trading Program in subpart BBBBB of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2015 and 2016.

(2) The owner and operator of each source and each unit located in the State of Ohio and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 2 Trading Program in subpart EEEEE of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2017 through 2020.

(3) The owner and operator of each source and each unit located in the State of Ohio and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 3 Trading Program in subpart GGGGG of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2021 and each subsequent year. The obligation to comply with such requirements will be eliminated by the promulgation of an approval by the Administrator of a revision to Ohio's State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and (b)(2)(iii), except to the extent the Administrator's approval is partial or conditional.

(4) Notwithstanding the provisions of paragraph (b)(3) of this section, if, at the time of the approval of Ohio's SIP revision described in paragraph (b)(3) of this section, the Administrator has already started recording any allocations of CSAPR NO_x Ozone Season Group 3 allowances under subpart GGGGG of part 97 of this chapter to units in the State for a control period in any year, the provisions of subpart GGGGG of part 97 of this chapter authorizing the Administrator to complete the allocation and recordation of CSAPR NO_x Ozone Season Group 3 allowances to units in the State for each such control period shall continue to apply, unless provided otherwise by such approval of the State's SIP revision.

(5) Notwithstanding the provisions of paragraph (b)(2) of this section, after 2020 the provisions of § 97.826(c) of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 2 allowances between certain accounts under common control), the provisions of § 97.826(d) of this chapter (concerning the conversion of amounts of unused CSAPR NO_x Ozone Season Group 2 allowances allocated for control periods before 2021 to different amounts of CSAPR NO_x Ozone Season Group 3 allowances), and the provisions of § 97.811(d) of this chapter (concerning the recall of CSAPR NO_x Ozone Season Group 2 allowances equivalent in quantity and usability to all such allowances allocated to units in the State for control periods after 2020) shall continue to apply.

(6) Notwithstanding any other provision of this part, the effectiveness of paragraph (b)(3) of this section is stayed with regard to emissions occurring in 2024 and thereafter, provided that while such stay remains in effect, the provisions of paragraph (b)(2) of this section shall apply with regard to such emissions.

(c)

(1) The owner and operator of each source located in the State of Ohio and for which requirements are set forth in § 52.40 and § 52.41, § 52.42, § 52.43, § 52.44, § 52.45, or § 52.46 must comply with such requirements with regard to emissions occurring in 2026 and each subsequent year.

(2) Notwithstanding any other provision of this part, the effectiveness of paragraph (c)(1) of this section is stayed.

Subpart NN—Pennsylvania

§ 52.2040 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

* * * * *

(b)

(1) The owner and operator of each source and each unit located in the State of Pennsylvania and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 1 Trading Program in subpart BBBBB of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2015 and 2016.

(2) The owner and operator of each source and each unit located in the State of Pennsylvania and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 2 Trading Program in subpart EEEEE of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2017 through 2020.

(3) The owner and operator of each source and each unit located in the State of Pennsylvania and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 3 Trading Program in subpart GGGGG of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2021 and each subsequent year. The obligation to comply with such requirements will be eliminated by the promulgation of an approval by the Administrator of a revision to Pennsylvania's State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and (b)(2)(iii), except to the extent the Administrator's approval is partial or conditional.

(4) Notwithstanding the provisions of paragraph (b)(3) of this section, if, at the time of the approval of Pennsylvania's SIP revision described in paragraph (b)(3) of this section, the Administrator has already started recording any allocations of CSAPR NO_x Ozone Season Group 3 allowances under subpart GGGGG of part 97 of this chapter to units in the State for a control period in any year, the provisions of subpart GGGGG of part 97 of this chapter authorizing the Administrator to complete the allocation and recordation of CSAPR NO_x Ozone Season Group 3 allowances to units in the State for each such control period shall continue to apply, unless provided otherwise by such approval of the State's SIP revision.

(5) Notwithstanding the provisions of paragraph (b)(2) of this section, after 2020 the provisions of § 97.826(c) of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 2 allowances between certain accounts under common control), the provisions of § 97.826(d) of this chapter (concerning the conversion of amounts of unused CSAPR NO_x Ozone Season Group 2 allowances allocated for control periods before 2021 to different amounts of CSAPR NO_x Ozone Season Group 3 allowances), and the provisions of § 97.811(d) of this chapter (concerning the recall of CSAPR NO_x Ozone Season Group 2 allowances equivalent in quantity and usability to all such allowances allocated to units in the State for control periods after 2020) shall continue to apply.

(6) Notwithstanding any other provision of this part, the effectiveness of paragraph (b)(3) of this section is stayed with regard to emissions occurring in 2024 and thereafter, provided that while such stay remains in effect, the provisions of paragraph (b)(2) of this section shall apply with regard to such emissions.

(c)

(1) The owner and operator of each source located in the State of Pennsylvania and for which requirements are set forth in § 52.40 and § 52.41, § 52.42, § 52.43, § 52.44, § 52.45, or § 52.46 must comply with such requirements with regard to emissions occurring in 2026 and each subsequent year.

(2) Notwithstanding any other provision of this part, the effectiveness of paragraph (c)(1) of this section is stayed.

Subpart VV—Virginia

§ 52.2440 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

* * * * *

(b)

(1) The owner and operator of each source and each unit located in the State of Virginia and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 1 Trading Program in subpart BBBBB of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2015 and 2016.

(2) The owner and operator of each source and each unit located in the State of Virginia and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 2 Trading Program in subpart EEEEE of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2017 through 2020.

(3) The owner and operator of each source and each unit located in the State of Virginia and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 3 Trading Program in subpart GGGGG of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2021 and each subsequent year. The obligation to comply with such requirements will be eliminated by the promulgation of an approval by the Administrator of a revision to Virginia's State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and (b)(2)(iii), except to the extent the Administrator's approval is partial or conditional.

(4) Notwithstanding the provisions of paragraph (b)(3) of this section, if, at the time of the approval of Virginia’s SIP revision described in paragraph (b)(3) of this section, the Administrator has already started recording any allocations of CSAPR NO_x Ozone Season Group 3 allowances under subpart GGGGG of part 97 of this chapter to units in the State for a control period in any year, the provisions of subpart GGGGG of part 97 of this chapter authorizing the Administrator to complete the allocation and recordation of CSAPR NO_x Ozone Season Group 3 allowances to units in the State for each such control period shall continue to apply, unless provided otherwise by such approval of the State’s SIP revision.

(5) Notwithstanding the provisions of paragraph (b)(2) of this section, after 2020 the provisions of § 97.826(c) of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 2 allowances between certain accounts under common control), the provisions of § 97.826(d) of this chapter (concerning the conversion of amounts of unused CSAPR NO_x Ozone Season Group 2 allowances allocated for control periods before 2021 to different amounts of CSAPR NO_x Ozone Season Group 3 allowances), and the provisions of § 97.811(d) of this chapter (concerning the recall of CSAPR NO_x Ozone Season Group 2 allowances equivalent in quantity and usability to all such allowances allocated to units in the State for control periods after 2020) shall continue to apply.

(6) Notwithstanding any other provision of this part, the effectiveness of paragraph (b)(3) of this section is stayed with regard to emissions occurring in 2024 and thereafter, provided that while such stay remains in effect, the provisions of paragraph (b)(2) of this section shall apply with regard to such emissions.

(c)

(1) The owner and operator of each source located in the State of Virginia and for which requirements are set forth in § 52.40 and § 52.41, § 52.42, § 52.43, § 52.44, § 52.45, or § 52.46 must comply with such requirements with regard to emissions occurring in 2026 and each subsequent year.

(2) Notwithstanding any other provision of this part, the effectiveness of paragraph (c)(1) of this section is stayed.

Subpart YY—Wisconsin

§ 52.2587 Interstate pollutant transport provisions; What are the FIP requirements for decreases in emissions of nitrogen oxides?

* * * * *

(e)

(1) The owner and operator of each source and each unit located in the State of Wisconsin and Indian country within the borders of the State and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 1 Trading Program in subpart BBBBB of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2015 and 2016.

(2) The owner and operator of each source and each unit located in the State of Wisconsin and Indian country within the borders of the State and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 2 Trading Program in subpart EEEEE of part 97 of this

chapter must comply with such requirements with regard to emissions occurring in 2017 through 2022.

(3) The owner and operator of each source and each unit located in the State of Wisconsin and Indian country within the borders of the State and for which requirements are set forth under the CSAPR NO_x Ozone Season Group 3 Trading Program in subpart GGGGG of part 97 of this chapter must comply with such requirements with regard to emissions occurring in 2023 and each subsequent year. The obligation to comply with such requirements with regard to sources and units in the State and areas of Indian country within the borders of the State subject to the State's SIP authority will be eliminated by the promulgation of an approval by the Administrator of a revision to Wisconsin's State Implementation Plan (SIP) as correcting the SIP's deficiency that is the basis for the CSAPR Federal Implementation Plan (FIP) under § 52.38(b)(1) and (b)(2)(iii) for those sources and units, except to the extent the Administrator's approval is partial or conditional. The obligation to comply with such requirements with regard to sources and units located in areas of Indian country within the borders of the State not subject to the State's SIP authority will not be eliminated by the promulgation of an approval by the Administrator of a revision to Wisconsin's SIP.

(4) Notwithstanding the provisions of paragraph (e)(3) of this section, if, at the time of the approval of Wisconsin's SIP revision described in paragraph (e)(3) of this section, the Administrator has already started recording any allocations of CSAPR NO_x Ozone Season Group 3 allowances under subpart GGGGG of part 97 of this chapter to units in the State and areas of Indian country within the borders of the State subject to the State's SIP authority for a control period in any year, the provisions of subpart GGGGG of part 97 of this chapter authorizing the Administrator to complete the allocation and recordation of CSAPR NO_x Ozone Season Group 3 allowances to such units for each such control period shall continue to apply, unless provided otherwise by such approval of the State's SIP revision.

(5) Notwithstanding the provisions of paragraph (e)(2) of this section, after 2022 the provisions of § 97.826(c) of this chapter (concerning the transfer of CSAPR NO_x Ozone Season Group 2 allowances between certain accounts under common control), the provisions of § 97.826(e) of this chapter (concerning the conversion of amounts of unused CSAPR NO_x Ozone Season Group 2 allowances allocated for control periods before 2023 to different amounts of CSAPR NO_x Ozone Season Group 3 allowances), and the provisions of § 97.811(e) of this chapter (concerning the recall of CSAPR NO_x Ozone Season Group 2 allowances equivalent in quantity and usability to all such allowances allocated to units in the State and Indian country within the borders of the State for control periods after 2022) shall continue to apply.

(6) Notwithstanding any other provision of this part, the effectiveness of paragraph (e)(3) of this section is stayed with regard to emissions occurring in 2024 and thereafter, provided that while such stay remains in effect, the provisions of paragraph (e)(2) of this section shall apply with regard to such emissions.

40 CFR Part 97—Federal NO_x Budget Trading Program, CAIR NO_x and SO₂ Trading Programs, CSAPR NO_x and SO₂ Trading Programs, and Texas SO₂ Trading Program

Subpart BBBBB—CSAPR NO_x Ozone Season Group 1 Trading Program

§ 97.502 Definitions.

* * * * *

CSAPR NO_x Ozone Season Expanded Group 2 allowance means a CSAPR NO_x Ozone Season Group 2 allowance allocated for a control period after 2022 under subpart EEEEE of this part, ~~§ 97.526(d), or § 97.1026(e) or § 97.1026(e)(1)(ii) or (e)(2)(ii)~~ to a unit in a State listed in § 52.38(b)(2)(ii)(D)(1) of this chapter (and Indian country within the borders of such a State) or allocated or auctioned for a control period after 2022 in accordance with the provisions of a SIP revision approved after [EFFECTIVE DATE OF FINAL RULE] for such a State by the Administrator under § 52.38(b)(7), (8), or (9) of this chapter.

* * * * *

CSAPR NO_x Ozone Season Group 2 allowance means a limited authorization issued and allocated or auctioned by the Administrator under subpart EEEEE of this part, ~~§ 97.526(d), or § 97.1026(e), § 97.526, or § 97.1026,~~ or by a State or permitting authority under a SIP revision approved by the Administrator under § 52.38(b)(7), (8), or (9) of this chapter, to emit one ton of NO_x during a control period of the specified calendar year for which the authorization is allocated or auctioned or of any calendar year thereafter under the CSAPR NO_x Ozone Season Group 2 Trading Program, where each CSAPR NO_x Ozone Season Group 2 allowance is either a CSAPR NO_x Ozone Season Original Group 2 allowance or a CSAPR NO_x Ozone Season Expanded Group 2 allowance.

* * * * *

CSAPR NO_x Ozone Season Group 3 allowance means a limited authorization issued and allocated or auctioned by the Administrator under subpart GGGGG of this part, ~~§ 97.526(d), or § 97.826(d) or (e) or § 97.826,~~ or by a State or permitting authority under a SIP revision approved by the Administrator under § 52.38(b)(10), (11), or (12) of this chapter, to emit one ton or less of NO_x during a control period of the specified calendar year for which the authorization is allocated or auctioned or of any calendar year thereafter under the CSAPR NO_x Ozone Season Group 3 Trading Program.

* * * * *

§ 97.526 Banking and conversion.

* * * * *

(d) Notwithstanding any other provision of this subpart, part 52 of this chapter, or any SIP revision approved under § 52.38(b)(4) or (5) of this chapter:

* * * * *

(2) [Reserved]

~~(i) Except as provided in paragraphs (d)(2)(ii) and (iii) of this section, after the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section, upon any determination that would otherwise result in the initial recordation of a given number of CSAPR NO_x Ozone Season Group 1 allowances in the compliance account for a source in a State listed in § 52.38(b)(2)(ii) of this chapter (and Indian country within the borders of such~~

a State), the Administrator will not record such CSAPR NO_x Ozone Season Group 1 allowances but instead will allocate and record in such account an amount of CSAPR NO_x Ozone Season Original Group 2 allowances for the control period in 2017 computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Group 1 allowances divided by the conversion factor determined under paragraph (d)(1)(ii) of this section.

(ii)

(A) Except as provided in paragraph (d)(2)(ii)(B) of this section, after the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section and § 97.826(d)(1), upon any determination that would otherwise result in the initial recordation of a given number of CSAPR NO_x Ozone Season Group 1 allowances in the compliance account for a source in a State listed in § 52.38(b)(2)(iii)(A) of this chapter (and Indian country within the borders of such a State), the Administrator will not record such CSAPR NO_x Ozone Season Group 1 allowances but instead will allocate and record in such account an amount of CSAPR NO_x Ozone Season Group 3 allowances for the control period in 2021 computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Group 1 allowances divided by the conversion factor determined under paragraph (d)(1)(ii) of this section and further divided by the conversion factor determined under § 97.826(d)(1)(i)(D).

(B) After the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section and §§ 97.826(d)(1) and 97.1026(e), upon any determination that would otherwise result in the initial recordation of a given number of CSAPR NO_x Ozone Season Group 1 allowances in the compliance account for a source in a State listed in § 52.38(b)(2)(ii)(D)(1) of this chapter (and Indian country within the borders of such a State), the Administrator will not record such CSAPR NO_x Ozone Season Group 1 allowances but instead will allocate and record in such account an amount of CSAPR NO_x Ozone Season Expanded Group 2 allowances for the control period in 2023 computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Group 1 allowances divided by the conversion factor determined under paragraph (d)(1)(ii) of this section and further divided by the conversion factor determined under § 97.826(d)(1)(i)(D).

(iii) After the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section and § 97.826(e)(1), upon any determination that would otherwise result in the initial recordation of a given number of CSAPR NO_x Ozone Season Group 1 allowances in the compliance account for a source in a State listed in § 52.38(b)(2)(iii)(B) of this chapter (and Indian country within the borders of such a State), the Administrator will not record such CSAPR NO_x Ozone Season Group 1 allowances but instead will allocate and record in such account an amount of CSAPR NO_x Ozone Season Group 3 allowances for the control period in 2023 computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Group 1 allowances divided by the conversion factor determined under paragraph (d)(1)(ii) of this section and further divided by the conversion factor determined under § 97.826(e)(1)(ii).

(e) Notwithstanding any other provision of this subpart or any SIP revision approved under § 52.38(b)(4) or (5) of this chapter, CSAPR NO_x Ozone Season Original Group 2 allowances, CSAPR NO_x Ozone Season Expanded Group 2 allowances, or CSAPR NO_x Ozone Season Group 3 allowances may be used to satisfy requirements to hold CSAPR NO_x Ozone Season Group 1 allowances under

this subpart as follows, provided that nothing in this paragraph (e) alters the time as of which any such allowance holding requirement must be met or limits any consequence of a failure to timely meet any such allowance holding requirement:

(1) After the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section and before [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a CSAPR NO_x Ozone Season Group 1 source in a State listed in § 52.38(b)(2)(i)(B) of this chapter (and Indian country within the borders of such a State) may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Group 1 allowances for the control period in 2015 or 2016 by holding instead, in a general account established for this sole purpose, an amount of CSAPR NO_x Ozone Season Original Group 2 allowances for the control period in 2017 (or any later control period for which the allowance transfer deadline defined in § 97.802 has passed) computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Group 1 allowances divided by the conversion factor determined under paragraph (d)(1)(ii) of this section.

(2)

(i) Except as provided in paragraph (e)(2)(ii) of this section, after the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section and § 97.826(d)(1) and before [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a CSAPR NO_x Ozone Season Group 1 source in a State listed in § 52.38(b)(2)(ii)(B) of this chapter (and Indian country within the borders of such a State) may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Group 1 allowances for the control period in 2015 or 2016 by holding instead, in a general account established for this sole purpose, an amount of CSAPR NO_x Ozone Season Group 3 allowances for the control period in 2021 (or any later control period for which the allowance transfer deadline defined in § 97.1002 has passed) computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Group 1 allowances divided by the conversion factor determined under paragraph (d)(1)(ii) of this section and further divided by the conversion factor determined under § 97.826(d)(1)(i)(D).

(ii) After the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section and §§ 97.826(d)(1) and ~~97.1026(e)~~ § 97.1026(e)(1) and before [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a CSAPR NO_x Ozone Season Group 1 source in a State listed in ~~§ 52.38(b)(2)(ii)(D)(1)~~ § 52.38(b)(2)(iii)(D)(1) of this chapter (and Indian country within the borders of such a State) may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Group 1 allowances for the control period in 2015 or 2016 by holding instead, in a general account established for this sole purpose, an amount of CSAPR NO_x Ozone Season Expanded Group 2 allowances for the control period in 2021 (or any later control period for which the allowance transfer deadline defined in § 97.802 has passed) computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Group 1 allowances divided by the conversion factor determined under paragraph (d)(1)(ii) of this section and further divided by the conversion factor determined under § 97.826(d)(1)(i)(D).

(3) After the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section and § 97.826(e)(1) and before [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a CSAPR NO_x Ozone Season Group 1 source in a State listed in § 52.38(b)(2)(ii)(C) of this chapter and not listed in § 52.38(b)(2)(iii)(D)(2) of this chapter (and Indian country within the borders of such a State) may satisfy a requirement to hold a given number of CSAPR NO_x Ozone

Season Group 1 allowances for the control period in 2015 or 2016 by holding instead, in a general account established for this sole purpose, an amount of CSAPR NO_x Ozone Season Group 3 allowances for the control period in 2023 (or any later control period for which the allowance transfer deadline defined in § 97.1002 has passed) computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Group 1 allowances divided by the conversion factor determined under paragraph (d)(1)(ii) of this section and further divided by the conversion factor determined under § 97.826(e)(1)(ii).

(4) On or after [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a source subject to the requirements of the CSAPR NO_x Ozone Season Group 2 Trading Program for the control period in the current year and required to demonstrate compliance under such program for such control period by holding CSAPR NO_x Ozone Season Original Group 2 allowances may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Group 1 allowances for the control period in a previous year for which the allowance transfer deadline defined in § 97.502 has passed by holding instead in the source's compliance account an equal number of CSAPR NO_x Ozone Season Original Group 2 allowances for the control period in the current year.

(5) On or after [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a source subject to the requirements of the CSAPR NO_x Ozone Season Group 2 Trading Program for the control period in the current year and required to demonstrate compliance under such program for such control period by holding CSAPR NO_x Ozone Season Expanded Group 2 allowances may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Group 1 allowances for the control period in a previous year for which the allowance transfer deadline defined in § 97.502 has passed by holding instead in the source's compliance account an equal number of CSAPR NO_x Ozone Season Expanded Group 2 allowances for the control period in the current year.

(6) On or after [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a source subject to the requirements of the CSAPR NO_x Ozone Season Group 3 Trading Program for the control period in the current year may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Group 1 allowances for the control period in a previous year for which the allowance transfer deadline defined in § 97.502 has passed by holding instead in the source's compliance account an equal number of CSAPR NO_x Ozone Season Group 3 allowances for the control period in the current year.

Subpart EEEEE—CSAPR NO_x Ozone Season Group 2 Trading Program

§ 97.802 Definitions.

* * * * *

Allocate or *allocation* means, with regard to CSAPR NO_x Ozone Season Group 2 allowances, the determination by the Administrator, State, or permitting authority, in accordance with this subpart, ~~§§ 97.526(d), 97.826(d), and 97.1026(e)~~, ~~§§ 97.526 and 97.1026~~, and any SIP revision submitted by the State and approved by the Administrator under § 52.38(b)(7), (8), or (9) of this chapter, of the amount of such CSAPR NO_x Ozone Season Group 2 allowances to be initially credited, at no cost to the recipient, to:

- (1) A CSAPR NO_x Ozone Season Group 2 unit;
- (2) A new unit set-aside;

- (3) An Indian country new unit set-aside; or
- (4) An entity not listed in paragraphs (1) through (3) of this definition;
- (5) Provided that, if the Administrator, State, or permitting authority initially credits, to a CSAPR NO_x Ozone Season Group 2 unit qualifying for an initial credit, a credit in the amount of zero CSAPR NO_x Ozone Season Group 2 allowances, the CSAPR NO_x Ozone Season Group 2 unit will be treated as being allocated an amount (*i.e.*, zero) of CSAPR NO_x Ozone Season Group 2 allowances.

* * * * *

Common designated representative's assurance level means, with regard to a specific common designated representative and a State (and Indian country within the borders of such State) and control period in a given year for which the State assurance level is exceeded as described in § 97.806(c)(2)(iii):

(1) The amount (rounded to the nearest allowance) equal to the sum of the total amount of CSAPR NO_x Ozone Season Group 2 allowances allocated for such control period to the group of one or more CSAPR NO_x Ozone Season Group 2 units in such State (and such Indian country) having the common designated representative for such control period and the total amount of CSAPR NO_x Ozone Season Group 2 allowances purchased by an owner or operator of such CSAPR NO_x Ozone Season Group 2 units in an auction for such control period and submitted by the State or the permitting authority to the Administrator for recordation in the compliance accounts for such CSAPR NO_x Ozone Season Group 2 units in accordance with the CSAPR NO_x Ozone Season Group 2 allowance auction provisions in a SIP revision approved by the Administrator under § 52.38(b)(8) or (9) of this chapter, multiplied by the sum of the State NO_x Ozone Season Group 2 trading budget under § 97.810(a) and the State's variability limit under § 97.810(b) for such control period, and divided by such State NO_x Ozone Season Group 2 trading budget;

(2) Provided that the allocations of CSAPR NO_x Ozone Season Group 2 allowances for any control period taken into account for purposes of this definition shall exclude any CSAPR NO_x Ozone Season Group 2 allowances allocated for such control period under ~~§ 97.526(d), § 97.826(d), or § 97.1026(e)~~ § 97.526 or § 97.1026.

* * * * *

CSAPR NO_x Ozone Season Expanded Group 2 allowance means a CSAPR NO_x Ozone Season Group 2 allowance allocated for a control period after 2022 under this subpart, ~~§ 97.526(d), or § 97.1026(e) or § 97.1026(e)(1)(ii) or (e)(2)(ii)~~ to a unit in a State listed in § 52.38(b)(2)(ii)(D)(1) of this chapter (and Indian country within the borders of such a State) or allocated or auctioned for a control period after 2022 in accordance with the provisions of a SIP revision approved after [EFFECTIVE DATE OF FINAL RULE] for such a State by the Administrator under § 52.38(b)(7), (8), or (9) of this chapter.

CSAPR NO_x Ozone Season Group 2 allowance means a limited authorization issued and allocated or auctioned by the Administrator under this subpart, ~~§ 97.526(d), or § 97.1026(e), § 97.526, or § 97.1026~~, or by a State or permitting authority under a SIP revision approved by the Administrator under § 52.38(b)(7), (8), or (9) of this chapter, to emit one ton of NO_x during a control period of the specified calendar year for which the authorization is allocated or auctioned or of any calendar year thereafter under the CSAPR NO_x Ozone Season Group 2 Trading Program, where each CSAPR NO_x Ozone Season Group 2 allowance is either a CSAPR NO_x Ozone Season Original Group 2 allowance or a CSAPR NO_x Ozone Season Expanded Group 2 allowance.

* * * * *

CSAPR NO_x Ozone Season Group 3 allowance means a limited authorization issued and allocated or auctioned by the Administrator under subpart GGGGG of this part, ~~§ 97.526(d), or § 97.826(d) or (e) or § 97.826~~, or by a State or permitting authority under a SIP revision approved by the Administrator under § 52.38(b)(10), (11), or (12) of this chapter, to emit one ton or less of NO_x during a control period of the specified calendar year for which the authorization is allocated or auctioned or of any calendar year thereafter under the CSAPR NO_x Ozone Season Group 3 Trading Program.

* * * * *

§ 97.806 Standard requirements.

* * * * *

(c) NO_x emissions requirements —

* * * * *

(4) *Vintage and type of CSAPR NO_x Ozone Season Group 2 allowances held for compliance.*

* * * * *

(iv) A CSAPR NO_x Ozone Season Group 2 allowance held for compliance with the requirements under paragraphs (c)(1)(i), (c)(1)(ii)(A), and (c)(2)(i) through (iii) of this section for a source or group of sources in a State listed in § 52.38(b)(2)(ii)(D)(1) of this chapter (~~or~~ and Indian country within the borders of such a State) for a control period after 2022 must be a CSAPR NO_x Ozone Season Expanded Group 2 allowance.

* * * * *

§ 97.810 State NO_x Ozone Season Group 2 trading budgets, new unit set-asides, Indian country new unit set-asides, and variability limits.

(a) The State NO_x Ozone Season Group 2 trading budgets, new unit set-asides, and Indian country new unit set-asides for allocations of CSAPR NO_x Ozone Season Group 2 allowances for the control periods in the years indicated are as follows:

* * * * *

(4) *Illinois.*

(i) The NO_x Ozone Season Group 2 trading budget for 2017 through 2020 is 14,601 tons.

(ii) The new unit set-aside for 2017 through 2020 is 302 tons.

(iii) [Reserved]

(iv) The NO_x Ozone Season Group 2 trading budget for 2024 and thereafter is 8,059 tons.

(v) The new unit set-aside for 2024 and thereafter is 244 tons.

(vi) [Reserved]

(5) *Indiana.*

(i) The NO_x Ozone Season Group 2 trading budget for 2017 through 2020 is 23,303 tons.

(ii) The new unit set-aside for 2017 through 2020 is 468 tons.

(iii) [Reserved]

(iv) The NO_x Ozone Season Group 2 trading budget for 2024 and thereafter is 9,564 tons.

(v) The new unit set-aside for 2024 and thereafter is 190 tons.

(vi) [Reserved]

* * * * *

(10) *Maryland.*

(i) The NO_x Ozone Season Group 2 trading budget for 2017 through 2020 is 3,828 tons.

(ii) The new unit set-aside for 2017 through 2020 is 152 tons.

(iii) [Reserved]

(iv) The NO_x Ozone Season Group 2 trading budget for 2024 and thereafter is 1,348 tons.

(v) The new unit set-aside for 2024 and thereafter is 122 tons.

(vi) [Reserved]

(11) *Michigan.*

(i) The NO_x Ozone Season Group 2 trading budget for 2017 through 2020 is 17,023 tons.

(ii) The new unit set-aside for 2017 through 2020 is 665 tons.

(iii) The Indian country new unit set-aside for 2017 through 2020 is 17 tons.

(iv) The NO_x Ozone Season Group 2 trading budget for 2024 and thereafter is 9,786 tons.

(v) The new unit set-aside for 2024 and thereafter is 382 tons.

(vi) The Indian country new unit set-aside for 2024 and thereafter is 10 tons.

* * * * *

(14) *New Jersey.*

(i) The NO_x Ozone Season Group 2 trading budget for 2017 through 2020 is 2,062 tons.

(ii) The new unit set-aside for 2017 through 2020 is 192 tons.

(iii) [Reserved]

(iv) The NO_x Ozone Season Group 2 trading budget for 2024 and thereafter is 1,253 tons.

(v) The new unit set-aside for 2024 and thereafter is 27 tons.

(vi) [Reserved]

(15) *New York.*

(i) The NO_x Ozone Season Group 2 trading budget for 2017 through 2020 is 5,135 tons.

(ii) The new unit set-aside for 2017 through 2020 is 252 tons.

(iii) The Indian country new unit set-aside for 2017 through 2020 is 5 tons.

(iv) The NO_x Ozone Season Group 2 trading budget for 2024 and thereafter is 3,403 tons.

(v) The new unit set-aside for 2024 and thereafter is 167 tons.

(vi) The Indian country new unit set-aside for 2024 and thereafter is 3 tons.

(16) *Ohio.*

(i) The NO_x Ozone Season Group 2 trading budget for 2017 through 2020 is 19,522 tons.

(ii) The new unit set-aside for 2017 through 2020 is 401 tons.

(iii) [Reserved]

(iv) The NO_x Ozone Season Group 2 trading budget for 2024 and thereafter is 9,773 tons.

(v) The new unit set-aside for 2024 and thereafter is 290 tons.

(vi) [Reserved]

* * * * *

(18) *Pennsylvania.*

(i) The NO_x Ozone Season Group 2 trading budget for 2017 through 2020 is 17,952 tons.

(ii) The new unit set-aside for 2017 through 2020 is 541 tons.

(iii) [Reserved]

(iv) The NO_x Ozone Season Group 2 trading budget for 2024 and thereafter is 8,373 tons.

(v) The new unit set-aside for 2024 and thereafter is 339 tons.

(vi) [Reserved]

* * * * *

(21) *Virginia.*

(i) The NO_x Ozone Season Group 2 trading budget for 2017 through 2020 is 9,223 tons.

(ii) The new unit set-aside for 2017 through 2020 is 562 tons.

(iii) [Reserved]

(iv) The NO_x Ozone Season Group 2 trading budget for 2024 and thereafter is 3,663 tons.

(v) The new unit set-aside for 2024 and thereafter is 150 tons.

(vi) [Reserved]

* * * * *

(23) *Wisconsin.*

(i) The NO_x Ozone Season Group 2 trading budget for 2017 through 2022 and for 2024 and thereafter is 7,915 tons.

(ii) The new unit set-aside for 2017 through 2022 and for 2024 and thereafter is 151 tons.

(iii) The Indian country new unit set-aside for 2017 through 2022 and for 2024 and thereafter is 8 tons.

(b) The States' variability limits for the State NO_x Ozone Season Group 2 trading budgets for the control periods in the years indicated are as follows:

* * * * *

(4)

(i) The variability limit for Illinois for 2017 through 2020 is 3,066 tons.

(ii) The variability limit for Illinois for 2024 and thereafter is 1,692 tons.

(5)

(i) The variability limit for Indiana for 2017 through 2020 is 4,894 tons.

(ii) The variability limit for Indiana for 2024 and thereafter is 2,008 tons.

* * * * *

(10)

(i) The variability limit for Maryland for 2017 through 2020 is 804 tons.

(ii) The variability limit for Maryland for 2024 and thereafter is 283 tons.

(11)

(i) The variability limit for Michigan for 2017 through 2020 is 3,575 tons.

(ii) The variability limit for Michigan for 2024 and thereafter is 2,055 tons.

* * * * *

(14)

(i) The variability limit for New Jersey for 2017 through 2020 is 433 tons.

(ii) The variability limit for New Jersey for 2024 and thereafter is 263 tons.

(15)

(i) The variability limit for New York for 2017 through 2020 is 1,078 tons.

(ii) The variability limit for New York for 2024 and thereafter is 715 tons.

(16)

(i) The variability limit for Ohio for 2017 through 2020 is 4,100 tons.

(ii) The variability limit for Ohio for 2024 and thereafter is 2,052 tons.

* * * * *

(18)

(i) The variability limit for Pennsylvania for 2017 through 2020 is 3,770 tons.

(ii) The variability limit for Pennsylvania for 2024 and thereafter is 1,758 tons.

* * * * *

(21)

(i) The variability limit for Virginia for 2017 through 2020 is 1,937 tons.

(ii) The variability limit for Virginia for 2024 and thereafter is 769 tons.

* * * * *

(23) The variability limit for Wisconsin for 2017 through 2022 and for 2024 and thereafter is 1,662 tons.

* * * * *

§ 97.811 Timing requirements for CSAPR NO_x Ozone Season Group 2 allowance allocations.

* * * * *

(d) Recall of CSAPR NO_x Ozone Season Original Group 2 allowances allocated for control periods ~~after 2020~~ in 2021 through 2024.

(1) Notwithstanding any other provision of this subpart, part 52 of this chapter, or any SIP revision approved under § 52.38(b) of this chapter, the provisions of this paragraph and paragraphs (d)(2) through (7) of this section shall apply with regard to each CSAPR NO_x Ozone Season Original Group 2 allowance that was allocated for a control period ~~after 2020~~ in 2021 through 2024 to any unit (including a permanently retired unit qualifying for an exemption under § 97.805) in a State listed in § 52.38(b)(2)(ii)(B) of this chapter (and Indian country within the borders of such a State) and that was initially recorded under § 97.821(d) or (e)(1) in the compliance account for the source that includes the unit, whether such CSAPR NO_x Ozone Season Original Group 2 allowance was allocated pursuant to this subpart or pursuant to a SIP revision approved under § 52.38(b) of this chapter and whether such CSAPR NO_x Ozone Season Original Group 2 allowance remains in such compliance account or has been transferred to another Allowance Management System account.

* * * * *

(e) Recall of CSAPR NO_x Ozone Season Original Group 2 allowances allocated for control periods ~~after 2022~~ in 2023 and 2024.

(1) Notwithstanding any other provision of this subpart, part 52 of this chapter, or any SIP revision approved under § 52.38(b) of this chapter, the provisions of this paragraph (e)(1) and paragraphs (e)(2) through (7) of this section shall apply with regard to each CSAPR NO_x Ozone Season Original Group 2 allowance that was allocated for a control period ~~after 2022~~ in 2023 or 2024 to any unit (including a permanently retired unit qualifying for an exemption under § 97.805) in a State listed in § 52.38(b)(2)(ii)(C) of this chapter and not listed in ~~§ 52.38(b)(2)(iii)(D)(2)~~ § 52.38(b)(2)(iii)(D)(2) of this chapter (and Indian country within the borders of such a State) and that was initially recorded under § 97.821(e)(1) in the compliance account for the source that includes the unit, whether such CSAPR NO_x Ozone Season Original Group 2 allowance was allocated pursuant to this subpart or pursuant to a SIP revision approved under § 52.38(b) of this chapter and whether such CSAPR NO_x Ozone Season Original Group 2 allowance remains in such compliance account or has been transferred to another Allowance Management System account.

* * * * *

§ 97.821 Recordation of CSAPR NO_x Ozone Season Group 2 allowance allocations and auction results.

* * * * *

(e)

(1) By July 1, 2020, the Administrator will record in each CSAPR NO_x Ozone Season Group 2 source's compliance account the CSAPR NO_x Ozone Season Original Group 2 allowances allocated to the CSAPR NO_x Ozone Season Group 2 units at the source, or in each appropriate

Allowance Management System account the CSAPR NO_x Ozone Season Original Group 2 allowances auctioned to CSAPR NO_x Ozone Season Group 2 units, in accordance with § 97.811(a), or with a SIP revision approved under § 52.38(b)(8) or (9) of this chapter, for the control periods in 2023 and 2024.

(2) ~~By~~ After the Administrator has carried out the procedures in § 97.811(d), for sources in a State listed in § 52.38(b)(2)(iii)(D)(1) of this chapter (and Indian country within the borders of such a State), by September 5, 2023, or, with regard to sources in West Virginia, as soon as practicable on or after September 29, 2023, the Administrator will record in each CSAPR NO_x Ozone Season Group 2 source's compliance account the CSAPR NO_x Ozone Season Expanded Group 2 allowances allocated to the CSAPR NO_x Ozone Season Group 2 units at the source in accordance with § 97.811(a) for the control periods in 2023 and 2024.

(3) After the Administrator has carried out the procedures in § 97.811(d), for sources in a State listed in § 52.38(b)(2)(iii)(D)(4) of this chapter (and Indian country within the borders of such a State), as soon as practicable on or after [30 DAYS AFTER EFFECTIVE DATE OF FINAL RULE], the Administrator will record in each CSAPR NO_x Ozone Season Group 2 source's compliance account the CSAPR NO_x Ozone Season Expanded Group 2 allowances allocated to the CSAPR NO_x Ozone Season Group 2 units at the source in accordance with § 97.811(a) for the control period in 2024, with the following adjustments:

(i) The quantity of CSAPR NO_x Ozone Season Expanded Group 2 allowances recorded in the compliance account for Gilbert Generating Station (plant ID 2393) will be the quantity allocated in accordance with § 97.811(a) minus 3.

(ii) The quantity of CSAPR NO_x Ozone Season Expanded Group 2 allowances recorded in the compliance account for Warren (plant ID 3132) will be the quantity allocated in accordance with § 97.811(a) plus 3.

(iii) The quantity of CSAPR NO_x Ozone Season Expanded Group 2 allowances recorded in the compliance account for Baldwin Energy Complex (plant ID 889) will be the quantity allocated in accordance with § 97.811(a) minus 50.

(iv) The quantity of CSAPR NO_x Ozone Season Expanded Group 2 allowances recorded in the compliance account for Midland Cogeneration Venture (plant ID 10745) will be the quantity allocated in accordance with § 97.811(a) plus 50.

(v) The quantity of CSAPR NO_x Ozone Season Expanded Group 2 allowances recorded in the compliance account for PEI Power Corporation (plant ID 50279) will be the quantity allocated in accordance with § 97.811(a) minus 8.

(4) After the Administrator has carried out the procedures in § 97.811(e), for sources in a State listed in § 52.38(b)(2)(iii)(D)(5) of this chapter (and Indian country within the borders of such a State), as soon as practicable on or after [30 DAYS AFTER EFFECTIVE DATE OF FINAL RULE], the Administrator will record in each CSAPR NO_x Ozone Season Group 2 source's compliance account the CSAPR NO_x Ozone Season Original Group 2 allowances allocated to the CSAPR NO_x Ozone Season Group 2 units at the source in accordance with § 97.811(a) for the control period in 2024.

(f) By July 1, 2024, or, for sources in a State listed in § 52.38(b)(2)(iii)(D)(4) or (5) of this chapter (and Indian country within the borders of such a State), as soon as practicable on or after [30 DAYS AFTER EFFECTIVE DATE OF FINAL RULE], and by July 1 of each year thereafter, the Administrator will record in each CSAPR NO_x Ozone Season Group 2 source's compliance account the CSAPR NO_x Ozone

Season Group 2 allowances allocated to the CSAPR NO_x Ozone Season Group 2 units at the source, or in each appropriate Allowance Management System account the CSAPR NO_x Ozone Season Group 2 allowances auctioned to CSAPR NO_x Ozone Season Group 2 units, in accordance with § 97.811(a), or with a SIP revision approved under § 52.38(b)(8) or (9) of this chapter, for the control period in the year after the year of the applicable recordation deadline under this paragraph.

* * * * *

§ 97.824 Compliance with CSAPR NO_x Ozone Season Group 2 emissions limitation.

* * * * *

(c) *Selection of CSAPR NO_x Ozone Season Group 2 allowances for deduction —*

* * * * *

(2) *First-in, first-out.*

The Administrator will deduct CSAPR NO_x Ozone Season Group 2 allowances under paragraph (b) or (d) of this section from the source’s compliance account in accordance with a complete request under paragraph (c)(1) of this section or, in the absence of such request or in the case of identification of an insufficient amount of CSAPR NO_x Ozone Season Group 2 allowances in such request, on a first-in, first-out accounting basis in the following order:

(i) Any CSAPR NO_x Ozone Season Group 2 allowances that were recorded in the compliance account pursuant to § 97.821 and not transferred out of the compliance account, in the order of recordation; and then

(ii) Any other CSAPR NO_x Ozone Season Group 2 allowances that were transferred to and recorded in the compliance account pursuant to this subpart or that were recorded in the compliance account pursuant to ~~§ 97.526(d), § 97.826(d), or § 97.1026(e),~~ § 97.526 or § 97.1026, in the order of recordation.

* * * * *

§ 97.826 Banking and conversion.

* * * * *

(b) Any CSAPR NO_x Ozone Season Group 2 allowance that is held in a compliance account or a general account will remain in such account unless and until the CSAPR NO_x Ozone Season Group 2 allowance is deducted or transferred under § 97.811(c), ~~or (d),~~ or (e), § 97.823, § 97.824, § 97.825, § 97.827, or § 97.828 or paragraph (c), (d), or (e) of this section.

* * * * *

(d) Notwithstanding any other provision of this subpart, part 52 of this chapter, or any SIP revision approved under § 52.38(b)(8) or (9) of this chapter:

* * * * *

(3) [Reserved]

~~(i) Except as provided in paragraph (d)(3)(ii) of this section, after the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section, upon any determination that would otherwise result in the initial recordation of a given number of CSAPR NO_x Ozone Season Original Group 2 allowances in the compliance account for a source in a State listed in § 52.38(b)(2)(iii)(A) of this chapter (and Indian country within the~~

~~borders of such a State), the Administrator will not record such CSAPR NO_x Ozone Season Original Group 2 allowances but instead will allocate and record in such account an amount of CSAPR NO_x Ozone Season Group 3 allowances for the control period in 2021 computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Original Group 2 allowances divided by the conversion factor determined under paragraph (d)(1)(i)(D) of this section.~~

~~(ii) After the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section and § 97.1026(e), upon any determination that would otherwise result in the initial recordation of a given number of CSAPR NO_x Ozone Season Original Group 2 allowances in the compliance account for a source in a State listed in § 52.38(b)(2)(ii)(D)(1) of this chapter (and Indian country within the borders of such a State), the Administrator will not record such CSAPR NO_x Ozone Season Original Group 2 allowances but instead will allocate and record in such account an amount of CSAPR NO_x Ozone Season Expanded Group 2 allowances for the control period in 2023 computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Original Group 2 allowances divided by the conversion factor determined under paragraph (d)(1)(i)(D) of this section.~~

(e) Notwithstanding any other provision of this subpart, part 52 of this chapter, or any SIP revision approved under § 52.38(b)(8) or (9) of this chapter:

(1) By September 18, 2023, the Administrator will temporarily suspend acceptance of CSAPR NO_x Ozone Season Group 2 allowance transfers submitted under § 97.822 and, before resuming acceptance of such transfers, will take the following actions with regard to every general account and every compliance account except a compliance account for a CSAPR NO_x Ozone Season Group 2 source in a State listed in § 52.38(b)(2)(ii)(A) or ~~(b)(2)(iii)(D)~~ (b)(2)(iii)(D)(1) through (3) of this chapter (and Indian country within the borders of such a State):

* * * * *

(ii) The Administrator will determine a conversion factor equal to the greater of 1.0000 or the quotient, expressed to four decimal places, of—

(A) The sum of all CSAPR NO_x Ozone Season Original Group 2 allowances deducted from all such accounts under paragraph (e)(1)(i) of this section; divided by

(B) The product of the sum of the ~~variability limits trading budgets~~ for the control period in 2024 under ~~§ 97.1010(e)~~ § 97.1010(a)(1)(i) for all States listed in § 52.38(b)(2)(iii)(B) and (C) of this chapter and not listed in § 52.38(b)(2)(iii)(D)(2) or (3) of this chapter multiplied by 0.21 and further multiplied by a fraction whose numerator is the number of days from August 4, 2023 through September 30, 2023, inclusive, and whose denominator is 153.

* * * * *

~~(2) [Reserved] After the Administrator has carried out the procedures set forth in paragraph (e)(1) of this section, upon any determination that would otherwise result in the initial recordation of a given number of CSAPR NO_x Ozone Season Original Group 2 allowances in the compliance account for a source in a State listed in § 52.38(b)(2)(iii)(B) of this chapter (and Indian country within the borders of such a State), the Administrator will not record such CSAPR NO_x Ozone Season Original Group 2 allowances but instead will allocate and record in such account an amount of CSAPR NO_x Ozone Season Group 3 allowances for the control period in~~

~~2023 computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Original Group 2 allowances divided by the conversion factor determined under paragraph (e)(1)(ii) of this section.~~

(f) Notwithstanding any other provision of this subpart or any SIP revision approved under § 52.38(b)(8) or (9) of this chapter, CSAPR NO_x Ozone Season Expanded Group 2 allowances or CSAPR NO_x Ozone Season Group 3 allowances may be used to satisfy requirements to hold CSAPR NO_x Ozone Season Original Group 2 allowances under this subpart and CSAPR NO_x Ozone Season Group 3 allowances may be used to satisfy requirements to hold CSAPR NO_x Ozone Season Expanded Group 2 allowances under this subpart as follows, provided that nothing in this paragraph (f) alters the time as of which any such allowance holding requirement must be met or limits any consequence of a failure to timely meet any such allowance holding requirement:

(1)

(i) Except as provided in paragraph (f)(1)(ii) of this section, after the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section and before [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a CSAPR NO_x Ozone Season Group 2 source in a State listed in § 52.38(b)(2)(ii)(B) of this chapter (and Indian country within the borders of such a State) may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Original Group 2 allowances for a control period in 2017 through 2020 by holding instead, in a general account established for this sole purpose, an amount of CSAPR NO_x Ozone Season Group 3 allowances for the control period in 2021 (or any later control period for which the allowance transfer deadline defined in § 97.1002 has passed) computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Original Group 2 allowances divided by the conversion factor determined under paragraph (d)(1)(i)(D) of this section.

(ii) After the Administrator has carried out the procedures set forth in paragraph (d)(1) of this section and ~~§ 97.1026(e) § 97.1026(e)(1) and before [EFFECTIVE DATE OF FINAL RULE]~~, the owner or operator of a CSAPR NO_x Ozone Season Group 2 source in a State listed in ~~§ 52.38(b)(2)(ii)(D)(1) § 52.38(b)(2)(iii)(D)(1)~~ of this chapter (and Indian country within the borders of such a State) may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Original Group 2 allowances for a control period in 2017 through 2020 by holding instead, in a general account established for this sole purpose, an amount of CSAPR NO_x Ozone Season Expanded Group 2 allowances for the control period in 2023 (or any later control period for which the allowance transfer deadline defined in § 97.802 has passed) computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season Original Group 2 allowances divided by the conversion factor determined under paragraph (d)(1)(i)(D) of this section.

(2) After the Administrator has carried out the procedures set forth in paragraph (e)(1) of this section and before [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a CSAPR NO_x Ozone Season Group 2 source in a State listed in § 52.38(b)(2)(ii)(C) of this chapter and not listed in ~~§ 52.38(b)(iii)(D)(2) § 52.38(b)(iii)(D)(2)~~ of this chapter (and Indian country within the borders of such a State) may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Original Group 2 allowances for a control period in 2017 through 2022 by holding instead, in a general account established for this sole purpose, an amount of CSAPR NO_x Ozone Season Group 3 allowances for the control period in 2023 (or any later control period for which the allowance transfer deadline defined in § 97.1002 has passed) computed as the quotient, rounded up to the nearest allowance, of such given number of CSAPR NO_x Ozone Season

Original Group 2 allowances divided by the conversion factor determined under paragraph (e)(1)(ii) of this section.

(3) On or after [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a source subject to the requirements of the CSAPR NO_x Ozone Season Group 2 Trading Program for the control period in the current year and required to demonstrate compliance under such program for such control period by holding CSAPR NO_x Ozone Season Expanded Group 2 allowances may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Original Group 2 allowances for the control period in a previous year for which the allowance transfer deadline defined in § 97.802 has passed by holding instead in the source's compliance account an equal number of CSAPR NO_x Ozone Season Expanded Group 2 allowances for the control period in the current year.

(4) On or after [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a source subject to the requirements of the CSAPR NO_x Ozone Season Group 3 Trading Program for the control period in the current year may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Original Group 2 allowances for the control period in a previous year for which the allowance transfer deadline defined in § 97.802 has passed by holding instead in the source's compliance account an equal number of CSAPR NO_x Ozone Season Group 3 allowances for the control period in the current year.

(5) On or after [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a source subject to the requirements of the CSAPR NO_x Ozone Season Group 3 Trading Program for the control period in the current year may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Expanded Group 2 allowances for the control period in a previous year for which the allowance transfer deadline defined in § 97.802 has passed by holding instead in the source's compliance account an equal number of CSAPR NO_x Ozone Season Group 3 allowances for the control period in the current year.

§ 97.830 General monitoring, recordkeeping, and reporting requirements.

* * * * *

(b) Compliance deadlines.

Except as provided in paragraph (e) of this section, the owner or operator of a CSAPR NO_x Ozone Season Group 2 unit shall meet the monitoring system certification and other requirements of paragraphs (a)(1) and (2) of this section on or before the latest of the following dates and shall record, report, and quality-assure the data from the monitoring systems under paragraph (a)(1) of this section on and after the latest of the following dates:

(1)

(i) May 1, 2017, for a unit other than a unit described in paragraph (b)(1)(ii) or (iii) of this section;

(ii) May 1, 2023, for a unit in a State listed in § 52.38(b)(2)(iii)(D)(1) of this chapter (and Indian country within the borders of such a State) that did not commence commercial operation at least 180 calendar days before September 30, 2020 and that is located in a State listed in § 52.38(b)(2)(ii)(D)(1) of this chapter (and Indian country within the borders of such a State);

(iii) May 1, 2024, for a unit in a State listed in § 52.38(b)(2)(iii)(D)(4) of this chapter (and Indian country within the borders of such a State) that did not commence commercial

operation at least 180 calendar days before September 30, 2020, or a unit in a State listed in § 52.38(b)(2)(iii)(D)(5) of this chapter (and Indian country within the borders of such a State) that did not commence commercial operation at least 180 calendar days before September 30, 2022;

(2) 180 calendar days after the date on which the unit commences commercial operation; or

(3) Where data for the unit are reported on a control period basis under § 97.834(d)(1)(ii)(B), and where the compliance date under paragraph (b)(2) of this section is not in a month from May through September, May 1 immediately after the compliance date under paragraph (b)(2) of this section.

* * * * *

§ 97.834 Recordkeeping and reporting.

* * * * *

(d) Quarterly reports.

The designated representative shall submit quarterly reports, as follows:

* * * * *

(2) The designated representative shall report the NO_x mass emissions data and heat input data for a CSAPR NO_x Ozone Season Group 2 unit, in an electronic quarterly report in a format prescribed by the Administrator, for each calendar quarter indicated under paragraph (d)(1) of this section beginning by the latest of:

(i)

(A) The calendar quarter covering May 1, 2017, through June 30, 2017, for a unit other than a unit described in paragraph (d)(2)(i)(B) or (C) of this section;

(B) The calendar quarter covering May 1, 2023, through June 30, 2023, for a unit in a State listed in § 52.38(b)(2)(iii)(D)(1) of this chapter (and Indian country within the borders of such a State) that did not commence commercial operation at least 180 calendar days before September 30, 2020 ~~and that is located in a State listed in § 52.38(b)(2)(ii)(D)(1) of this chapter (and Indian country within the borders of such a State);~~

(C) The calendar quarter covering May 1, 2024, through June 30, 2024, for a unit in a State listed in § 52.38(b)(2)(iii)(D)(4) of this chapter (and Indian country within the borders of such a State) that did not commence commercial operation at least 180 calendar days before September 30, 2020, or a unit in a State listed in § 52.38(b)(2)(iii)(D)(5) of this chapter (and Indian country within the borders of such a State) that did not commence commercial operation at least 180 calendar days before September 30, 2022;

(ii) The calendar quarter corresponding to the earlier of the date of provisional certification or the applicable deadline for initial certification under § 97.830(b); or

(iii) For a unit that reports on a control period basis under paragraph (d)(1)(ii)(B) of this section, if the calendar quarter under paragraph (d)(2)(ii) of this section does not include a month from May through September, the calendar quarter covering May 1

through June 30 immediately after the calendar quarter under paragraph (d)(2)(ii) of this section.

* * * * *

Subpart GGGGG—CSAPR NO_x Ozone Season Group 3 Trading Program

§ 97.1002 Definitions.

* * * * *

Allocate or allocation means, with regard to CSAPR NO_x Ozone Season Group 3 allowances, the determination by the Administrator, State, or permitting authority, in accordance with this subpart, ~~§§ 97.526(d) and 97.826(d) and (e)~~, § 97.826, and any SIP revision submitted by the State and approved by the Administrator under § 52.38(b)(10), (11), or (12) of this chapter, of the amount of such CSAPR NO_x Ozone Season Group 3 allowances to be initially credited, at no cost to the recipient, to:

- (1) A CSAPR NO_x Ozone Season Group 3 unit;
- (2) A new unit set-aside;
- (3) An Indian country new unit set-aside;
- (4) An Indian country existing unit set-aside; or
- (5) An entity not listed in paragraphs (1) through (4) of this definition;
- (6) Provided that, if the Administrator, State, or permitting authority initially credits, to a CSAPR NO_x Ozone Season Group 3 unit qualifying for an initial credit, a credit in the amount of zero CSAPR NO_x Ozone Season Group 3 allowances, the CSAPR NO_x Ozone Season Group 3 unit will be treated as being allocated an amount (*i.e.*, zero) of CSAPR NO_x Ozone Season Group 3 allowances.

* * * * *

Common designated representative's assurance level means, with regard to a specific common designated representative and a State (and Indian country within the borders of such State) and control period in a given year for which the State assurance level is exceeded as described in § 97.1006(c)(2)(iii):

- (1) The amount (rounded to the nearest allowance) equal to the sum of the total amount of CSAPR NO_x Ozone Season Group 3 allowances allocated for such control period to the group of one or more CSAPR NO_x Ozone Season Group 3 units in such State (and such Indian country) having the common designated representative for such control period and the total amount of CSAPR NO_x Ozone Season Group 3 allowances purchased by an owner or operator of such CSAPR NO_x Ozone Season Group 3 units in an auction for such control period and submitted by the State or the permitting authority to the Administrator for recordation in the compliance accounts for such CSAPR NO_x Ozone Season Group 3 units in accordance with the CSAPR NO_x Ozone Season Group 3 allowance auction provisions in a SIP revision approved by the Administrator under § 52.38(b)(11) or (12) of this chapter, multiplied by the sum of the State NO_x Ozone Season Group 3 trading budget under § 97.1010(a) and the State's variability limit under § 97.1010(e) for such control period, and divided by such State NO_x Ozone Season Group 3 trading budget;

(2) Provided that the allocations of CSAPR NO_x Ozone Season Group 3 allowances for any control period taken into account for purposes of this definition shall exclude any CSAPR NO_x Ozone Season Group 3 allowances allocated for such control period under ~~§ 97.526(d) or § 97.826(d) or (e) § 97.826.~~

* * * * *

CSAPR NO_x Ozone Season Expanded Group 2 allowance means a CSAPR NO_x Ozone Season Group 2 allowance allocated for a control period after 2022 under subpart EEEEE of this part, ~~§ 97.526(d), or § 97.1026(e) or § 97.1026(e)(1)(ii) or (e)(2)(ii)~~ to a unit in a State listed in § 52.38(b)(2)(ii)(D)(1) of this chapter (and Indian country within the borders of such a State) or allocated or auctioned for a control period after 2022 in accordance with the provisions of a SIP revision approved after [EFFECTIVE DATE OF FINAL RULE] for such a State by the Administrator under § 52.38(b)(7), (8), or (9) of this chapter.

* * * * *

CSAPR NO_x Ozone Season Group 2 allowance means a limited authorization issued and allocated or auctioned by the Administrator under subpart EEEEE of this part, ~~§ 97.526(d), or § 97.1026(e), § 97.526, or § 97.1026,~~ or by a State or permitting authority under a SIP revision approved by the Administrator under § 52.38(b)(7), (8), or (9) of this chapter, to emit one ton of NO_x during a control period of the specified calendar year for which the authorization is allocated or auctioned or of any calendar year thereafter under the CSAPR NO_x Ozone Season Group 2 Trading Program, where each CSAPR NO_x Ozone Season Group 2 allowance is either a CSAPR NO_x Ozone Season Original Group 2 allowance or a CSAPR NO_x Ozone Season Expanded Group 2 allowance.

* * * * *

CSAPR NO_x Ozone Season Group 3 allowance means a limited authorization issued and allocated or auctioned by the Administrator under this subpart, ~~§ 97.526(d), or § 97.826(d) or (e) or § 97.826,~~ or by a State or permitting authority under a SIP revision approved by the Administrator under § 52.38(b)(10), (11), or (12) of this chapter, to emit one ton or less of NO_x during a control period of the specified calendar year for which the authorization is allocated or auctioned or of any calendar year thereafter under the CSAPR NO_x Ozone Season Group 3 Trading Program.

* * * * *

§ 97.1011 CSAPR NO_x Ozone Season Group 3 allowance allocations to existing units.

* * * * *

(d) Recall of CSAPR NO_x Ozone Season Group 3 allowances allocated for the control period in 2024.

As soon as practicable on or after [15 DAYS AFTER EFFECTIVE DATE OF FINAL RULE], the Administrator will deduct from every general account and compliance account all CSAPR NO_x Ozone Season Group 3 allowances allocated for the control period in 2024 and will record the deductions in each such account.

§ 97.1024 Compliance with CSAPR NO_x Ozone Season Group 3 primary emissions limitation; backstop daily NO_x emissions rate.

* * * * *

(c) *Selection of CSAPR NO_x Ozone Season Group 3 allowances for deduction —*

* * * * *

(2) *First-in, first-out.*

The Administrator will deduct CSAPR NO_x Ozone Season Group 3 allowances under paragraph (b) or (d) of this section from the source's compliance account in accordance with a complete request under paragraph (c)(1) of this section or, in the absence of such request or in the case of identification of an insufficient amount of CSAPR NO_x Ozone Season Group 3 allowances in such request, on a first-in, first-out accounting basis in the following order:

(i) Any CSAPR NO_x Ozone Season Group 3 allowances that were recorded in the compliance account pursuant to § 97.1021 and not transferred out of the compliance account, in the order of recordation; and then

(ii) Any other CSAPR NO_x Ozone Season Group 3 allowances that were transferred to and recorded in the compliance account pursuant to this subpart or that were recorded in the compliance account pursuant to ~~§ 97.526(d) or § 97.826(d) or (e)~~, § 97.826, in the order of recordation.

* * * * *

§ 97.1026 Banking and conversion; bank recalibration.

* * * * *

(b) Any CSAPR NO_x Ozone Season Group 3 allowance that is held in a compliance account or a general account will remain in such account unless and until the CSAPR NO_x Ozone Season Group 3 allowance is deducted or transferred under § 97.1011(c) or (d), § 97.1012(c), § 97.1023, § 97.1024, § 97.1025, § 97.1027, or § 97.1028 or paragraph (c) ~~or (d)~~, or (e) of this section.

* * * * *

(e)

(1) Notwithstanding any other provision of this subpart, by September 18, 2023, or, with regard to sources in West Virginia, as soon as practicable on or after September 29, 2023, the Administrator will temporarily suspend acceptance of CSAPR NO_x Ozone Season Group 3 allowance transfers submitted under § 97.1022 and, before resuming acceptance of such transfers, will take the actions in paragraphs ~~(e)(1) and (2)~~ (e)(1)(i) and (ii) of this section with regard to every compliance account for a CSAPR NO_x Ozone Season Group 3 source in a State listed in ~~§ 52.38(b)(2)(ii)(D)(1)~~ § 52.38(b)(2)(iii)(D)(1) of this chapter (and Indian country within the borders of such a State):

(i) (1) The Administrator will deduct all CSAPR NO_x Ozone Season Group 3 allowances allocated for the control periods in 2021 and 2022 from each such compliance account.

(ii) (2) For each CSAPR NO_x Ozone Season Group 3 allowance deducted from a given source's compliance account under paragraph ~~(e)(1)~~ (e)(1)(i) of this section, the Administrator will allocate to the source and record in the source's compliance account one CSAPR NO_x Ozone Season Expanded Group 2 allowance for the control period in 2023.

(2) Notwithstanding any other provision of this subpart, as soon as practicable on or after [45 DAYS AFTER EFFECTIVE DATE OF FINAL RULE], the Administrator will temporarily suspend acceptance of CSAPR NO_x Ozone Season Group 3 allowance transfers submitted under § 97.1022 and, before resuming acceptance of such transfers, will take the actions in paragraphs (e)(2)(i) through (iii) of this section with regard to every compliance account for a source in a

state listed in § 52.38(b)(2)(iii)(D)(4) or (5) of this chapter (and Indian country within the borders of such a State):

(i) The Administrator will deduct all CSAPR NO_x Ozone Season Group 3 allowances allocated for the control periods in 2021 through 2023 from each such compliance account.

(ii) For each CSAPR NO_x Ozone Season Group 3 allowance deducted from the compliance account for a source in a State listed in § 52.38(b)(2)(iii)(D)(4) of this chapter (and Indian country within the borders of such a State) under paragraph (e)(2)(i) of this section, the Administrator will allocate and record in the account one CSAPR NO_x Ozone Season Expanded Group 2 allowance for the control period in 2024.

(iii) For each CSAPR NO_x Ozone Season Group 3 allowance deducted from the compliance account for a source in a State listed in § 52.38(b)(2)(iii)(D)(5) of this chapter (and Indian country within the borders of such a State) under paragraph (e)(2)(i) of this section, the Administrator will allocate and record in the account one CSAPR NO_x Ozone Season Original Group 2 allowance for the control period in 2024.

(f) Notwithstanding any other provision of this subpart, CSAPR NO_x Ozone Season Original Group 2 allowances or CSAPR NO_x Ozone Season Expanded Group 2 allowances may be used to satisfy requirements to hold CSAPR NO_x Ozone Season Group 3 allowances under this subpart as follows, provided that nothing in this paragraph (f) alters the time as of which any such allowance holding requirement must be met or limits any consequence of a failure to timely meet any such allowance holding requirement:

(1) After the Administrator has carried out the procedures set forth in paragraph ~~(e)-(e)(1)~~ of this section and before [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a CSAPR NO_x Ozone Season Group 3 source in a State listed in ~~§ 52.38(b)(2)(iii)(D)(4)~~ § 52.38(b)(2)(iii)(D)(1) of this chapter (and Indian country within the borders of such a State) may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Group 3 allowances for the control period in 2021 or 2022 by holding instead, in a general account established for this sole purpose, an equal amount of CSAPR NO_x Ozone Season Expanded Group 2 allowances for the control period in 2023 (or any later control period for which the allowance transfer deadline defined in § 97.802 has passed).

(2) ~~[Reserved]~~ On or after [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a source subject to the requirements of the CSAPR NO_x Ozone Season Group 2 Trading Program for the control period in the current year and required to demonstrate compliance under such program for such control period by holding CSAPR NO_x Ozone Season Original Group 2 allowances may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Group 3 allowances for the control period in a previous year for which the allowance transfer deadline defined in § 97.1002 has passed by holding instead in the source's compliance account an equal number of CSAPR NO_x Ozone Season Original Group 2 allowances for the control period in the current year.

(3) On or after [EFFECTIVE DATE OF FINAL RULE], the owner or operator of a source subject to the requirements of the CSAPR NO_x Ozone Season Group 2 Trading Program for the control period in the current year and required to demonstrate compliance under such program for such control period by holding CSAPR NO_x Ozone Season Expanded Group 2 allowances may satisfy a requirement to hold a given number of CSAPR NO_x Ozone Season Group 3 allowances for the control period in a previous year for which the allowance transfer deadline defined in § 97.1002 has passed by holding instead in the source's compliance account an equal number of

CSAPR NO_x Ozone Season Expanded Group 2 allowances for the control period in the current year.