



## Instructions For Form ERC-2 Application For Use Of Emission Reduction Credits North Carolina Division Of Air Quality

This form is for use by credit holders that are planning to withdraw registered emission reduction credits (ERCs) for use as offsets, as part of a netting demonstration, to remove a permit condition that created ERCs, etc. Refer to the state regulations, 15A NCAC 2D Section .2300 Banking Emission Reduction Credits, or to the Permits Section on the Division's web page at <http://daq.state.nc.us/> for more detailed information on the use of emission reduction credits. Please complete a separate application for each certificate form which emission reduction credits are being withdrawn.

### **I. Facility Requesting Use of Emission Reduction Credits (ERCs) Information**

This section provides information to identify the facility that generated the emission reduction. Complete this section for all applications.

- A. Owner's Name: The full business name of the facility as registered with the NC Secretary of State's office and the owner's name that generated the emission reduction.
- B. Site Name: The name of the plant or facility that generated the emission reduction. If the facility operates under a different name than the owner name, enter it in this space.
- C. Site Address: The 911 street address (physical location) of the plant or facility that generated the emission reduction, not the corporate mailing address. Where the Division Of Air Quality (DAQ) would go to inspect the facility.
- D. City: The city in which the plant or facility that generated the emission reduction is located.
- E. State: North Carolina already entered.
- F. Zip Code: The postal zip code for the plant or facility that generated the emission reduction.
- G. County: The county in which the plant or facility that generated the emission reduction is located.
- H. Facility ID No. The unique identification number assigned to the facility by the DAQ. This number is located on the first page of the air permit. The facility ID No. should reflect the facility that generated the emission reduction.
- I. Current ERC Certification No: The number of the first, or original, ERC certificate that was issued for the emission reduction. This number will be referenced on the current ERCs certificate. If no credits have been traded or used since the original certificate was issued, then the original and current certificate numbers should be the same.
- J. Date Issued The date on which the original ERCs certificate was issued. This date should be referenced on the current ERCs certificate.

### **II. Owner's Information (if different from site)**

Complete this section if the holder or owner of the ERCs is other than the facility that generated the emission reduction.



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- A. Owner's Name: The full business name of the facility as registered with the NC Secretary of State's office and the owner's name that generated the emission reduction.
- B. Mailing Address: Address where the owner may be contacted by mail.
- C. City: The city corresponding to the owners mailing address.
- D. State: The state corresponding to the owners mailing address.
- E. Zip Code: The postal zip code corresponding to the owners mailing address.

**III. Technical Contact Information**

Use this section to provide information for the principal contact for questions regarding the validation of the emission reduction credit(s) during the Division's review of the application. This person should be able to answer technical questions pertaining to the emission reduction. Complete this section for all applications.

- A. Contact Name: Name of the principal contact for questions regarding the validation of the emission reduction credit(s).
- B. Title: Official title of the principal contact listed above.
- C. Facility: Facility or firm employing the principal contact.
- D. Telephone: Telephone number for the principal contact.
- E. Fax: Facsimile number for the principal contact.
- F. Mailing Address: Address where the principal contact may be contacted by mail.
- G. City: The city corresponding to the principal contact's mailing address.
- H. State: The state corresponding to the principal contact's mailing address.
- I. Zip Code: The postal zip code corresponding to the principal contact's mailing address.

**IV. Contact for Sale of Emission Reduction Credits (if different from last ERCs Certification)**

Use this section to provide information for the principal contact for questions regarding the transfer or sale of the ERCs. This person will be contacted by facilities interested in purchasing the ERCs for use as offsets. Complete this section for all applications.

- A. Contact Name: Name of the principal contact for questions regarding the transfer or sale of the ERCs.
- B. Title: Official title of the principal contact listed above.
- C. Facility: Facility or firm employing the principal contact.



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- D. Telephone: Telephone number for the principal contact.
- E. Fax: Facsimile number for the principal contact.
- F. Mailing Address: Street address or P.O. Box number where the principal contact may be contacted by mail.
- G. Email: List email address if you would like to be contacted by email.
- H. City: The city corresponding to the principal contact's mailing address.
- I. State: The state corresponding to the principal contact's mailing address.
- J. Zip Code: The postal zip code corresponding to the principal contact's mailing address.

**V. Proposed Use of Emission Reduction Credits**

Use this section to identify the proposed use for the emission reduction credits that are being withdrawn from the bank. Check only one box.

- A. Check this box if the ERCs are being used or withdrawn by the owner of the certificate of ERCs.
- B. Check this box if the ERCs are to be used as offsets under nonattainment NSR permitting (as required by 15A NCAC 2D .0531).
- C. Check this box if the ERCs are to be used as creditable reductions, in a netting demonstration to avoid nonattainment New Source Review (15A NCAC 2D .0531) or PSD permitting requirements (15A NCAC 2D .0530).
- D. Check this box if the ERCs are to be used to remove a permit condition or limitation that created the ERCs.
- E. Check this box if the ERCs are to be withdrawn from the bank and permanently retired, e.g., as part of a supplemental environmental project required in a consent order.
- F. Check this box if the ERCs are to be used for any other reason and describe the reason in detail

**VI. Construction Application, Consent Order, And Permit Numbers Pertaining To Use Of ERCs**

Please provide information to identify any construction or operating applications permits or consent orders that are related to the use of emission reduction credits.

- A. If the ERCs are to be used as offsets or creditable reductions relating to a plant construction or modification, please provide the corresponding construction permit application number in this space.
- B. If the ERCs are to be used as offsets or creditable reductions relating to a plant construction or modification and the construction permit or permit amendment has already been issued, please provide the corresponding permit number in this space.
- C. If a construction permit number was provided in Item B, please provide the effective date of the construction permit or amendment in this space.
- D. If the ERCs are to be withdrawn from the bank and permanently retired as part of a supplemental environmental project required by a consent order, please provide the consent order number in this space.
- E. If a consent order number was provided in Item D, please provide the date on which the order was executed in this space.



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### **V11. Amount of Emission Reduction Credits Required**

In the case where emission reduction credits are being withdrawn and used as offsets or creditable reductions, use this section to provide detailed information on the emission increases and amount of offsets or creditable reductions required.

- Column 1 List in this column all of the new or modified sources that are generating the increase in emissions for which offsets or creditable reductions are needed.
- Column 2 Identify the criteria pollutant for which offsets or creditable reductions are needed.
- Column 3 For existing units undergoing modifications, list the Baseline Emissions, which are usually equal to the average annual emissions for the 24-month period immediately preceding the modification, in units of tons per year. For a new source, the baseline emissions are zero.
- Column 4 Provide the potential or allowable emissions for the new or modified emissions source, in units of tons per year.
- Column 5 The Permitted Increase, in units of tons per year, is equal to the future potential or allowable emissions minus the baseline emissions.
- Column 6 The Offset Ratio refers to the appropriate ratio of emission reduction credits to increased emissions per the rules.
- Column 7 The quantity of emission reduction credits required, in units of tons per year, is equal to the Permitted Increase multiplied by the Offset Ratio.

### **VIII. Amount of ERCs to Be Withdrawn from the Bank and Used**

Indicate the total amount of ERCs, in units of tons per year, to be withdrawn from the certificate and used as offsets or as creditable reductions, or to be retired. If this quantity is less than the total amount of credits remaining in the certificate, a new certificate will be issued for the balance.

### **IX. Certification by Responsible Official**

This application to withdraw and use emission reduction credits must be signed by an authorized representative of the facility that currently holds the ERCs certificate. If the current holder is also the generator of the emission reduction, and if this facility is a major source subject to the federal Title V operating permit program, then the signatory must meet the regulatory criteria for "Responsible Officials" listed in 40 CFR Part 70.2 (definition of "Responsible Official"). If the facility is a non-Title V facility, then preferably an officer or company official as defined in 15A NCAC 2Q .0304. Please provide the name, title and signature of the facility's authorized representative or Responsible Official and the date on which the application was signed.