For the purposes of this Section, the following definitions shall apply:

(1) "Air permit" means a construction and operation permit issued under 15A NCAC 02Q .0300, Construction and Operation Permits, or .0500, Title V Procedures.

(2) "Banking" means a system for recording emission reduction credits so that they may be used or transferred in the future.

(3) "Enforceable" means enforceable by the Division. Methods for ensuring that emission reduction credits are enforceable include conditions in air permits issued.

(4) "Federally designated ozone nonattainment area in North Carolina" means an area designated as nonattainment for ozone and described in 40 CFR 81.334.

(5) "Federally designated fine particulate (PM2.5) nonattainment area in North Carolina" means an area designated as nonattainment for fine particulate (PM2.5) and described in 40 CFR 81.334.

(6) "Netting Demonstration" means the act of calculating a "net emissions increase" under the preconstruction review requirements of Title I, Part D of the Federal Clean Air Act and the regulations promulgated there under in 15A NCAC 02D .0530, Prevention of Significant Deterioration, or .0531, Sources in Nonattainment Area.

(7) "Permanent" means assured for the life of the corresponding emission reduction credit through an enforceable mechanism such as a permit condition or revocation.

(8) "Quantifiable" means that the amount, rate, and characteristics of the emission reduction credit can be estimated through a reliable, reproducible method.

(9) "Real" means a reduction in actual emissions emitted into the air.

(10) "Surplus" means not required by any local, State, or federal law, rule, order, or requirement and in excess of reductions used by the Division in issuing any air permit, in excess of any conditions in an air permit to avoid an otherwise applicable requirement, or to demonstrate attainment of ambient air quality standards in 15A NCAC 02D .0400 or reasonable further progress towards achieving attainment of ambient air quality standards. For the purpose of determining the amount of surplus emission reductions, any seasonal emission limitation or standard shall be assumed to apply throughout the year. The following are not considered surplus:

(a) emission reductions that have previously been used to avoid 15A NCAC 02D .0530 or .0531 (new source review) through a netting demonstration;

(b) Emission reductions in hazardous air pollutants listed pursuant to Section 112(b) of the federal Clean Air Act to the extent needed to comply with 15A NCAC 02D .1109, .1111, or .1112; however, emission reductions in hazardous air pollutants that are also volatile organic compounds beyond that necessary to comply with 15A NCAC 02D .1109, .1111, or .1112 are surplus; or

(c) emission reductions used to offset excess emissions from another source as part of an alternative mix of controls ("bubble") demonstration under 15A NCAC 02D .0501.

History Note: Authority G.S. 143-215.3(a)(1); 143-215.107(a)(12); Eff. December 1, 2005.