

**Agenda for Ask CAMD Session on Allowances, Compliance, and Auctions
Wednesday, February 22, 2023 – 2:00 to 3:00 pm Eastern**

[Watch the Recorded Presentation](#)

Key resources: [Clean Air Markets Homepage](#), [Doing Business with CAMD](#), and [CAMD Business System Tutorial](#). Find all Ask CAMD notes from this and previous sessions by visiting the [ECMPS Support Site](#).

Please note: This session will **not** address the proposed Good Neighbor Plan (GNP) published on April 6, 2022. EPA is currently at work on the final rule and intends to take final action by March 15, 2023. CAMD will hold an Ask CAMD webinar on the GNP soon after issuing the final rule. For more information on the proposed rulemaking, see the [GNP webpage](#).

I. Welcome – Jason Kuhns, Acting Supervisor of the Market Operations Branch

II. Allowances – Andrew Reighart

Under the Acid Rain Program (ARP), one allowance is equivalent to one ton of SO₂ during a given year or any subsequent year. Under the Cross-State Air Pollution Rule (CSAPR) trading programs and the TX SO₂ trading program, there are annual NO_x and SO₂ allowances, as well as seasonal NO_x allowances, which follow the same pattern. Allowances are fully marketable commodities. Once allocated, allowances may be bought, sold, traded, or banked for use in future years. To learn more about allowances, click [HERE](#).

- a. Demonstration of Allowance Transfer and Account Balance Report Modules
- b. Q&A

III. Auctions – Bryan Ramirez

Title IV of the Clean Air Act Amendments mandates that EPA hold or sponsor yearly ARP auctions of allowances for a small portion of the total allowances allocated each year. The auctions, which take place at the end of March each year, ensure that new units have a public source of allowances beyond those allocated initially to existing units. To learn more, click [HERE](#).

- a. Demonstration of Auction Module
- b. Demonstration of Pay.Gov
- c. Q&A

IV. Compliance – Garrett Powers

By the allowance transfer deadline following the end of each year or ozone season, a source must hold an amount of allowances at least equal to its emissions that occurred during that year or ozone season. For example, a source subject to the Acid Rain Program that emits 5,000 tons of SO₂ must hold at least 5,000 Acid Rain Program SO₂ allowances that are usable in that year. Under the Acid Rain Program, the allowance transfer deadline is 60 days after the end of that year (March 1 in most years and February 29 in leap years). The allowance transfer deadline for all CSAPR programs and the TX SO₂ program is June 1 after the end of that year. Regardless of how many allowances a source holds, however, it is never entitled to exceed the limits set under Title I of the Act to protect public health.

- a. Demonstration of Compliance and Specified Deduction Modules
- b. Q&A

V. Final Q&A