



Letter of Credit (2008) EPA Allowance Auctions

Date _____

U. S. Environmental Protection Agency
Acid Rain Program (6204J)
Attn: EPA Auctions (Kenon Smith)
1310 L Street, NW.
2nd Floor
Washington, DC 20005

Re: _____ (our "Client").

By order of our Client, we hereby open in favor of the U.S. Environmental Protection Agency (EPA) our irrevocable standby Letter of Credit Number _____, for an amount not to exceed in the aggregate _____, U.S. dollars (\$_____). This letter of credit is effective beginning at Noon EDT on March 25, 2008, upon notice either by facsimile or telephone from a representative of the EPA that our client was a winning bidder in the EPA auctions (to be held on March 25, 2008) and has failed to submit full payment for allowances won by our client within two business days of receiving notice of the auction results (to be given on March 25, 2008). This letter of Credit expires at our office at _____

upon close of business on April 10, 2008.

Funds hereunder are available to the U.S. EPA by wire payment upon presentation by a representative of the EPA of a demand on us of a signed statement (with blanks filled in) stating:

This drawing of U.S. \$_____ is due the U.S. EPA under your Letter of Credit No. _____ dated _____.

Upon receipt of your demand by hand, mail, or express mail, at our office at the above address on or before our close of business on the expiration date specified above, we will honor the demand and make payment by funds transfer no later than our close of business on the following business day through the Federal Reserve Communications system to the U.S. Treasury (RTN No. 021030004), Transaction Type 10, EPA Account: TREAS NYC/(68011233)EPA. The third party or addendum information shall state our client's name and make reference to the EPA Allowance Auctions. The funds transfer shall be formatted in accordance with prescribed U.S. Treasury requirements. This Letter of Credit is subject to the Uniform Custom and Practice for Documentary Credits (1993 revision), International Chamber of Commerce Publication No. 500.

Address all communications regarding this Letter of Credit to the following individual, making specific reference to the Letter of Credit number indicated above:

Name _____
Phone # _____ Fax # _____

Very truly yours,

Issuing Bank: _____
Authorized Signature: _____

(Typed Name and Title)



Acid Rain Program

Instructions for Letter of Credit Form (2008)

EPA Allowance Auctions (40 CFR 73.70-73.71)

This Letter of Credit form may only be signed ("issued") by a bank that maintains an account with any Federal Reserve Bank or Branch ("Fed") and is a participant in the Fed's FEDWIRE funds transfer system. The issuing bank may not alter or add to this form in any way, but may photocopy the form onto its own stationery if so desired. By signing this EPA Letter of Credit form, the issuing bank guarantees that EPA will receive full payment for allowances awarded at the allowance auctions in the event that the bank's client is a winning bidder and fails to pay for the allowances in the required time.

A winning bidder that has submitted this EPA Letter of Credit form must submit payment by funds transfer or certified check no later than two business days after receiving notice of the auction results. Make certified checks payable to "U.S. EPA" and send to the EPA at the address listed in the submission instructions below. Send funds transfers to the U.S. Treasury, RTN No. 021030004, transaction type 10, for credit to EPA's account: TREAS NYC/(68011233) EPA. Be sure to include your company name and make reference to the EPA Allowance Auctions on the funds transfer.

If you need assistance, call Kenon Smith at (202) 343-9164.

Paragraph 1 The Client Name should be the name of the bidder. After the word "aggregate," spell out the dollar amount of the letter of credit; in the next blank, enter the dollar amount in numerals. Enter the complete address of the issuing bank.

Paragraph 2 Do not fill in the blanks of the drawing statement. It is provided as an example.

Paragraph 4 Enter the name, phone number and facsimile number of the person who should receive all communications regarding the Letter of Credit, including demand for payment.

Submission Instructions

Send the completed Letter of Credit form along with the Bid form to the following address. EPA must receive this form no later than 4:00pm Eastern Daylight Time March 19, 2008. Mail the completed forms to the following address. (Do not send via regular or certified mail - the United States Postal Service will not deliver to this address.)

Overnight mail (FedEx, UPS, DHL, etc.):

U.S. Environmental Protection Agency
Acid Rain Program (6204J)
Attention: Kenon Smith, 2nd Floor
1310 L Street, NW.
Washington, DC 20005

Or Fax the Form to Kenon Smith at 202-343-2381.

If you fax the Form, call Kenon Smith at 202-343-9164 to confirm the fax was received.

Paperwork Burden Estimate

The public reporting and recordkeeping burden for this collection of information is estimated to average 5 hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. **Do not send the completed form to this address.**