

06/29/01

FACT SHEET

PRELIMINARY OPEN MARKET TRADING EMISSION QUANTIFICATION STATIONARY SOURCE TECHNICAL GUIDANCE

TODAY'S ACTION

- Ž The Environmental Protection Agency (EPA) is today releasing preliminary technical guidance for quantifying emissions from stationary sources for an open market trading program.
- Ž EPA prepared this technical guidance document to assist tribal, state, and local air pollution control agency staff who must evaluate quantification protocols for trading oxides of nitrogen (NO_x) and volatile organic compounds (VOC). Additionally, this guidance will assist owners and operators of emission sources in evaluating, selecting and implementing quantification options for stationary source emissions.
- Ž This guidance is intended to be a living document and may be revised periodically without public notice; however, EPA is interested in receiving public comment on this preliminary document. The Agency will carefully consider all comments it receives before taking action.

BACKGROUND

- Ž The Clean Air Act requires EPA to set National Ambient Air Quality Standards for six major pollutants considered harmful to public health and the environment. These pollutants are ozone, particulate matter, nitrogen oxides, carbon monoxide, sulfur dioxide, and lead.
- Ž In January 2001, EPA issued a guidance document, "Improving Air Quality with Economic Incentive Programs" that outlines the Agency's policy on developing Economic Incentive Programs (EIPs) and presents guidance that tribal, state and local governments may use to develop open market trading rules and other EIPs.
- Ž EPA developed the EIP guidance as an additional means by which tribal, state and local governments can maintain clean air that meet the National Ambient Air Quality Standards. The EIP uses market-based strategies to encourage people to reduce emissions of air pollutants in the most cost effective manner.
- Ž To supplement the guidance document for EIPs, the stationary source technical guidance document issued today will provide assistance to air quality agencies developing open market trading rules designed to achieve Clean Air Act requirements in more economically efficient ways than traditional command and control approaches.

- Ž The guidance issued today currently only focuses on VOCs and NO_x emissions for OMTRs but may be expanded in the future to include other pollutants and EIP programs.

WHAT THE GUIDANCE CONTAINS

- Ž This guidance presents minimum quantification criteria as well as other quantification considerations for the generation and use of credits for general open market trading programs. Because of the virtually unlimited variation in site-specific conditions at emission sources, this document cannot address every possible emission trading situation.
- Ž The guidance document discusses the established methods currently used for measuring NO_x and VOC and various emission quantification techniques that can be used to estimate emission rates and activity levels.
- Ž Today's guidance document provides generic emissions quantification protocol outlines and completeness checklists. It also provides guidance on monitoring and measurement methods for NO_x and VOC and describes statistical methods that relate to designing quantification protocols and accounting for uncertainty in quantification.

WHO WILL BE AFFECTED BY THE PRELIMINARY GUIDANCE DOCUMENT?

- Ž Today's action will affect tribal, state, and local air pollution control agencies implementing open market trading programs. It will also affect owners and operators who participate in these programs. The document does not impose binding, enforceable requirements on tribal, state, or local regulators or the regulated community.

FOR MORE INFORMATION ...

- Ž Interested parties can download the Preliminary Open market Trading Emission Quantification Stationary Source Technical Guidance from EPA's website on the Internet under the following address:
<http://www.epa.gov/ttn/emc> or <http://www.epa.gov/ttn/oaqps>.
- Ž For further information about the guidance document, contact Candace Sorrell at EPA's Office of Air Quality Planning and Standards at (919)541-1064.