

Table 11.4 – Origin of 2004 Allowable SO₂ Emissions Levels

| Type of Allowance Allocation | Number of SO ₂ Allowances | Explanation of Allowance Allocation Type |
|------------------------------|--------------------------------------|---|
| Initial Allocation | 9,191,897 | Initial allocation is the number of allowances granted to units, based on the product of their historic utilization and emissions rates specified in the Clean Air Act. |
| Allowance Auctions | 250,000 | The allowance auction provides allowances to the market that were set aside in a Special Allowance Reserve when the initial allowance allocation was made. |
| Opt-in Allowances | 99,188 | Opt-in Allowances are provided to units entering the program voluntarily. There were 11 opt-in units in 2004. |
| TOTAL 2004 ALLOCATION | 9,541,085 | |
| Banked Allowances | 8,646,818 | Banked Allowances are those allowances accrued in a unit's account from previous years, which can be used for compliance in 2004 or any future year. |
| TOTAL 2004 ALLOWABLE | 18,187,903 | |

Source: EPA, *Acid Rain Program 2004 Progress Report*, Document EPA-430-R-05-011, November 2005, Figure 4. <http://www.epa.gov/airmarkets/cmprpt/arp04/2004report.pdf>