

**PART 4 – RECORDKEEPING AND REPORTING INSTRUCTIONS FOR CLASS II SUBSTANCES**

4.1. INTRODUCTION ..... 1

4.2. PRODUCERS OF CLASS II SUBSTANCES ..... 2

    4.2.1. Recordkeeping Requirements ..... 2

    4.2.2. Reporting Requirements ..... 3

    4.2.3. Form Instructions: Producer Quarterly Report (Form 2014.02-P) ..... 4

4.3. IMPORTERS OF CLASS II SUBSTANCES ..... 7

    4.3.1. Recordkeeping Requirements ..... 7

    4.3.2. Reporting Requirements ..... 7

    4.3.3. Form Instructions: Importer Quarterly Report (Form 2014.02-I) ..... 9

4.4. EXPORTERS OF CLASS II SUBSTANCES ..... 13

    4.4.1. Recordkeeping Requirements ..... 13

    4.4.2. Reporting Requirements ..... 13

    4.4.3. Form Instructions: Exporter Quarterly Report (Form 2014.02-E) ..... 14

4.5. DOMESTIC TRANSFERS OF ALLOWANCES ..... 17

    4.5.1. Recordkeeping Requirements ..... 18

    4.5.2. Form Instructions: Domestic Transfers of Allowances (Form 2014.02-DT) ..... 18

4.6. REQUEST FOR ADDITIONAL CLASS II CONSUMPTION ALLOWANCES ..... 21

    4.6.1. Recordkeeping Requirements ..... 21

    4.6.2. Reporting Requirements ..... 21

    4.6.3. Form Instructions: Request for Additional Consumption Allowances (Form 2014.02-RCA) ..... 21

4.7. USED CLASS II SUBSTANCES - PETITION TO IMPORT ..... 25

    4.7.1. Petition Information Requirements ..... 25

    4.7.2. Recordkeeping Requirements ..... 26

## PART 4 – RECORDKEEPING AND REPORTING INSTRUCTIONS FOR CLASS II SUBSTANCES

### 4.1. INTRODUCTION

Part 4 of this guidance document outlines industry recordkeeping and reporting requirements for class II substances in the Stratospheric Ozone Protection Program.

Producers, importers, exporters, persons requesting additional consumption allowances, and hydrochlorofluorocarbon (HCFC) transferors that deal in class II ozone-depleting substances (ODS) are required to report periodically on a company-wide basis to EPA and to maintain records. Reports and revisions of reports should be sent to the Administrator 30 and 180 days after the end of the applicable reporting period, respectively, unless otherwise specified. Records and copies of reports should be retained for three years. Quantities of class II substances should be reported in kilograms. Please refer to §82.24(a) of 40 CFR Part 82 for a description of these general recordkeeping and reporting requirements. A control period calendar is provided in Appendix D.

The following listed reporting forms are *recommended formats* for providing the required information to EPA. Companies may, however, provide the same information in another format if desired.

<u>Title</u>	<u>EPA Form Number</u>	<u>Number of Pages</u>	<u>CFR Number*</u>
<b><i>QUARTERLY REPORTS</i></b>			
Producer Quarterly Report	2014.02-P-HCFC	3	82.24(b)(1)
Importer Quarterly Report	2014.02-I-HCFC	4	82.24(c)(1), 82.24(f)
Exporter Quarterly Report	2014.02-E-HCFC	3	82.24(d) 82.24(b)(1)(vi)
<b><i>OTHER REPORTS</i></b>			
Domestic Transfers of Allowances	2014.02-DT-HCFC	3	82.23
Request for Additional Consumption Allowances	2014.02-RCA-HCFC	3	82.20(a)
Petition to Import Used Substances	no form	--	82.24(c)(3)-(4)

\* All citations are from the January 21, 2003 edition of 68 CFR 2820.

The remainder of Part 4 describes the recordkeeping and reporting requirements and provides instructions on how to complete each of the forms listed above.

## 4.2. PRODUCERS OF CLASS II SUBSTANCES

Producers of class II substances are required to report to EPA. The reports require data on a company-wide scale, even though recordkeeping by some companies may be conducted on an individual facility or plant basis. Section 82.24(b) describes the regulatory requirements for recordkeeping and quarterly reporting of production.

For producers that fail to maintain records or submit the report, the Administrator may assume that production reached full capacity during the period for which records were not kept as explained in §82.24(b)(3).

Terms such as “production,” “destruction,” and “transform” are defined in the regulations (§82.3) and reproduced in Appendix E to this guidance document.

### 4.2.1. Recordkeeping Requirements

Section 82.24(b)(2) describes the recordkeeping requirements for producers in detail. The records that should be maintained by all producers are summarized below.

- Dated records of the quantity of class II substances produced at each facility;
- Dated records of the quantity of class II substances produced with export production allowances or Article 5 allowances;
- Dated records of the quantity of class II substances used at each facility as feedstocks, or destroyed in the manufacturing of a class II substance, or introduced into the production process of the same class II substance;
- Dated records of the quantity of raw materials and feedstock chemicals used at each facility for the production of class II substances at each facility;
- Dated records of the shipments of each class II substance produced at each plant;
- Copies of invoices or receipts documenting sales of class II substances resulting in their transformation or destruction;
- The quantity of class II substances, date received, and names and addresses of the source of used materials containing recycled or reclaimed class II substances at each plant;
- Records of the estimated quantity of any spill or release of class II substance that equals or exceeds 100 pounds and the date of the incident(s);
- Transformation or destruction verification certifying the intent to transform or destroy the class II substance or sell the class II substance for transformation or destruction in cases when allowances were not expended;
- Written verification from the U.S. purchaser that the class II substance was exported to Parties to the Protocol, including exports to Article 5 countries, in cases where export production allowances were expended to produce the class II substances; and
- Written verification from the U.S. purchaser that HCFC-141b was manufactured to meet HCFC-141b exemption needs, in accordance with §82.16(h), in cases where HCFC-141b exemption allowances were expended to produce the HCFC-141b.

## 4.2.2. Reporting Requirements

The following list summarizes reporting requirements for various types of production (§82.24(b)(1)).

- *Production using Production and Consumption Allowances*  
Producers should report the total sum of expended and unexpended production and consumption allowances for each class II substance produced.
- *Production using Article 5 Allowances*  
Producers allocated baseline production allowances in §82.18 may produce up to 15 percent of the baseline explicitly for export to Article 5 countries for the latter's domestic use. Producers should report the quantity produced for export to Article 5 countries and deduct expended Article 5 allowances from that producer's balance of Article 5 allowances. As explained in §82.24(b)(1)(x), producers that produce class II substances using Article 5 allowances should provide a list of U.S. entities that purchased those class II substances and exported them to Article 5 countries. In addition, producers should maintain dated records of the quantity of class II substances produced with Article 5 allowances. Appendix C lists Article 5 countries.
- *Production for In-House or Second-Party Transformation*  
Producers should report the quantities of class II substances produced for in-house or second-party transformation.

A person purchasing class II substances for second-party transformation should provide the producer with verification that the class II substances will be used in a process resulting in their transformation.

Copies of transformation verifications for quantities sold for second-party transformation should accompany the Producer Report.

- *Production for In-House or Second-Party Destruction*  
Producers should report the quantities of class II substances produced for in-house or second-party destruction.

A person purchasing class II substances for second-party destruction should provide the producer with verification that the class II substances will be used in a process resulting in their destruction.

Copies of destruction verifications for quantities sold or transferred for second-party destruction should accompany the Producer Quarterly Report.

- *Production for HCFC-141b Exemptions*  
Producers should report the quantities of HCFC-141b produced for HCFC-141b exemption allowance holders.

The producers should provide a list of all HCFC-141b exemption allowance holders from whom orders were received and for whom HCFC-141b was produced.

- *Production using Export Production Allowances*  
Producers that produce class II substances using export production allowances should provide a list of U.S. entities that purchased those class II substances and exported them to a Party to the

Protocol. In addition, producers should maintain dated records of the quantity of class II substances produced with export production allowances.

Producers who import and/or export class II substances should file an Importer and/or Exporter Report as well as a Producer Report.

#### **4.2.3. Form Instructions: Producer Quarterly Report (Form 2014.02-P)**

The Producer Quarterly Report has three sections:

- Section 1 – Producing Company Identification
- Section 2 - Company Production Data (company-wide)
- Section 3 - Allowance of Expenditure Totals

##### ***Section 1 - Producing Company Identification***

- 1.1 Date of Submission: Date the report is submitted to EPA.
- 1.2 Producing Company: Name of the company and the business address of the contact person for the report.
- 1.3 Company Contact Identification: Name, telephone number, and fax number of the company official to be contacted by EPA if there are questions concerning the report. In general, this should be the same person for all reports submitted under the Stratospheric Ozone Protection Program.
- 1.4 Quarter and Year to which this Report Applies: Check the appropriate box and enter the appropriate year.
- 1.5 Importer Information: Check the appropriate box to indicate the company's status as an importer.
- 1.6 Exporter Information: Check the appropriate box to indicate the company's status as an exporter.
- 1.7 Signature of Reporting Company Representative: The company official who is attesting to the accuracy of the report should complete and sign this section. This person may or may not be the company contact person identified in Section 1.3. The person signing the form should read the "certification" that the information on the form is accurate.

##### ***Section 2 - Company Production Data***

- 2.1 Company Name: Name as it appears in Section 1.2.
- 2.2 Company Production Totals:

*Chemical Name (Column A):*  
The common names of class II substances.

*Gross Production (kg) (Column B):*  
The total quantity, in kilograms, of the class II substances produced.

*In-House Transformation (kg) (Column C):*

The total quantity, in kilograms, of each class II substance produced for in-house transformation during the quarter.

*Second-Party Transformation (kg) (Column D):*

The total quantity, in kilograms, of each class II substance produced for second-party transformation. (Submit copy of the transformation verification from each company.)

*In-House Destruction (kg) (Column E):*

The total quantity, in kilograms, of each class II substance produced for in-house destruction.

*Second-Party Destruction (kg) (Column F):*

The total quantity, in kilograms, of each class II substance produced for second-party destruction. (Submit a copy of the destruction verification from each company.)

*HCFC-141b Exemption (kg) (Column G):*

The total quantity, in kilograms, of HCFC-141b produced for exemption allowance holders from whom orders were received. (Submit a list of all HCFC-141b exemption allowance holders for whom HCFC-141b was produced.)

*Export Production (kg) (Column H):*

The total quantity, in kilograms, of each class II substance produced by expending export production allowances. (Submit a list of all U.S. entities that purchased those class II substances and exported them to a Party to the Protocol.)

*Article 5 Production (kg) (Column I):*

The total quantity, in kilograms, of each class II substance produced explicitly for export to Article 5 countries during this quarter that will require expenditure of Article 5 allowances. (Submit a list of all U.S. entities that purchased those class II substances and exported them to Article 5 countries.) Appendix C lists Article 5 countries.

*Net Production of HCFC (kg) (Column J):*

The remaining quantity of HCFCs after subtracting out the quantities produced as listed in Columns C, D, E, and F from Column B. Production quantities for Columns G, H, and I should not be included in the gross production in Column B.

***Section 3 - Allowance Expenditure Totals***

3.1 Company Name: Name as it appears in Section 1.2.

3.2 Allowance Balance Summary: Please supply this information for all substances for which the company holds production, consumption, export production, or Article 5 allowances.

*Chemical Name (Column A):*

The common names of class II substances.

*Total Production Allowances for Year to Date (as of end of quarter) (Column B):*

The total sum of expended and unexpended production allowances.

*Total Consumption Allowances for Year to Date (as of end of quarter) (Column C):*

The total sum of expended and unexpended consumption allowances.

*Total Export Production Allowances for Year to Date (as of end of quarter) (Column D):*

The total sum of expended and unexpended export production allowances.

*Total Article 5 Allowances for Year to Date (as of end of quarter) (Column E):*

The total sum of expended and unexpended Article 5 allowances.

### 4.3. IMPORTERS OF CLASS II SUBSTANCES

Importers of new class II substances are required to report to EPA. Section 82.24(c) and §82.24(f) describe the regulatory requirements for recordkeeping and quarterly reporting of importation. They are also required to report blends and mixtures of class II substances. Terms such as “importer,” “heel,” “destruction,” “transshipment,” and “transform” are defined in the regulations (§82.3) and in Appendix E.

Importers of used class II substances are required to petition EPA and the information required in the petition is described in §§82.24(c)(3) through (c)(4).

#### 4.3.1. Recordkeeping Requirements

Section 82.24(c)(2) describes the recordkeeping requirements for importers of class II substances. These requirements are summarized below:

- The quantity of each class II substance imported, either alone or in mixtures, and the percentage of each mixture containing a class II substance;
- The quantity of class II substances excluding transshipments or used class II substances for use in processes resulting in their transformation or destruction;
- The quantity of class II substances that are imported and sold for processes resulting in their transformation and destruction;
- The date on which class II substances were imported;
- The port of entry of the class II substances;
- The country from which the class II substances were imported;
- The commodity code for the class II substances shipped;
- The importer number for the shipment;
- A copy of the bill of lading;
- Import invoices;
- The U.S. Customs Summary Entry form;
- Dated records of the sale or transfer of class II substances for use in processes resulting in their transformation or destruction;
- Verification of transformation or destruction; and
- Written verification from a U.S. purchaser that HCFC-141b was imported to meet HCFC-141b exemption needs, in accordance with §82.16(h), in cases where HCFC-141b exemption allowances were expended to import the HCFC-141b.

Section 82.24 (c)(5) describes the recordkeeping requirement for companies that tranship a class II substance. Any importer who tranships a class II substance should maintain the following records:

- Records that the transshipment originated in a foreign country;
- Records that the transshipment is destined for another foreign country; and
- Records that the class II substance shipment will not enter interstate commerce within the U.S.

#### 4.3.2. Reporting Requirements

The following list summarizes specific reporting requirements for various types of imports (§§82.24(c)(1) and 82.24(f)).

- Imports for Expending Consumption Allowances



Importers should report the total sum of expended and unexpended consumption allowances for each class II substance imported.

- Imports for In-House or Second-Party Transformation

Importers should report the quantities of class II substances imported for in-house or second-party transformation.

A person purchasing class II substances for second-party transformation should provide the importer with verification that the class II substances will be used in processes resulting in their transformation.

Copies of transformation verifications for quantities sold for second-party transformation should accompany the Importer Quarterly Report.

- Imports for In-House or Second-Party Destruction

Importers should report the quantities of class II substances imported for in-house or second-party destruction.

A company purchasing class II substances for second-party destruction should provide the importer with verification that the class II substances will be used in processes resulting in their destruction.

Copies of destruction verifications for quantities sold for second-party destruction should accompany the Importer Quarterly Report.

- Imports of Used Class II Substances

Imports of used class II substances are reported separately in the Importer Quarterly Report

- Imports of HCFC-141b

Importers should report the quantities of HCFC-141b imported for HCFC-141b exemption allowance holders.

The importer should provide a list of all HCFC-141b exemption allowance holders from whom orders were requested and the quantities of HCFC-141b imported for each allowance holder.

- Imports of 'Heels'

The importer should label their bill of lading or invoice indicating that the class II substance in the container is a heel. The importer of heels should report and submit the certification that the material will either: (1) remain in the container and be included in a future shipment; (2) be recovered and transformed; (3) be recovered and destroyed; or (4) be recovered for a non-emissive use. In addition, importers should report on the final disposition of the heel. Importers also need to report total heels on a quarterly basis.

### 4.3.3. Form Instructions: Importer Quarterly Report (Form 2014.02-I)

The Importer Quarterly Report has four sections:

- Section 1 - Importing Company Identification
- Section 2 - Transaction Records
- Section 3 - Company Import Data (company-wide)
- Section 4 - Allowance Expenditure Totals

#### *Section 1 - Importing Company Identification*

- 1.1 Date of Submission: Date the report is submitted to EPA.
- 1.2 Number of Transactions Reported: Total number of individual transactions reported in Section 2.
- 1.3 Number of Pages Submitted: Total number of pages in the report, including transaction summary pages.
- 1.4 Quarter and Year to which this Report Applies: Check the appropriate box and enter the appropriate year.
- 1.5 Importing Company: The name of the company and the business address of the contact person for the report.
- 1.6 Company Contact Identification: The name, telephone number, and fax number of the company official who may be contacted by EPA concerning the report. In general, this should be the same person for all reports submitted under the Stratospheric Ozone Protection Program.
- 1.7 Signature of Reporting Company Representative: Company official who is attesting to the accuracy of the report. This may or may not be the company contact person identified in Section 1.6. The person signing the form should read the "certification" that the information on the form is accurate.

#### *Section 2 - Transaction Records*

- 2.1 Company Name: Company submitting the Importer Quarterly Report, as in Section 1.5.
- 2.2 Transaction Summaries: Enter "1" for first transaction of the quarter and proceed with "2", "3", and so on, for subsequent transactions. Reproduce this page as needed to obtain sufficient blank spaces for multiple transactions.

*Source Country:*

The country that exported the class II substance to the U.S.

*Port of Exit from Source Country:*

The port city from which the class II substance was exported, as shown on the U.S. Customs Entry Summary Form 7501 or bill of lading.

*Quantity of Commodity Imported:*

The total quantity, in kilograms, of the commodity imported.

*Commodity Code of Shipment:*

The 10-digit code number in the Harmonized Tariff Schedule. The commodity codes for class II substances are designated by the U.S. Customs Service. The commodity codes for class II substances are listed below and in Appendix K to Subpart A of 40 CFR Part 82.

HCFC-22.....	2903.49.9010
HCFC-21	
HCFC-31	
HCFC-123	
HCFC-124	
HCFC-133	
HCFC-141b	
HCFC-142b	
HCFC-225.....	2903.49.0000
Mixtures, (Other)	
(One or more fully halogenated compounds indicated above).....	3824.79.0000

*If Import is not a Blend:*

The class II substance by its common name, such as HCFC-22, HCFC-124, HCFC-142b that is being imported and the total quantity, in kilograms, of the class II substance.

*If Import is a Blend:*

The name of the blend containing HCFCs that is being imported (e.g., R-409A) and the total quantity, in kilograms, of the blend.

*HCFC in Blend, Quantity:*

The class II substance by its common name, such as HCFC-22, HCFC-124, HCFC-142b and the total quantity, in kilograms, of each HCFC imported in the blend (e.g., if the blend is R-409A and the blend is comprised of 60 percent HCFC-22, 25 percent HCFC-124, and 15 percent HCFC-142b, then using these percentages, calculate and report the quantity of each HCFC within the blend).

*Port of Entry into the U.S.:*

The U.S. port where the shipment landed.

*Date of Import:*

The import date, as shown in Block 27 of the U.S. Customs Entry Summary Form. The date of import is the date that the ship arrives at the port, or the date the truck or train enters the U.S.

*Customs Entry Summary Number:*

This number identifies the specific shipment (from block number 1 of the U.S. Customs Entry Summary Form). The Customs Entry Summary Number is generally three (3) letters followed by nine (9) digits.

*Importer Number:*

The company's IRS number is usually used for identification. *Please ensure the number is a complete U.S. Customs Service Importer Number.* This number appears on the Customs Entry Summary Form as two digits, followed by a dash, then seven digits (e.g., 12-1234567).

*Type of Import:*

Check the box describing the purpose (transformation or destruction) or type of shipment (new, used, or heels).

*If Heels, Indicate One of the Following Purposes:*

Check the box describing the purpose (included in future shipment, transformation, destruction, non-emissive use) of the heels.

**Section 3 - Company Import Data**

3.1 Company Name: Name of the company submitting the report, as in Section 1.5.

3.2 Company Import Totals:

*Chemical Name (Column A):*

The common names of the class II substances.

*Gross Imports (kg) (Column B)\*:*

The total quantity, in kilograms, of the class II substances imported.

*In-House Transformation (kg) (Column C)\*:*

The total quantity, in kilograms, of each class II substance imported for in-house transformation purposes.

*Second-Party Transformation (kg) (Column D)\*:*

The total quantity, in kilograms, of each class II substance imported and sold for second-party transformation. (Submit a copy of the transformation verification from each company.)

*In-House Destruction (kg) (Column E)\*:*

The total quantity, in kilograms, of each class II substance imported for in-house destruction.

*Second-Party Destruction (kg) (Column F)\*:*

The total quantity, in kilograms, of each class II substance imported and sold for second-party destruction. (Submit a copy of the destruction verification from each company.)

*Net Imports (kg) (Column G):*

The remaining quantity of class II substances after subtracting out the quantities listed in Columns C, D, E, and F from Column B.

*Total 'Used' Imports (kg) (Column H):*

The total quantity, in kilograms, of each used class II substance imported.

*Total 'Heels' (kg) (Column I):*

The total quantity, in kilograms, of each class II substance brought into the United States as a heel that is no more than 10 percent of the volume of each container. (Submit the certification that the heel will be treated as required in 82.24(f).)

\* NOTE: If the substance is a component of a mixture, report only the quantity of the class II substance in the mixture.

***Section 4 – Allowance Expenditure Totals***

4.1 Company Name: Name of the company submitting the report, as in Section 1.5.

4.2 Yearly Balance Summary of Allowances: This information should be supplied for all substances for which the company holds consumption allowances or HCFC-141b exemption allowances.

*Chemical Name (Column A):*

The common names of class II substances.

*Total Consumption Allowances for Year to Date (as of end of quarter) that were expended and unexpended (Column B):*

The total sum of expended and unexpended consumption allowances by chemical for the control period to date.

*Total HCFC-141b Exemption Allowances for Year to Date (as of end of quarter) that were expended and unexpended (Column C):*

The total sum of expended and unexpended HCFC-141b exemption allowances by chemical for the control period to date. (Submit a list of all HCFC-141b exemption allowance holders for whom HCFC-141b was imported.)

## 4.4. EXPORTERS OF CLASS II SUBSTANCES

Exporters of class II substances are required to report to EPA. Section 82.24(d) and §82.24(b)(1)(vi) describes the regulatory requirements for recordkeeping and quarterly reporting of exports. Exports of blends and mixtures of class II substances are also considered exports under the regulations and should be reported. Terms such as “exporter,” “destruction,” and “transform” are defined in the regulations (§82.3) and in Appendix E.

The exporter is the company that owns the class II substances when they are exported, not necessarily the person that places them on the ship or in the truck. In addition, the exporter does not need to be identified as such on any form collected to monitor exports (i.e., the Export Declaration Form). Generally, the Agency will accept the exporter's business invoice as proof that the company had contracted to sell or transfer the class II substance to a foreign entity. On-board bills of lading are also necessary to verify that the export occurred.

Exporters may obtain consumption allowances equivalent to the quantity of class II substances exported to a foreign state when that quantity was produced in the U.S. with expended consumption allowances. The exporter should complete *Form 2014.02-E-HCFC* to request additional class II consumption allowances.

### 4.4.1. Recordkeeping Requirements

There are no recordkeeping requirements for exporters. However, EPA recommends that companies exporting class II substances maintain copies of invoices and bills of lading for each shipment.

### 4.4.2. Reporting Requirements

In general, information provided about the recipient should pertain to the location of the plant where the substance is to be used, rather than the location of the corporate headquarters. For purposes of the Stratospheric Ozone Protection Program, the destination is defined as the ultimate destination of the export, rather than any transit destinations.

The following list summarizes quarterly reporting requirements for various types of exports (§82.24(d)(1)).

- *Exports for Transformation*  
Section 82.24(d)(1)(viii) requires the recipient or purchaser of class II substances for transformation to provide the exporter with verification that the class II substances are intended for transformation.

The exporter report should be accompanied by copies of transformation verifications for quantities sold for transformation.

- *Exports for Destruction*  
Section 82.24(d)(1)(viii) requires the recipient or purchaser of class II substances for destruction to provide the exporter with verification that the class II substances are intended for destruction.

The exporter report should be accompanied by copies of destruction verifications for quantities sold for destruction.

#### **4.4.3. Form Instructions: Exporter Quarterly Report (Form 2014.02-E)**

The Exporter Quarterly Report has three sections:

- Section 1 - Exporting Company Identification
- Section 2 - Transaction Records
- Section 3 - Company Export Totals (company-wide)

##### ***Section 1 – Exporting Company Identification***

- 1.1 Date of Submission: Date the report is submitted to EPA.
- 1.2 Number of Transactions Reported: Total number of individual transactions reported in Section 2.
- 1.3 Number of Pages Submitted: Total number of pages in the report, including transaction summary pages.
- 1.4 Quarter and Year to which this Report Applies: Check the appropriate box and enter the appropriate year.
- 1.5 Exporting Company Information: The name of the company and the business address of the contact person for the report.
- 1.6 Company Contact Identification: The name, telephone number, and fax number of the company official who may be contacted by EPA concerning the report. In general, this should be the same person for all reports submitted under the Stratospheric Ozone Protection Program.
- 1.7 Signature of Reporting Company Representative: Company official who is attesting to the accuracy of the report. This may or may not be the company contact person identified in Section 1.6. The person signing the form should read the "certification" that the information on the form is accurate.

##### ***Section 2 - Transaction Records***

- 2.1 Company Name: Company submitting the Exporter Quarterly Report, as in Section 1.5.
- 2.2 Transaction Summaries: Enter "1" for first transaction of the quarter and proceed with "2", "3", and so on, for subsequent transactions. Reproduce this page as needed to obtain sufficient blank spaces for multiple transactions.

*Recipient Company Name:*

The company receiving the class II substance.

*Street Address:*

The business address of the recipient company.

*City:*

The city of the recipient company.

*Country:*

The country to which the class II substances were exported.

*Postal Code:*

The postal code of the recipient company.

*Article 5 Country:*

Check the box if the recipient company is located in an Article 5 country. Appendix C lists Article 5 countries.

*Company Contact Person:*

The name of a contact person employed at the recipient company, his/her telephone number, and facsimile number.

*Quantity of Commodity Exported:*

The total quantity, in kilograms, of the commodity exported.

*Commodity Code of Shipment:*

The 10-digit code in the Harmonized Tariff Schedule. The commodity codes for class II substances are designated by the U.S. Customs Service. The commodity codes for class II substances are listed below and in Appendix K to Subpart A of 40 CFR Part 82.

HCFC-22.....	2903.49.9010
HCFC-21	
HCFC-31	
HCFC-123	
HCFC-124	
HCFC-133	
HCFC-141b	
HCFC-142b	
HCFC-225.....	2903.49.0000
Mixtures, (Other)	
(One or more fully halogenated compounds indicated above).....	3824.79.0000

*If Export is not a Blend:*

The class II substance by its common name, such as HCFC-22, HCFC-124, HCFC-142b that is being exported and the total quantity, in kilograms, of the class II substance.

*If Export is a Blend:*

The name of the blend containing HCFCs that is being exported (e.g., R-409A) and the total quantity, in kilograms, of the blend.

*HCFC in Blend, Quantity:*

The class II substance by its common name, such as HCFC-22, HCFC-124, HCFC-142b and the total quantity, in kilograms, of each HCFC exported in the blend (e.g., if the blend is R-409A and the blend is comprised of 60 percent HCFC-22, 25 percent HCFC-124, and 15 percent HCFC-



142b, then using these percentages, calculate and report the quantity of each HCFC within the blend).

*Date of Export:*

Date of export as it appears on the bill of lading.

*Port of Export from the U.S.:*

U.S. port where the class II substance was loaded on the exporting vessel.

*Exporter EIN Number from Customs Form 7525:*

The "Employer Identification Number" (EIN) shown on the Shipper's Export Declaration Form. This number may or may not refer to the exporter as defined by EPA. If a shipping agent is acting on behalf of the exporter as defined by the regulation, the EIN of the agent shown on the U.S. Customs Form 7525 should be reported here.

*Type of Export:*

Check the box describing the purpose (transformation or destruction), type of HCFC (used), or type of allowances expended (export production allowances, Article 5 allowances, or production allowances/consumption allowances).

***Section 3: Company Export Totals***

A separate Section 3 should be completed for each class II substance. Reproduce the blank form as needed.

3.1: Company Name: Company submitting the Exporter Quarterly Report, as in Section 1.5.

3.2: Transaction Summaries: Select the class II substance to be summarized for the first transaction of the quarter. Reproduce this page as needed to proceed with summaries for class II substances associated with transactions "2," "3," and so on.

*Class II Substance:*

The common names of the class II substances. Enter the common name of the class II substance in the space provided if it is not provided in the list.

*Country Receiving Export:*

The names of countries to which the class II substances were exported.

*Quantity of Class II Substance Exported:*

The total quantity, in kilograms, of the specific class II substance exported to each country.

#### 4.5. DOMESTIC TRANSFERS OF ALLOWANCES

Domestic transfers of allowances (§82.23) are discussed below, while international transfers of production allowances, consumption allowances, export production allowances, and Article 5 allowances should comply with the requirements in §§82.18(c) and 82.20(b).

*Form 2014.02-DT-HCFC (“Transfers of Allowances”)* may not be used for international transfers of allowances.

A producer may increase or decrease its production allowances, export production allowances, or Article 5 allowances, for a specific control period through transfers with another producer. Terms such as “production allowances,” “consumption allowances,” “export production allowances,” or “Article 5 allowances” are defined in the regulations (§82.3) and reproduced in Appendix E.

The following list summarizes information on various types of allowances.

- *Production Allowances*  
A producer that was apportioned baseline production allowances for class II substances may increase or decrease its balance of allowances through transfer with another producer.
- *Consumption Allowances*  
A producer, importer, or exporter that was apportioned baseline consumption allowances for class II substances may increase or decrease its balance of allowances through transfers with any holder of consumption allowances.
- *Article 5 Allowances*  
A producer that was apportioned baseline production allowances is also apportioned Article 5 allowances, equal to 15 percent of the producer’s baseline production allowances, for the specified HCFC for each control period until December 31, 2014; 10 percent from January 1, 2015 to December 31, 2029; and 15 percent from January 1, 2030 to December 31, 2039. The specified HCFC can be produced for export to Article 5 countries. Appendix C lists Article 5 countries.
- *Export Production Allowances*  
A producer that was apportioned baseline production allowances for HCFC-141b is also apportioned export production allowances, equal to 100 percent of its baseline production allowances, for HCFC-141b for each control period beginning January 1, 2003, until December 31, 2029. The baseline production allowances for HCFC-141b expired December 31, 2002. HCFC-141b can be produced *for export only* by expending export production allowances.

For transfers of production allowances, export production allowances, or Article 5 allowances, the transfer claim should include the 0.1 percent offset applied to the unweighted quantity transferred that will be deducted from the transferor’s balance of allowances.

If a person intends to transfer consumption allowances to another company or to another chemical, *Form 2014.02-DT-HCFC* (“Domestic Transfers of Allowances”) can be used as a template for transfer claims, and should be submitted to EPA before the transfer(s) take(s) place. Section 82.23 of the rule presents the reporting requirements applicable to the transfer claim and is summarized as follows:

A person should complete a transaction summary for each transfer involving a different chemical or a different transferee.

For inter-pollutant transfers, the transfer claim should include the quantity of allowances to be subtracted from the transferor's unexpended allowances for the first class II substance to be equal to 100.1 percent of the quantity of allowances converted. The quantity being converted should account for differences in ozone depletion potentials (ODPs). ODPs of the class II substances are listed in Appendix B.

EPA will review the transfer claim within three (3) working days of receiving the claim, and respond with either a "no objection" notice if, according to EPA's records, the transferring company has sufficient allowances to cover the transfer, or a "disallowance" notice, if the transferring company does not have sufficient allowances. If EPA does not act upon the transfer within the three-day review period, the transferring companies may proceed with the transaction. In cases where the Agency issues a notice of no objection or fails to respond expeditiously, if EPA later determines that insufficient allowances existed to cover the transfer, the companies may face enforcement actions.

For transfers of consumption allowances, the transfer claim should include the 0.1 percent offset applied to the unweighted quantity transferred that will be deducted from the transferor's balance of allowances.

#### **4.5.1. Recordkeeping Requirements**

There are no recordkeeping requirements for companies notifying the Agency of a class II transfer.

#### **4.5.2. Form Instructions: Domestic Transfers of Allowances (Form 2014.02-DT)**

The form for Domestic Transfer of Allowances has three sections:

- Section 1 - Transferor Identification
- Section 2 - Transaction Record
- Section 3 - Unexpended Balance Summary

##### ***Section 1 - Transferor Identification***

- 1.1 Date of Submission: Date the report is submitted to EPA.
- 1.2 Number of Transactions Reported: Total number of individual transactions reported in Section 2.
- 1.3 Number of Pages Submitted: Total number of pages in the report, including transaction summary pages.
- 1.4 Company Information: The name of the company transferring the allowances and the business address of the contact person for the report.
- 1.5 Company Contact Identification: The name, telephone number, and fax number of the company official who may be contacted by EPA concerning the report. In general, this should be the same person for all reports submitted under the Stratospheric Ozone Protection Program.

- 1.6 Signature of Reporting Company Representative: Company official who is attesting to the accuracy of the report. This may or may not be the company contact person identified in Section 1.5. The person signing the form should read the "certification" that the information on the form is accurate.

## ***Section 2 - Transaction Record***

Companies submitting a transfer claim should complete this section for each transfer (transaction). Reproduce blank copies of Section 2 if needed. Enter "1" for first transaction of the quarter and proceed with "2," "3," and so on, for multiple transactions.

For each transaction, complete the form as follows:

- 2.1 Transferee Identification: Name and address of the transferee company (the company receiving allowances as a result of the transfer). Identify a contact person and provide telephone and fax numbers. If a person is conducting an inter-pollutant transfer (i.e. trading allowances internally between two class II substances), the transferee company will be the same company identified in Section 1.5. The type of allowance being transferred (Production, Consumption, Export Production, or Article 5) should also be identified.
- 2.2 Type of Allowances Transferred: A transfer of current year allowances is only for the current control period. A transfer of baseline allowances *permanently* reduces the number of allowances that the transferor will receive in future allocations. Only one box should be checked.
- 2.3 HCFC Transferring From: The common name of the class II substance that is having its allowances reduced as a result of the transfer (e.g., HCFC-22 or HCFC-123).
- 2.4 Ozone Depletion Potential (ODP): The ozone depletion potential (defined as the measure of a substance's ability to destroy stratospheric ozone) of the chemical listed in Section 2.3. ODPs of the class II substances are listed in Appendix B.
- 2.5 Quantity of HCFC in Section 2.3 Being Transferred (kg): The number of allowances of the class II substance listed in 2.3 that are being transferred.
- 2.6 Calculated Level of HCFC in Section 2.3 Being Transferred: Transfers of class II substances are made on the basis of calculated level. The calculated level of a quantity of class II substance is equal to its mass in kilograms multiplied by its ODP. Calculate the level of class II substance being transferred by multiplying the ODP (listed in Section 2.4) by the quantity transferred (listed in Section 2.5); report the result in Section 2.6.
- 2.7 HCFC Transferring To: The common name of the class II substance which will have its balance of allowances increased as a result of the transfer.
- 2.8 Ozone Depletion Potential (ODP): The ODP of the class II substance listed in Section 2.7. ODPs of the class II substances are listed in Appendix B.
- 2.9 Amount of Offset (0.001 x Section 2.5) (kg): The amount of offset is calculated by multiplying the amount listed in Section 2.5 by 0.001.
- 2.10 Number of Allowances Subtracted from Transferor's Balance of HCFC Allowances (Section 2.5 + Section 2.9): Calculate the number of allowances that are to be subtracted from the transferor's

balance of the chemical listed in Section 2.3 by adding Sections 2.5 and 2.9.

- 2.11 Quantity of HCFC in Section 2.7 Being Received (Section 2.6 ÷ Section 2.8) (kg): The number of allowances received is equal to the calculated level of allowances being transferred divided by the ODP of the class II substance that is having its balance of allowances increased as a result of the transfer. Calculate the number of class II allowances being received by dividing the calculated level reported in Section 2.6 by the ODP listed in Section 2.8.

### ***Section 3 - Unexpended Balance Summary***

- 3.1 Balance of Unexpended HCFC Allowances Prior to Transfers Reported: For each class II substance involved in the transfer, report the company's balance of unexpended allowances before the transfer.

*Chemical Name (Column A):*

The common names of class II substances. Enter the common name of the class II substance in the space provided if it is not already provided in the list.

*Balance of Unexpended Production Allowances (Column B):*

The unexpended production allowances held by the transferor within the production limit of that class II substance.

*Balance of Unexpended Consumption Allowances (Column C):*

The unexpended consumption allowances held by the transferor within the consumption limit of that class II substance.

*Balance of Unexpended Export Production Allowances (Column D):*

The unexpended export production allowances held by the transferor within the export production limit of that class II substance.

*Balance of Unexpended Article 5 Allowances (Column E):*

The unexpended Article 5 allowances held by the transferor within the production limit of that class II substance.

## **4.6. REQUEST FOR ADDITIONAL CLASS II CONSUMPTION ALLOWANCES**

### Adjustment for Expended Consumption Allowances

At any time during the control period, an exporter may obtain consumption allowances equivalent to the quantity of expended consumption allowances after exporting class II substances from the U.S. and its territories to a Party to the Protocol. Section 82.20(a) describes the information and documentation required for such an adjustment.

#### **4.6.1. Recordkeeping Requirements**

There are no recordkeeping requirements for companies requesting additional consumption allowances.

#### **4.6.2. Reporting Requirements**

The exporter should submit a request for consumption allowances to EPA. Section 82.20(a)(1) lists the reporting requirements for companies requesting additional consumption allowances of class II substances. Specific information requirements, not found in the reporting forms for exporters requesting additional consumption allowances, are summarized below.

- Additional Documentation  
Section 82.20(a)(1)(viii) states that the company requesting additional consumption allowances should submit a copy of the bill of lading and the invoice indicating the net quantity (kg) of class II substances shipped and documenting the sale of class II substances to the purchaser. According to §82.20(a)(1)(x), the company should also submit a written statement from the producer that the class II substances were produced with expended consumption allowances.

#### **4.6.3. Form Instructions: Request for Additional Consumption Allowances (Form 2014.02-RCA)**

The form for the Request for Additional Consumption Allowances has three sections:

- Section 1 - Exporting Company Identification
- Section 2 - Transaction Records
- Section 3 - Company Export Totals

#### ***Section 1 – Exporting Company Identification***

- 1.1 Date of Submission: Date the report is submitted to EPA.
- 1.2 Number of Transactions Reported: Total number of individual transactions reported in Section 2.
- 1.3 Number of Pages Submitted: Total number of pages in the report, including transaction summary pages.
- 1.4 Exporting Company: The name of the company requesting additional consumption allowances and the business address of the contact person for the report.

- 1.5 Company Contact Identification: The name, telephone number, and fax number of the company official who may be contacted by EPA concerning the report. In general, this should be the same person for all reports submitted under the Stratospheric Ozone Protection Program.
- 1.6 Signature of Reporting Company Representative: Company official who is attesting to the accuracy of the report. This may or may not be the company contact person identified in Section 1.5. The person signing the form should read the "certification" that the information on the form is accurate.

***Section 2 – Transaction Records***

- 2.1 Company Name: Company submitting the Request for Additional Consumption Allowances, as in Section 1.5.
- 2.2 Transaction Summaries: Enter "1" for first transaction of the quarter and proceed with "2," "3," and so on, for subsequent transactions. Reproduce this page as needed to obtain sufficient blank spaces for multiple transactions.

*Recipient Company Name:*

The company receiving the class II substance.

*Street Address:*

The business address of the recipient company.

*City:*

The city of the recipient company.

*Country:*

The country to which the class II substances were exported.

*Postal Code:*

The postal code of the recipient company.

*Article 5 Country:*

Check the box if the recipient company is located in an Article 5 country. Appendix C lists Article 5 countries.

*Company Contact Person:*

The name of a contact person employed at the recipient company, his/her telephone number, and facsimile number.

*Quantity of Commodity Exported:*

The total quantity, in kilograms, of the commodity exported.

*Commodity Code of Shipment:*

The 10-digit code number in the Harmonized Tariff Schedule. The commodity codes for class II substances are designated by the U.S. Customs Service. The commodity codes for class II substances are listed below and in Appendix K to Subpart A of 40 CFR Part 82.

HCFC-22.....2903.49.9010

HCFC-21	
HCFC-31	
HCFC-123	
HCFC-124	
HCFC-133	
HCFC-141b	
HCFC-142b	
HCFC-225.....	2903.49.0000
Mixtures, (Other)	
(One or more fully halogenated compounds indicated above).....	3824.79.0000

*HCFC Chemical Exported:*

The class II substance using its common name, such as HCFC-22, HCFC-123, HCFC-142b. If the class II substance exported is a component of a blend or a mixture, identify both the blend and the class II substance(s) that it contains (e.g., “R-401A containing HCFC-22 and HCFC-142b”).

*Quantity of HCFC Exported:*

The total quantity, in kilograms, of the class II substance exported. For pure class II substances, this will equal the quantity of the commodity exported. For mixtures containing class II substances, multiply the percentage of class II substance in the mixture by the quantity of commodity exported.

*Date of Export:*

Date of export as it appears on the bill of lading.

*Port of Export from the U.S.:*

Port in the U.S. where the class II substance was loaded on the exporting vessel.

*Exporter EIN Number from Customs Form 7525:*

The "Employer Identification Number" (EIN) shown on the Shipper's Export Declaration Form. This number may or may not refer to the exporter as defined by EPA. If a shipping agent is acting on behalf of the exporter as defined by the regulation, the EIN of the agent shown on the U.S. Customs Form 7525 should be reported here.

*Source of HCFC:*

Supplier if it is not the U.S. producer who expended consumption and production allowances in the production of the class II substance.

*Date Purchased:*

Date that the class II substance was purchased from the supplier or the U.S. producer who expended consumption and production allowances to produce the class II substance.

*Company that Produced the HCFC with Production and Consumption Allowances:*

Indicate the company that produced the HCFC in the U.S. with production and consumption allowances.

**Section 3 – Company Export Totals**



3.1 Company Name: The company requesting the additional consumption allowances of class II substances.

3.2 Company Request Summary:

*Chemical Name (Column A):*

The common names of the class II substances.

*Total Consumption Allowances Requested (kg) (Column B)\*:*

The total quantity, in kilograms, of the class II substances exported.

\* NOTE: If the substance was a component of a mixture, report only the amount of the class II substance in the mixture.

## **4.7. USED CLASS II SUBSTANCES - PETITION TO IMPORT**

A petition process is required for imports of used class II substances. The term “used controlled substances” is defined in the regulations (§82.3) and in Appendix E.

An importer needs to petition EPA to import each individual shipment over 5 pounds of used class II substances, at least 40 working-days before the shipment is to leave the country of export. The 40 working-day period begins on the day following the date that the Stratospheric Ozone Protection Program receives the petition. Petitions may be faxed, sent by certified mail, express service, or regular mail to the Refrigerant Recycling Program Manager at the Stratospheric Program Implementation Branch as listed in Part 1 of the guidance document.

If EPA issues an objection letter, the importer has up to 10 working days to re-petition if EPA indicated “insufficient information” as the basis for the objection notice. If EPA issues a non-objection letter, a copy of the non-objection letter and the petition should accompany the shipment through U.S. Customs. The approved used class II substance should be imported within the same control period as the date stamped on the non-objection notice.

### **4.7.1. Petition Information Requirements**

Section 82.24(c)(3)-(4) describes the information requirements for petitioners in detail. There is no EPA petition form. The petition may be in any format as long as it includes the following information:

- Name and quantity of the used class II substance, in kilograms, to be imported (including material that has been recycled or reclaimed);
- Name and address of the importer, the importer I.D. number, phone number, fax number, and the name of the contact person;
- Name and address, contact person, phone and fax numbers of all previous source facilities from which the used class II substance was recovered;
- A detailed description of the previous use of the class II substance at each source facility and a best estimate of when the class II substance was put into the equipment including any documentation indicating such dates;
- A list of the name, make, and model of the equipment from which the class II substance was recovered at each source facility;
- Name, address, contact person, and phone and fax number of the exporter and/or foreign owner of the class II substance;
- U.S. port of entry for the import, the expected date of shipment, and the name of the vessel transporting the class II substance;
- Intended future use of the used class II substance including the name, address, contact person, and phone and fax number of the ultimate U.S. purchaser, if known;
- Name, address, contact person, and phone and fax number of the U.S. reclamation facility, where applicable;
- Name of the person who recovered the class II substance from equipment at the source facility.
- Name, address, contact person, and phone and fax number of all foreign reclamation facilities responsible for reclaiming the cited shipment, if any;
- An export license from the appropriate government agency in the country of export and, if recovered in another country, the export license from that country;
- Name and address of the U.S. reclaimer bringing the material to CAA specifications if the used class II substance is to be sold as a refrigerant in the United States.; and

- A certification of the accuracy of the information submitted in the petition.

In evaluating a petition, EPA determines whether the class II substance to be imported is, in fact, previously used. In order to independently verify the previous use of the class II substance, EPA requires information on a contact person in the foreign country, including telephone and fax numbers. In addition, EPA requires a detailed description of the source facility (facilities) and the specific equipment from which the class II substance was recovered. This information ensures U.S. compliance under the Montreal Protocol.

#### **4.7.2. Recordkeeping Requirements**

Section 82.24(c)(4)(viii) describes the recordkeeping requirements for companies receiving non-objection notices. The records that should be maintained by all companies approved to import used class II substances are summarized below:

- A copy of the petition;
- EPA non-objection notice;
- Bill of lading for the import; and
- U.S. Customs entry documents for the import including the commodity code of the used class II substance approved for import.