

## SUBPART F: MARKET TRANSACTIONS

## Section 205.600 ERMS Database

- a) The Agency or its designee shall maintain a bulletin board that shall be available for public access on which a listing of the status of ATUs will be posted. Other public information and notices will also be posted and participating sources, new participating sources and general participants may post ATUs available for purchase or wanted for purchase. The bulletin board shall include the following information on ATUs:
- 1) Date issued and source issued to;
  - 2) Where applicable, date transferred and source or person transferred to;
  - 3) Status of ATUs in each account, i.e., available for use, or date retired or date expired; and
  - 4) Posted each week during the reconciliation period and no less than monthly at all other times, the average price paid for ATUs transferred the previous week or the previous month, as appropriate.
- b) The Agency or its designee shall maintain a Transaction Account database. Information contained on this database shall be considered the official record of the ERMS. Account officer(s) may request status updates for accounts for which they are designated. The database shall include information on all ATUs held in each account.
- c) The Agency or its designee shall separately maintain a listing of all ATUs expired or retired within the most recent five years, including the date of expiration or retirement.

## Section 205.610 Application for Transaction Account

- a) Each participating source, new participating source and general participant shall apply for and obtain authorization for a Transaction Account from the Agency prior to conducting any market transactions. Each participating source shall submit to the Agency its completed application for a Transaction Account no later than 30 days prior to the beginning of the

first seasonal allotment period in which the source is required to participate. Each new participating source shall submit to the Agency its completed application for a Transaction Account no later than 30 days prior to the beginning of the first seasonal allotment period in which it is operational.

- b) Each Transaction Account application shall include the following information:
- 1) The name and address of the participating source, new participating source or general participant, and the name and address of its owner or operator;
  - 2) The names and addresses of all designated account officers;
  - 3) The certification specified in Section 205.620(a)(5) of this Subpart signed by each account officer; and
  - 4) For a participating source or new participating source, identification of the CAAPP permit number for the source.

c) Special Participants

Any person may purchase ATUs to retire for air quality benefit only. Such person shall be a special participant and shall register with the Agency prior to its first ATU purchase. Special participants will not have Transaction Accounts in the Transaction Account database. All ATUs purchased by special participants will be retired effective on the date of purchase and will be listed as retired in the appropriate database.

- d) Special participants will be given a registration number by the Agency so that their purchases of ATUs can be recorded.

Section 205.620 Account Officer

- a) Each participating source, new participating source or general participant must have at least one account officer designated for each of its Transaction Accounts. The account officer(s) shall be the only person(s) authorized to make ATU transactions involving such designated Transaction Account. At least one account officer must certify each official document that pertains to a designated Transaction Account or associated market transactions. Account officers may be employees or contractors of participating sources, new participating sources or general participants. No participating source, new participating source or general participant may engage in ATU transactions if it does not have an account

officer approved by the Agency. Each account officer shall satisfy all of the following:

- 1) Be at least 18 years of age;
- 2) Be an American citizen or a legal alien;
- 3) Have not been convicted of or had a final judgment entered against him or her in any State or federal court for a violation of State or federal air pollution laws or regulations, or for fraud;
- 4) Be scheduled to attend the next scheduled training program or has already completed the program; and
- 5) Certify to the following statement as a part of the relevant Transaction Account application:

I certify that I satisfy all of the requirements for an account officer. I am aware that I may be disqualified from acting as an account officer in the State of Illinois, pursuant to 35 Ill. Adm. Code 205, if any information submitted in this application is determined to be false or misleading.

b) Account Officer Training Program

Except as provided in subsection (d) of this Section, each candidate must satisfactorily complete the training program for account officers conducted by the Agency or its designee prior to acting as an account officer.

- 1) To attend the account officer training program, a person must enroll with the Agency prior to the date for the next scheduled training program.
- 2) The training program shall cover, at a minimum, the following topics: an overview of the ERMS, forms for the ERMS, market transaction procedures, and operation of the ERMS databases.
- 3) The account officer training program will be offered at least once annually, and may be offered more frequently, depending upon demand. The Agency or its designee shall publish advance notice of the time, date and location for each training program.

c) Disclaimer

The Agency and the State of Illinois do not endorse or guarantee the conduct or quality of work by account officers who have been approved by the Agency, nor does it endorse or guarantee the validity of any representations or ERMS market transactions offered or made by account officers who have been approved by the Agency.

d) Expedited Approval of Account Officer

In the event that an account officer unexpectedly leaves that position, the participating source, new participating source or general participant may request permission from the Agency to allow for a new account officer for up to one year, provided the participating source, new participating source or general participant submits a written certification in accordance with subsection (a)(5) of this Section and affirms that the candidate for expedited approval by the Agency shall complete the training program, in accordance with subsection (b) of this Section, no later than one year from the date the expedited approval is requested.

Section 205.630 ATU Transaction Procedures

Recognized sales and purchases of ATUs may be made between any two Transaction Accounts or from a Transaction Account to the ACMA. A sale of ATUs may also be made from a Transaction Account to a special participant. No sale of ATUs shall be recognized from a special participant to any other person.

- a) Transfer of ATUs shall be subject to the following requirements:
- 1) Transfers between Transaction Accounts may only be made by the account officers for both accounts;
  - 2) All ATU transfers shall be duly authorized by the account officers for both Transaction Accounts, or, if the ATUs are being transferred to a special participant, the account officer of the Transaction Account of the transferor and a representative of the special participant;
    - A) Duly authorized ATU transfers shall identify the ATU(s) involved in the transaction;
    - B) Written ATU transfer agreements signed by the account officers for both Transaction Accounts may authorize the transfer of ATUs for more than one season. If a transfer agreement authorizes the future transfer of ATUs for any season for which ATUs have not yet been issued for use, the ATUs shall be automatically transferred to the buyer's

Transaction Account for each year such transfer is authorized pursuant to the transfer agreement, in which case the account officers for each Transaction Account will be notified of this transfer;

- 3) No transfer shall be considered official for purposes of the ERMS until entered into the Transaction Account database;
  - 4) The Agency or its designee shall enter ATU transfers into the Transaction Account database within one week of the Agency receiving notification of a duly authorized ATU transfer; and
  - 5) Any ATU transfer agreements entered into after December 31 of a given year may not be used by the buyer to cover emissions from the preceding seasonal allotment period, but may only be used prospectively.
- b) The account officers involved in ATU transfers shall report the purchase price for all ATU transfers to the Agency or its designee and shall indicate whether consideration other than the purchase price reported was involved in the transfer.
- c) Transaction Requirements
- 1) Expired or retired ATUs may not be bought or sold;
  - 2) The Transaction Account database must show ATUs proposed for transfer as being held by the selling entity. After such transfer is official as specified in subsection (a)(3) of this Section, the transferee's Transaction Account will show the ATUs subject to such transfer as being held in this Transaction Account;
  - 3) The minimum sale allowed under the ERMS shall be one ATU; and
  - 4) No sale may include partial ATUs.
- d) Official Record of Transactions
- 1) The official record of all ATU transactions and the current status of all ATUs shall be the Transaction Account database.
  - 2) Account officers shall be allowed to inspect their Transaction Account(s) in the Transaction Account database. Any discrepancies found by the account officer shall be reported to the Agency or its designee along with a request for correction. All data

supporting such request shall be sent along with the request for correction. A request for correction may not be used to alter an allotment.

- 3) After the end of each reconciliation period, the Agency shall retire ATUs in the Transaction Account of each participating source or new participating source in the amount specified in Section 205.150(c) or (d) of this Part. If the source does not have sufficient ATUs in its Transaction Account to account for its VOM emissions from the preceding seasonal allotment period, the source shall be subject to emissions excursion compensation in accordance with Section 205.720 of this Part. ATUs shall be retired in order of issuance, unless the account officer for the Transaction Account notifies the Agency in writing to specify which ATUs in the Transaction Account should be retired.