Effective: October 12, 2017

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
Permanent Rule Change

Rule Project No. 2016-041-101-CE
Emissions Banking and Trading Revisions for Area and Mobile Source Credit Generation

Chapter 101
General Air Quality Rules
Subchapter H

1. **Purpose.** This change transmittal provides the pages that reflect changes and additions to the Texas Commission on Environmental Quality (commission) Volume of Permanent Rules.


Sections 101.300, 101.302 - 101.304, 101.370, 101.372 - 101.374, and 101.376 were adopted with changes to the proposed text as published in the March 24, 2017, issue of the *Texas Register* (42 TexReg 1335). Section 101.306 was adopted without change to the proposed text and, therefore, was not republished.

The amended sections were submitted to the United States Environmental Protection Agency as revisions to the state implementation plan (SIP).

3. **Effects of Change.** The adopted rulemaking revises the Emissions Reduction Credit and Discrete Emissions Reduction Credit Programs to address implementation issues that are identified with the generation of emissions credits from area and mobile sources. The revisions include: identifying types of area and mobile sources that are eligible to generate credits; defining the eligible SIP emissions for credit generation projects; extending the application deadline to generate credits from mobile sources; defining the years used to determine the historical adjusted emissions for area and mobile sources; specifying the procedure for adjusting the credits issued for an individual mobile source based on its remaining useful life; reducing the amount of credits issued for an individual source based on the quality of the data used to determine the emissions; providing additional means to specify monitoring, testing, recordkeeping, and reporting requirements and to make the emission reduction permanent and federally enforceable; and various revisions providing greater flexibility for the generation and use of emission credits.