**Section 207.506 CER Adjustments**

a) If the vehicle scrappage plan provides that the emissions of both retired and replacement vehicles are to be modeled (model/model method), the total value of CERs claimed shall be:

1) Reduced by 20 percent to account for the natural retirement of vehicles; and

2) Discounted by an additional 5 percent.

b) If the vehicle scrappage plan provides that emissions of vehicles to be retired are to be measured and emissions of replacement vehicles are to be modeled (measure/model method), the total value of CERs claimed shall be reduced by 10 percent to account for the natural retirement of vehicles, unless enhanced prescreening inspection is conducted, as provided in Section 207.408 of this Part. If enhanced prescreening is conducted, no reduction to CERs claimed shall be assessed, except as provided in Section 207.314(d) of this Part.

c) Except as provided in Section 207.314(d) of this Part, if the vehicle scrappage plan provides that emissions of both retired and replacement vehicles are to be measured (measure/measure method), no reduction to the value of CERs claimed shall be assessed.