**Section 217.782 Allowance Allocations to Budget Opt-In Units**

a) Allowance allocations:

1) By the December 31 immediately before the first control period for which the budget permit is effective, the Agency will allocate allowances to the budget opt-in unit and submit to USEPA the allocation for the control period in accordance with subsection (b) of this Section.

2) By no later than the December 31 after the first control period for which the budget permit is in effect and the December 31 of each year thereafter, the Agency will allocate allowances to the budget opt-in unit and submit to USEPA allocations for the next control period, in accordance with subsection (b) of this Section.

b) For each control period for which the budget opt-in unit has a budget permit, the budget opt-in unit will be allocated allowances in accordance with the following procedures:

1) The heat input (in mmbtu) used for calculating allowance allocations will be the lesser of:

A) The opt-in unit's baseline heat input determined pursuant to Section 217.776(c) of this Part; or

B) The opt-in unit's heat input, for the control period in the year prior to the year of the control period for which the allocations are being calculated, as determined in accordance with 40 CFR 96, subpart H.

2) The Agency will allocate allowances to the budget opt-in unit in an amount equaling the heat input (in mmbtu) determined under subsection (b)(1) of this Section multiplied by the lesser of:

A) The unit's baseline NOx emission rate (in lbs/mmbtu) determined pursuant to Section 217.776(c) of this Part; or

B) The lowest NOx emissions limitation (calculated in lbs/mmbtu) under State or federal law that is applicable to the budget opt-in unit for the year of the control period for which the allocations are being calculated during the control period, regardless of the averaging period to which the emissions limitation applies.

(Source: Added at 25 Ill. Reg. 128, effective December 26, 2000)