Archived: Thursday, May 31, 2012 3:40:42 PM

From: Brian Azman

Sent: Wednesday, June 22, 2011 8:16:40 PM

To: Mike Thompson; Jason Painter; Ted Vatnsdal; John Bott

Subject: Fw: CATR allowances

Importance: Normal

Fyi Brian

## Sent from my blackberry

---- Original Message -----From: John Baileys

Sent: Wednesday, June 22, 2011 08:11 PM

To: Brian Azman

Subject: Re: CATR allowances

It says they can only use them toward a new unit. I assume it means their new unit. I am trying to get wood mac to confirm. But it seems to make sense since any new unit would need emission controls and would have no allowances allocated. Most new units including gas units would have Nox emissions and even some SO2 emissions.

---- Original Message -----From: Brian Azman

Sent: Wednesday, June 22, 2011 07:42 PM

To: John Baileys; Kelly Snyder Subject: Re: CATR allowances

So they do NOT lose them then?

Thx B

## Sent from my blackberry

---- Original Message -----From: John Baileys

Sent: Wednesday, June 22, 2011 04:25 PM

To: Kelly Snyder; Brian Azman

Cc: John Baileys

Subject: RE: CATR allowances

I am still searching the exact rules; however, Wood Mackenzie wrote an article that said if a unit does not operate for 3 consecutive years that the EPA will allocate allowance for those 3 years and 3 additional yrs which can be used for other existing operating units. After this the EPA will allocate the same allowances to a new unit set aside pool for that company.

I will see if I can find more.

John Baileys ACES Power Marketing Vice President of Fuels 317-344-7078 Office 317-308-8308 Cell ----Original Message-----From: Kelly Snyder

Sent: Wednesday, June 22, 2011 4:01 PM

To: Brian Azman; John Baileys Subject: Re: CATR allowances

I believe you do not get any allowances if you mothball your plant for 2 years or longer. Right, John?

Brian - see you at DEMEC tomorrow.

---- Original Message -----From: Brian Azman

Sent: Wednesday, June 22, 2011 03:06 PM

To: Kelly Snyder; John Baileys Subject: CATR allowances

What's the rule again on what happens to allowances for (coal) plants that are shut down? Diff rules for "shut down for sure" vs "turned off" for many years?

Thx B

Sent from my blackberry

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Think before you print

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