

This policy clarifies District procedures for calculating the emission baseline for the purpose of determining emission reduction credit (ERC). Rule 804.E states that the baseline "...shall be based upon the actual operating conditions of the existing source averaged over three consecutive years immediately preceding the date of application..."

This provision of District Rules is intended to require that the baseline for offsets be established three years prior to the date of application completeness for the project requiring the use of offsets. The Rule also provides for the APCO to approve a time period of three years in the last five years (prior to the date of application completeness for the project using the offsets) that is more representative of normal operation. The District requires the use of a consecutive three-year (twelve calendar quarter) period in calculating the baseline. In the event that the source has not been operated during any months which comprise this twelve calendar quarter period, the baseline for those months will be presumed to be zero.