prior to the trade minus the consumption traded.

(ii) A person requesting a consumption trade from Poland or Norway must also submit to the Administrator a true copy of the document that sets forth the following:

(A) The identity and address of the person;
(B) The identity of the Party;
(C) The names and telephone numbers of contact persons for the person and for the Party;
(D) The chemical type and quantity (in kilograms) of consumption being traded;
(E) Documentation that the Party possesses the necessary quantity of unexpended consumption rights;
(F) The control period(s) to which the trade applies; and

(3) Notice of trade. If the request meets the requirement of paragraph (b)(2) of this section for trades from Parties, the Administrator will issue the person a notice. The notice will grant consumption allowances and specify the control period to which the trade applies. The Administrator may disapprove the trade request if it does not meet the requirements of paragraph (b)(2) of this section.

(4) Trade from a Party. The Administrator will issue a notice revising the allowances held by the recipient of the trade to equal the unexpended consumption allowances held by the recipient of the trade under this subpart plus the quantity of allowable consumption traded from the Party.

(5) Effective date of revised consumption limits. The change in consumption allowances will be effective on the date that the notice is issued.

§§ 82.21–82.22 [Reserved]

§ 82.23 Transfers of allowances of class II controlled substances.

(a) Inter-company transfers. Effective January 1, 2003, a person (“transferor”) may transfer to any other person (“transferee”) any quantity of the transferor’s class II consumption allowances, production allowances, export production allowances, or Article 5 allowances for the same type of allowance as follows:

(i) The transferor must submit to the Administrator a transfer claim setting forth the following:

(A) The identities and addresses of the transferor and the transferee;
(B) The name and telephone numbers of contact persons for the transferor and the transferee;
(C) The type of allowances being transferred, including the names of the class II controlled substances for which allowances are to be transferred;
(D) The quantity (in kilograms) of allowances being transferred;
(E) The control period(s) for which the allowances are being transferred;
(F) The quantity of unexpended allowances of the type and for the control period being transferred that the transferor holds under authority of this subpart on the date the claim is submitted to EPA; and

(G) For trades of consumption allowances, production allowances, export production allowances, or Article 5 allowances, the quantity of the 0.1 percent offset applied to the unweighted quantity traded that will be deducted from the transferor’s allowance balance.

(ii) The Administrator will determine whether the records maintained by EPA indicate that the transferor possesses unexpended allowances sufficient to cover the transfer claim on the date the transfer claim is processed. The transfer claim is the quantity (in kilograms) to be transferred plus, in the case of transfers of production or consumption allowances, 0.1 percent of that quantity. The Administrator will take into account any previous transfers, any production, and allowable imports and exports of class II controlled substances reported by the transferor. Within three working days of receiving a complete transfer claim, the Administrator will take action to notify the transferor and transferee as follows:

(A) The Administrator will issue a notice indicating that EPA does not object to the transfer if EPA’s records show that the transferor has sufficient unexpended allowances to cover the transfer claim. In the case of transfers of production or consumption allowances, EPA will reduce the transferor’s
balance of unexpended allowances by
the quantity to be transferred plus 0.1
percent of that quantity. In the case of
transfers of export production or Arti-
cle 5 allowances, EPA will reduce the
transferor’s balance of unexpended al-
lowances, respectively, by the quantity
to be transferred. The transferor and
the transferee may proceed with the
transfer when EPA issues a no objec-
tion notice. However, if EPA ulti-
mately finds that the transferor did
not have sufficient unexpended allow-
ances to cover the claim, the transferor
and transferee, where applicable, will
be held liable for any knowing viola-
tions of the regulations of this sub-
part that occur as a result of, or in
conjunction with, the improper trans-
fer.

(b) Inter-pollutant transfers. (1) Effect-
ive January 1, 2003, a person (trans-
feror) may convert consumption allow-
ances or production allowances for one
class II controlled substance to the
same type of allowance for another
class II controlled substance listed in
Appendix B of this subpart, following
the procedures described in paragraph
(b)(3) of this section.

(2) Inter-pollutant transfers will be
permitted at any time during the con-
trol period and during the 30 days after
the end of a control period.

(3) The transferor must submit to the
Administrator a transfer claim that in-
cludes the following:
(i) The identity and address of the
transferor;
(ii) The name and telephone number
of a contact person for the transferor;
(iii) The type of allowances being
converted, including the names of the
class II controlled substances for which
allowances are to be converted;
(iv) The quantity (in kilograms) and
type of allowances to be converted;
(v) The quantity (in kilograms) of al-
lowances to be subtracted from the
transferor’s unexpended allowances for
the first class II controlled substance,
to be equal to 100.1 percent of the quan-
tity of allowances converted;
(vi) The quantity (in kilograms) of
allowances to be added to the trans-
feree’s unexpended allowances for the
second class II controlled substance, to
be equal to the quantity (in kilograms)
of allowances for the first class II con-
trolled substance being converted mul-
tiplied by the quotient of the ozone de-
pletion potential of the first class II
controlled substance divided by the
ozone depletion potential of the second
class II controlled substance, as listed
in Appendix B to this subpart;
(vii) The control period(s) for which
the allowances are being converted;
and
(viii) The quantity (in kilograms) of
unexpended allowances of the type and
for the control period being converted
that the transferor holds under author-
ity of this subpart as of the date the
claim is submitted to EPA.
§ 82.24 Recordkeeping and reporting requirements for class II controlled substances.

(a) Recordkeeping and reporting. Any person who produces, imports, exports, transforms, or destroys class II controlled substances must comply with the following recordkeeping and reporting requirements:

(1) Reports required by this section must be mailed to the Administrator within 30 days of the end of the applicable reporting period, unless otherwise specified.

(2) Revisions of reports that are required by this section must be mailed to the Administrator within 180 days of the end of the applicable reporting period, unless otherwise specified.

(3) Records and copies of reports required by this section must be retained for three years.