reduction credits in all early reduction credit requests under paragraph (a) or (b) of this section for 2001 through 2003 (as adjusted under paragraph (c)(1) of this section) submitted by February 1, 2004, the Administrator will allocate to each NO\textsubscript{X} Budget unit covered by such requests one allowance for each early reduction credit requested (as adjusted under paragraph (c)(1) of this section).

(4) If the State’s compliance supplement pool set forth in appendix D of this part has a smaller number of NO\textsubscript{X} allowances than the amount of early reduction credits in all early reduction credit requests under paragraph (a) or (b) of this section for 2001 through 2003 (as adjusted under paragraph (c)(1) of this section) submitted by February 1, 2004, the Administrator will allocate NO\textsubscript{X} allowances to each NO\textsubscript{X} Budget unit covered by such requests according to the following formula and rounding to the nearest whole number of NO\textsubscript{X} allowances as appropriate:

\[
\text{Unit’s allocation for early reduction credits} = \frac{\text{Unit’s adjusted early reduction credits} \times (\text{State’s compliance supplement pool} \div \text{Total adjusted early reduction credits for all units})}{100}
\]

Where:

- “Unit’s allocation for early reduction credits” is the number of NO\textsubscript{X} allowances allocated to the unit for early reduction credits.
- “Unit’s adjusted early reduction credits” is the amount of early reduction credits requested for the unit for 2001 and 2002 in early reduction credit requests under paragraph (a) or (b) of this section, as adjusted under paragraph (c)(1) of this section.
- “State’s compliance supplement pool” is the number of NO\textsubscript{X} allowances in the State’s compliance supplement pool set forth in appendix D of this part.
- “Total adjusted early reduction credits for all units” is the amount of early reduction credits requested for all units for 2001 and 2002 in early reduction credit requests under paragraph (a) or (b) of this section, as adjusted under paragraph (c)(1) of this section.

(5) By April 1, 2004, the Administrator will determine by order the allocations under paragraph (c)(3) or (4) of this section. The Administrator will make available to the public each determination of NO\textsubscript{X} allowance allocations and will provide an opportunity for submission of objections to the determination. Objections shall be limited to addressing whether the determination is in accordance with paragraph (c)(1), (3), or (4) of this section. Based on any such objections, the Administrator will adjust each determination to the extent necessary to ensure that it is in accordance with paragraph (c)(1), (3), or (4) of this section.

(6) By May 1, 2004, the Administrator will record the allocations under paragraph (c)(3) or (4) of this section.

(7) NO\textsubscript{X} allowances recorded under paragraph (c)(6) of this section may be deducted for compliance under §97.54 for the control period in 2004 or 2005. Notwithstanding §97.55(a), the Administrator will deduct as retired any NO\textsubscript{X} allowance that is recorded under paragraph (c)(6) of this section and that is not deducted for compliance under §97.54 for the control period in 2004 or 2005.

Subpart F—NO\textsubscript{X} Allowance Tracking System

§ 97.50 NO\textsubscript{X} Allowance Tracking System accounts.

(a) Nature and function of compliance accounts and overdraft accounts. Consistent with §97.51(a), the Administrator will establish one compliance account for each NO\textsubscript{X} Budget unit and one overdraft account for each source with two or more NO\textsubscript{X} Budget units. Allocations of NO\textsubscript{X} allowances pursuant to subpart E of this part or §97.88, and deductions or transfers of NO\textsubscript{X} allowances pursuant to §97.31, §96.54, §96.56, subpart G of this part, or subpart I of this part will be recorded in compliance accounts or overdraft accounts in accordance with this subpart.

(b) Nature and function of general accounts. Consistent with §97.51(b), the Administrator will establish, upon request, a general account for any person. Allocations of NO\textsubscript{X} allowances pursuant to §97.4(b)(4)(ii) or §97.5(c)(2) and transfers of allowances pursuant to subpart G of this part will be recorded in general accounts in accordance with this subpart.