

# Emission Reduction Credit Registry System

## Overview

Businesses interested in buying or selling emission reduction credits can now get help through the Department of Environmental Protection's Emission Reduction Credit (ERC) Registry System. DEP encourages businesses to take advantage of this registry, for each time ERCs are created and used, there is always a net benefit to the environment and expedited economic growth and expansion.

ERCs for nitrogen oxides (NOx) and volatile organic compounds (VOCs), the main components of ground-level ozone, are the most sought-after and marketable ERCs in Pennsylvania at this time. These ERCs are used to provide the necessary emission offsets required as part of the solution for meeting the air quality health standards for ground-level ozone.

## What are ERCs?

ERCs (Emission Reduction Credits), expressed in tons per year, can be created by a company if its emissions of certain pollutants, including volatile organic compounds and nitrogen oxides, are reduced more than what is necessary to fulfill regulatory requirements. ERCs can be either bought or sold to meet offset requirements for business expansion in areas with air quality problems.

## How are ERCs generated?

ERCs can be generated by all facilities in reducing emissions in a variety of ways including:

- Shutdown of an existing source or facility
- Permanent curtailment in production, or hours of operation which results in actual emissions reductions
- Use of new technologies, materials, processes or equipment modifications that are not required for compliance
- Installation of improved control measures that decrease actual emissions
- Pollution prevention

## What are ERCs used for?

Facilities creating ERCs can bank them for use at their own facilities or trade or sell them to other facilities for use.

## Where can ERCs be transferred?

ERCs can be transferred from a dirtier area to a cleaner area. Credits cannot be transferred from a cleaner area into a dirtier area. If they are created in the five

Philadelphia counties (Bucks, Chester, Delaware, Montgomery and Philadelphia), they may be transferred to users in the five-county area with some limitations. If ERCs are created in the remainder of the state, they may be transferred to anywhere within the state except the five-county Philadelphia area.

**For More Information**

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