

# The Development of International Emission Reduction Credits: An Example from El Paso Del Norte



# Contiguous Air shed



# 1999

- SB-7 compels reduction of NOx emissions creates NOx allowances.
- Three affected units at El Paso Electric's Newman Power Plant.
- Allowances allocated at 50% of 1997 levels.
- First compliance year starts May 1, 2003.



# 2000

- EPE submits concept paper to TNRCC proposing to use brick kiln reductions to create SB-7 allowances.



# 2000

- EPE arranges with Dr. Roberto Marquez, NMSU, NMED and TNRCC for controlled studies of kiln emissions, including model kiln construction.
- Local officials communicate support for EPE proposal to TNRCC.



# 2001

- Test burns commence.



# 2002

- Texas Legislature adopts SB 1561 “International Emission Reduction Credits & Interpollutant Trading”
- PROFEPA & SEMARNAT issue letters of support for project.



# 2002

- August 23, 2002 EPE formally submits full-scale proposal for creating allowances and test results for calculating same

Kiln Type/Pollutant Type	Unmodified Kiln Burns 2-4 Average of Results	Modified Kiln Burns 6-7 Average of Results	Reduction in Pollution Type	% Reduction in Pollutant Type
NOx (as NO2)	10.46	3.82	6.64	~63
CO	617.06	334.16	282.9	~46
Particulate (PM)	98.92	16.59	82.33	~83
VOCs	136.23	42.37	93.85	~69
Total pollutants (lb./Burn)	863	397	466 Pounds Pollutants Reduced per burn with modified kiln	

One Modified Kiln = 3.3 tons of pollutants per year.

# 2002

- TCEQ approves proposal November 16, 2002.
- Enforceable
- Permanent
- Quantifiable
- Real
- Surplus



# 2002

## Construction Of Environmental Kilns In Mexico Commences



