

**TITLE 252. DEPARTMENT OF ENVIRONMENTAL QUALITY
CHAPTER 100. AIR POLLUTION CONTROL**

**SUBCHAPTER 49. OKLAHOMA EMISSION REDUCTION TECHNOLOGY REBATE
PROGRAM**

252:100-49-1. Purpose and applicability

(a) The purpose of this Subchapter is to implement applicable provisions of the Oklahoma Emission Reduction Technology Incentive Act, 68 O.S. § 55006, *et seq.* The act created the "Oklahoma Emission Reduction Technology Rebate Program," administered by the Department of Environmental Quality and the Oklahoma Tax Commission, to provide a rebate of up to 25% of expenditures for implementation of a qualified "Emission Reduction Project." The program is intended to encourage implementation of new and innovative technologies for reduction of on-site emissions from oil and gas activities, specifically those listed in subsection (b).

(b) This program applies only to emissions from upstream, and midstream, and downstream oil and gas production, exploration, completions, gatherings, storage, processing, refining, distribution, and transmission activities. Activities in the following SIC codes are generally considered to qualify within the scope of eligibility for this program: 1311, 1321, 1381, 2911, 4612, 4613, 4922, 4923, 4924, and 4925, 5171, and 5172. DEQ may determine whether an activity identified by a particular NAICS code would qualify under an equivalent SIC code.

252:100-49-3. Definitions

The following words and terms, when used in this Subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"**Act**" means the Oklahoma Emission Reduction Technology Incentive Act, 68 O.S. § 55006, *et seq.*

"**Commission**" or "**OTC**" means the Oklahoma Tax Commission or its successor entity.

"**Department**" or "**DEQ**" means the Oklahoma Department of Environmental Quality.

"**Emission Reduction Project**" or "**ERP**" means an "Emission Reduction Project" as defined in 68 O.S. § 55008, but does not include projects that are required to address an enforcement action or undertaken as a supplemental environmental project to offset an enforcement penalty.

"**Rebate claim**" means the package submitted to DEQ documenting all criteria for a rebate has been met. Upon approval by DEQ, the package is forwarded to OTC as the formal request for OTC to issue a rebate under the Rebate Program.

"**Rebate Program**" or "**OERTRP**" means the Oklahoma Emission Reduction Technology Rebate Program, 68 O.S. § 55009, *et seq.*

252:100-49-5. Program criteria and qualification determination

(a) **Applying for rebate eligibility.** An applicant responsible for the implementation of a qualified Emission Reduction Project may submit a rebate claim to DEQ for review and determination whether the project qualifies under the program.

(1) The rebate claim shall be submitted on forms provided for this purpose, or as otherwise specified by DEQ.

(2) The rebate claim shall be submitted to DEQ no later than six (6) months after the end of the fiscal year in which the expenditures were made. The fiscal year ends on June 30 each year.

(3) Project documentation shall include:

- (A) a project description that provides information in sufficient detail to determine that it qualifies as an Emission Reduction Project (ERP) as defined in 68 O.S. § 55008;
- (B) an estimation of actual resulting emission reductions;
- (C) a statement that the project has been designed, installed, and operated as described in the claim and in accordance with good engineering practices and the requirements of this Chapter, and that implementation of the project is complete; and
- (D) an itemization of expenses, with invoices, for all equipment installed to implement the project;
- (E) a statement that specifically identifies whether the ERP pertains to refining activities, or does not pertain to refining activities.

(4) Project documentation shall state the amount of expenditures made in this state directly related to the implementation of the qualified Emission Reduction Project.

(5) The applicant shall certify that the project is not required to address an enforcement action or undertaken as a supplemental environmental project to offset an enforcement penalty.

(6) The applicant shall provide a certification from OTC that it has filed all Oklahoma tax returns and tax documents which are required by the laws of this state.

(7) The applicant shall provide evidence of a certificate of general liability insurance with a minimum coverage of One Million Dollars (\$1,000,000.00) and a workers' compensation policy pursuant to the laws of this state which shall include coverage of employer's liability.

(8) The rebate claim shall include certification, signed by a responsible official, attesting to the truth, accuracy, and completeness of the claim. This certification shall contain the following language: "I certify that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete."

(9) The applicant will be assessed a one-time fee of \$1,000 that must accompany the rebate claim. A rebate claim without the appropriate fee is incomplete.

(b) **DEQ review of rebate claim.** DEQ will review the rebate claim information to determine if the described project is a qualified Emission Reduction Project, and will the notify the applicant and OTC of its final approval or disapproval of the claim for a rebate payment from available funds in either the Oklahoma Emission Reduction Technology Upstream and Midstream Incentive Revolving Fund or the Oklahoma Emission Reduction Technology Downstream Incentive Revolving Fund, as appropriate.

(c) **Early submittal of rebate claim documentation for preliminary review.** An applicant may submit documentation for a planned ERP and corresponding rebate claim, for preliminary review by DEQ prior to the expenditure of project funds. Such submittal shall include a payment for the fee required under paragraph (9). Any resulting preliminary approval of the technical merits of the project shall be subject to final review and approval, once the project is complete and invoices are received per (a)(3)(C) and (D) above, prior to notifying OTC of a final determination under subsection (b).

(d) **Effect on OTC authority.** Nothing in this section shall limit or otherwise affect OTC's authority or responsibilities under the Act, including the authority to request submittal of additional information by the claimant.