

#### **1.4 Why is continuous monitoring necessary?**

Emissions monitoring and accounting are the backbone of cap and trade programs. Because the emission allowances are based on the total mass of a pollutant emitted over a certain time period, emissions must be monitored continuously during the compliance period. It is therefore essential to have a reliable measurement method for the commodity being regulated and traded---in this case, emissions--- to ensure that the goal of achieving actual, measurable emissions reductions in a cost-effective manner is met. Part 75 provides the necessary measurement method, and gives value to the traded commodity by:

- Ensuring that the emissions from all sources are consistently and accurately measured and reported. In other words, a ton of emissions from one source is equal to a ton of emissions from any other source;
- Requiring a complete record of emission data to be produced for each unit in the program (i.e., data are obtained for every hour of unit operation);
- Verifying that emission caps are not exceeded, thereby ensuring that emissions are not underestimated and that emission reduction goals are being met.