

AIR MECT_102583507-407578_
TR_20130207_Trades_P3302

02/01/2013 ----- EBTP IMS- PROJECT RECORD -----

PROJECT#: 407578 STATUS: P DISP CODE: C ✓
RECEIVED: 01/29/2013 PROJTYPE: BTSF ISSUED DT: 2/1/13 CMM
SUP-DISP DATE: 2/1/13

STAFF ASSIGNED TO PROJECT:
DANIEL, SHANTHA

PROJECT NOTES:
GROUPWISE DOCUMENTS: CTAS-19944; CTAB-19943.

PROJECT TRANSACTIONS

COMPANY DATA

COMPANY NAME: ELEMENT MARKETS LLC
CUSTOMER REGISTRY ID:

PORTFOLIO DATA

NUMBER: P3195 NAME: ELEMENT MARKETS BROKER - BKR1021

SITE DATA

ACCOUNT: BKR1021
REG ENTITY ID:
SITE NAME: BROKER ACCOUNT - ELEMENT MARKETS
COUNTY: NEAREST CITY:
LOCATION:

CONTACT DATA

NAME: MICHAEL TAYLOR TITLE: VICE PRESIDENT
STREET: 3555 TIMMONS LANE, SUITE 900 CITY/STATE,ZIP: HOUSTON, TX , 77027-0
PHONE: 281-207-7200 ext 0
Email: contractadmin@elementmarkets.com

TRANSACTION DATA

TRANSACTION TYPE:CAP_SELL ALLOWANCE TYPE:VINTAGE
EFFECTIVE YEAR: 2011 TON: 1.00
POLLUTANT CODE: NOX

COMPANY DATA

COMPANY NAME: DAVIS PETROLEUM PIPELINE LLC
CUSTOMER REGISTRY ID: CN603143389

PORTFOLIO DATA

NUMBER: P3302 NAME: UMBRELLA POINT FACILITY - RN102583507

SITE DATA

ACCOUNT: CI0174W
REG ENTITY ID: RN102583507
SITE NAME: UMBRELLA POINT FACILITY
COUNTY: CHAMBERS NEAREST CITY: BAYTOWN

LOCATION: FROM THE INTERSECTION OF FM 3180 AND I-10,
TRAVEL SOUTH ON FM 3180 FOR 4 MILES TO MERGE WITH
FM 2354. CONTINUE 7.5 MI TO BEACH CITY. FACILITY IS ON
RIGHT.

CONTACT DATA

Actual Allowances for NOX

Balance/Year	2006	2007	2008	2009	2010	2011	2012
Current	0	-0.20	0	0	0	0	0
Balance							

Vintage Balances for NOX

Balance/Year	2006	2007	2008	2009	2010	2011	2012
Current	0	0	0.30	1.20	0.20	0.90	1.00
Balance							

Allowable Allowances for NOX

Balance/Year	2006	2007	2008	2009	2010	2011	2012
Available Allowance for LEAN-BURN ENGINE - 145HP-757 (REMOVED BY LATE 2006)	0	-0.91	0	0	0	0	0

Flex permits Allowances for NOX

Balance/Year	2006	2007	2008	2009	2010	2011	2012
Current Balance	0	0	0	0	0	0	0

Pending Projects

Proj_num	Xaction Type
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Pseudocally Closed Projects

Proj_num	Xaction Type
407578	CAP_BUY

Portfolio Number: P3302 Portfolio Name: UMBRELLA POINT FACILITY - RN102583507
 Company Name: DAVIS PETROLEUM PIPELINE LLC

Actual Allowances for Pollutant NOX

Balance/Year	2006	2007	2008	2009	2010	2011	2012
Penalty from last year	0	0	-0.3	0	0	0	0
Starting Allowance	0	0	0	0	0	0	0
Future Trade In	0	0	0	0	0	0	0
Future Trade Out	-0	-0	-0	-0	-0	-0	-0
Stream Trade In	0	5.5	2.7	2.7	2.7	2.7	2.7
Stream Trade Out	-0	-5.5	-2.7	-2.7	-2.7	-2.7	-2.7
Current Trade In	0	0	0	0	0	0	0
Current Trade Out	-0	-0	-0	-0	-0	-0	-0
Vintage From Last Year	0	0	0	0	0	0	0
Vintage Trade In	0	0	2	2.5	2	2	0
Vintage Trade Out	0	0	0	0	0	0	0
Vintage Used	-0	-0	-1.7	-1.3	-1.8	-1.1	-0
VINTAGE BALANCE	0	0	0.3	1.2	0.2	0.9	0
DERC Intent	0	0	0	0	0	0	0
DERC Use	0	0	0	0	0	0	0
ERC Use	0	0	0	0	0	0	0
Actual Emissions	0	-0.2	-1.4	0	-1.8	-1.1	0
BALANCE	0	-0.2	0	0	0	0	0

* Part of actual allowances was used to cover exceedences by flex permits and/or allowables.

Allowable Allowances for Pollutant NOX

Balance	2006	2007	2008	2009	2010	2011	2012
Starting Allowance for COMP-1**	0	1.91	0	0	0	0	0
Penalty	0	0	-1.1	0	0	0	0
Actual Emissions	-1.83	-2.82	-0	-1.8	-0	-0	-0
BALANCE	0	-0.91	0	0	0	0	0

** This fin was recertified.

Flexible Allowances for Pollutant NOX

Balance	2006	2007	2008	2009	2010	2011	2012
Starting Allowance	0	0	0	0	0	0	0
Penalty	0	0	0	0	0	0	0
Actual Emissions	-0	-0	-0	-0	-0	-0	-0
BALANCE	0	0	0	0	0	0	0

Sb7 Allowances for Pollutant NOX

Balance/Year	2006	2007	2008	2009	2010	2011	2012
Starting Penalty	0	0	0	0	0	0	0
Starting Vintage	0	0	0	0	0	0	0
Starting SB7 Allowance	0	0	0	0	0	0	0
In	0	0	0	0	0	0	0
Out	-0	-0	-0	-0	-0	-0	-0
Actual Emissions	-0	-0	-0	-0	-0	-0	-0
BALANCE	0	0	0	0	0	0	0



**Texas Commission on Environmental Quality
Application for Transfer of Allowances
Form ECT-2 (Page 1)**

Received

JAN 29 2013

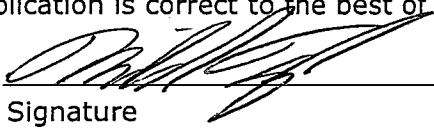
407578

Air Quality Division

Seller's Company Information		
Company Name: Element Markets, LLC /		
Mailing Address: 3555 Timmons Lane, Suite 900		
City: Houston	State: TX	ZIP Code: 77027
Telephone Number: 281-207-7200		
TCEQ Customer Reference Number (CN): BKR1021 /		
Seller's Site Information		
Site Name: N/A		
Street Address:		
Nearest City:	County:	ZIP Code :
TCEQ Regulated Entity Reference Number (RN):		
TCEQ Air Account Number (if applicable): BKR1021 /		
Portfolio Number: P3195 /		
Seller's Technical Contact Information		
(Mr. <input checked="" type="checkbox"/> Ms. <input type="checkbox"/> Dr. <input type="checkbox"/>) Technical Contact Name: Michael Taylor		
Title: Senior Vice President		
Mailing Address: 3555 Timmons Lane, Suite 900		
City: Houston	State: TX	ZIP Code: 77027
Telephone Number: 281-207-7200	E-Mail Address: contractadmin@elementmarkets.com	
Seller's Contact Information		
(Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr. <input type="checkbox"/>) Company Contact Name: Same As Technical Contact Information		
Title:		
Mailing Address:		
City:	State:	ZIP Code:
Telephone Number:	E-Mail Address:	
Buyer's Company Information		
Company Name: Davis Petroleum Pipeline, LLC /		
Mailing Address: 1330 Post Oak Boulevard, Suite 600		
City: Houston	State: TX	ZIP Code: 77056
Telephone Number: 713-439-6757		
TCEQ Customer Reference Number (CN): 603143389/		



Texas Commission on Environmental Quality
Application for Transfer of Allowances
Form ECT-2 (Page 2)

Buyer's Site Information				
Site Name: UMBRELLA POINT FACILITY ✓				
Street Address:				
Nearest City: Baytown ✓		County: Chambers ✓		ZIP Code: 77520
TCEQ Regulated Entity Reference Number (RN): 102583507 ✓				
TCEQ Air Account Number (if applicable): CI0174W				
Portfolio Number: P3302 ✓				
Buyer's Technical Contact Information				
(Mr. <input checked="" type="checkbox"/> Ms. <input type="checkbox"/> Dr. <input type="checkbox"/>) Technical Contact Name: Greg Schneider				
Title:				
Mailing Address: 1330 Post Oak Boulevard, Suite 600				
City: Houston		State: TX		ZIP Code: 77056
Telephone Number: 713-439-6757			E-Mail Address: gschneider@davcos.com	
Buyer's Contact Information				
(Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr. <input type="checkbox"/>) Company Contact Name: Same As Technical Contact Information				
Title:				
Mailing Address:				
City:		State:		ZIP Code:
Telephone Number:			E-Mail Address:	
Allowances to be Transferred				
Seller's Portfolio Number: P3195			Buyer's Portfolio Number: P3302	
Pollutant	Allocation Year	For Use in Control Period	Amount Traded (tons)	Purchase Price (\$/ton)
NOX	2011	2012	1.0	300.00
Authorized Signature				
I, Michael Taylor , hereby certify that Element Markets, LLC is the owner of the above listed allowances, these allowances may be transferred to the listed buyer, and that information entered in this application is correct to the best of my knowledge and belief.				
		SVP		1/24/13
Signature		Title		Date



Element Markets LLC

VIA UPS

January 25, 2013

Mr. Brandon Greulich
Texas Commission Environmental Quality
Office of Permitting and Registration
Emission Banking and Trading Program
12100 Park 35 Circle
Austin, TX 78753

Reference: Application for Transfer of Ownership

Dear Mr. Greulich:

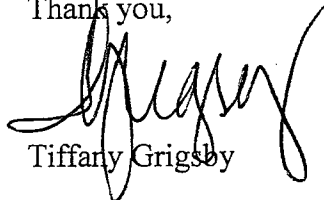
Enclosed are three (3) Form ECT-2 Applications for Transfer of Allowances to transfer 3.0 tons of 2011 HGB MECT NOx allowances from Element Markets, LLC to Davis Petroleum Pipeline, LLC.

When the transfer is complete, please send the confirmation to:

Contract Administration
Element Markets, LLC
3555 Timmons Lane, Suite 900
Houston, TX 77027

Thank you for your timely response to the ERC transfer request. If you have any questions or require more information, please call me at 281-207-7200.

Thank you,



Tiffany Grigsby

171604 REV. 12/09 FD

Airbill: 1Z0741W10393720717

TIFFANY GRIGSBY
281-207-7263
ELEMENT MARKETS
3555 TIMMONS LANE
HOUSTON TX 77027

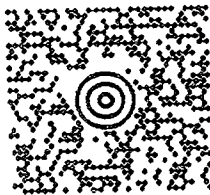
1 LBS

1 OF 1

205

SHIP TO:

MR. BRANDON GREULICH
2812077200
TEXAS COMMISSION ENVIRONM. QUALITY
12100 PARK THIRTY FIVE CIR
AUSTIN TX 78753

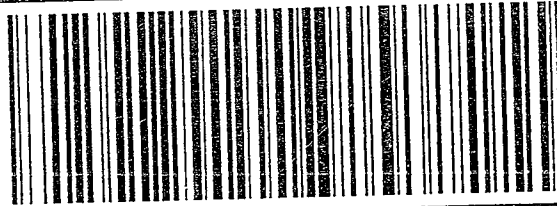


TX 787 9-04



UPS GROUND

TRACKING #: 1Z 074 1W1 03 9372 0717



BILLING: P/P

Trx Ref No : 100 ERCs

XCL 13 01 32

NV45 33 0A 10/2011



Create New Shipment
View Pending Shipments
Please fold or cut in half

RECEIVED
JAN 29 2013
ICEQ MAIL CENTER
13

Bryan W. Shaw, Ph.D., *Chairman*
Carlos Rubinstein, *Commissioner*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

February 7, 2013

Mr. Greg Schneider
Manager
Davis Petroleum Pipeline, LLC
1330 Post Oak Boulevard, Suite 600
Houston, Texas 77056

Re: Transfer of Nitrogen Oxides (NO_x) Allowances
Mass Emissions Cap and Trade (MECT) Program
Customer Reference Number: CN603143389
Regulated Entity Reference Number: RN102583507

Dear Mr. Schneider:

This letter is in response to a Form ECT-2 (Application for Transfer of Allowances) received from Element Markets, LLC, on January 29, 2013, project number 407578. The Texas Commission on Environmental Quality (TCEQ) acknowledges the following ECT-2 form(s) transferring NO_x allowances.

Project Status	Received	Project	Trade Type	Allowance Year	Action	Company Name	Amount Traded	Price Per Ton
Approved	1/29/2013	407578	Vintage	2011	Bought from	Element Markets, LLC	1.0	\$300.00

The portfolio summary listed below reflects allowances available for the specified control period. When the TCEQ deducts allowances for compliance at the end of the control period, current allowances are used first, and then vintage allowances.

Control Period	Portfolio	Company Name	Site or Broker Name	Vintage	Current
2012	P3302	Davis Petroleum Pipeline, LLC	Umbrella Point Facility	1.0	0.0

Visit the Credit and Allowance Registry to view additional information about this transfer and other projects at <http://www2.tceq.texas.gov/airperm/index.cfm?fuseaction=banking.start>.

If you have questions concerning this transfer or need further assistance regarding the banking program, please contact Dr. Shantha Daniel at (512) 239-3930 or write to the Texas Commission on Environmental Quality, Office of Air, Air Quality Division (MC-206), PO Box 13087, Austin, Texas 78711-3087.

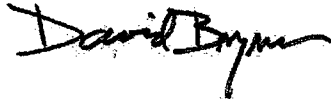
Mr. Greg Schneider

Page 2

February 7, 2013

This action is taken under authority delegated by the Executive Director of the TCEQ.

Sincerely,

A handwritten signature in black ink that reads "David Brymer". The signature is written in a cursive style with a large, prominent "D" and "B".

David Brymer, Director
Air Quality Division

DB/SD

cc: Air Section Manager, Region 12 – Houston

Banking and Trading Route Slip

AIR QUALITY DIVISION Emissions Banking and Trading Program (EBTP)											
Company Name: <i>Element Markets, LLC to Davis Petroleum Pipeline, LLC</i>											
Project Number: <i>407578</i>											
Type of Letter Correspondence: <i>CTAS / CTAB</i>											
Letter Document Number(s): <i>19944 / 19943</i>											
Certificate Number(s): <i>N/A</i>											
Review and Approval	Initial and Date	Comments/Special Instructions									
Brandon Greulich, Work Lead EBTP	—	—									
Author/Creator Review	<i>SD 2/6/13</i>										
Peer Review Completed	<i>MM 2/5/13</i>										
Author/Creator	<i>SD 2/1/13</i>		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #e0e0e0;"> <th style="font-size: small;">Copies Made</th> <th style="font-size: small;">Date</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><i>SD</i></td> <td style="text-align: center;"><i>2/6/13</i></td> </tr> <tr style="background-color: #e0e0e0;"> <th style="font-size: small;">Mailed</th> <th style="font-size: small;">Date</th> </tr> <tr> <td style="text-align: center;"><i>SD</i></td> <td style="text-align: center;"><i>2/7/13</i></td> </tr> </tbody> </table>	Copies Made	Date	<i>SD</i>	<i>2/6/13</i>	Mailed	Date	<i>SD</i>	<i>2/7/13</i>
Copies Made	Date										
<i>SD</i>	<i>2/6/13</i>										
Mailed	Date										
<i>SD</i>	<i>2/7/13</i>										
Please return Routing Slip and Project Paperwork to Brandon Greulich, MC-206, Ext. 4904											

C 2/7