

AIR DERC_100542927-406178_
USE_20111221_Use_D2804**11/22/2011 ----- EBTP IMS- PROJECT RECORD -----**PROJECT#: 406178 STATUS: P
RECEIVED: 11/16/2011 PROJTYPE: BDIUDISP CODE: C ✓
ISSUED DT:
SUP-DISP DATE: 12/21/2011**STAFF ASSIGNED TO PROJECT:**

THOMAS, JOE

PROJECT NOTES:

GROUPWISE DOCUMENTS: DCUA 17754; DCTR 17755,

PROJECT TRANSACTIONS**COMPANY DATA**COMPANY NAME: NRG TEXAS POWER LLC
CUSTOMER REGISTRY ID: CN603207218**PORTFOLIO DATA**

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATAACCOUNT:
LI0027L

REG ENTITY ID: RN100542927

SITE NAME: LIMESTONE ELECTRIC GENERATING STATION

COUNTY: LIMESTONE

LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

NEAREST CITY: JEWETT

File with:

D2200

D2203

D2204

D2512

D2517

D2518

D2519

D2520

D2522

D2526

D2804

CONTACT DATA

NAME: PERRY GALLOWAY

TITLE: ENVIRONMENTAL SPECIALIST

STREET: 1201 FANNIN, SUITE 8000 CITY/STATE, ZIP: HOUSTON, TX , 77002-0

PHONE: 713-537-2147 ext 0

FAX: 832-584-2114 ext 0

Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2011-11-17 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE0

DELETED DATE:

TONS: 111.10

CERTIFICATE NO.: D2200 COUNTY : LIMESTONE

EFFECTIVE YEAR:

DOLLARS: 0

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATAACCOUNT:
LI0027L

REG ENTITY ID: RN100542927

SITE NAME: LIMESTONE ELECTRIC GENERATING STATION

COUNTY: LIMESTONE

NEAREST CITY: JEWETT

LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

CONTACT DATA

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Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2011-11-18 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 61.70

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D2203 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATA

ACCOUNT:

LI0027L

REG ENTITY ID: RN100542927

SITE NAME: LIMESTONE ELECTRIC GENERATING STATION

COUNTY: LIMESTONE

NEAREST CITY: JEWETT

LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

CONTACT DATA

NAME: PERRY GALLOWAY

TITLE: ENVIRONMENTAL SPECIALIST

STREET: 1201 FANNIN, SUITE 8000 CITY/STATE, ZIP: HOUSTON, TX , 77002-0

PHONE: 713-537-2147 ext 0

FAX: 832-584-2114 ext 0

Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2011-11-18 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 164.00

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D2204 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATA

ACCOUNT:

LI0027L

REG ENTITY ID: RN100542927

SITE NAME: LIMESTONE ELECTRIC GENERATING STATION

COUNTY: LIMESTONE

NEAREST CITY: JEWETT

LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

CONTACT DATA

NAME: PERRY GALLOWAY

TITLE: ENVIRONMENTAL SPECIALIST

STREET: 1201 FANNIN, SUITE 8000 CITY/STATE, ZIP: HOUSTON, TX , 77002-0

PHONE: 713-537-2147 ext 0

FAX: 832-584-2114 ext 0

Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2011-11-18 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 55.60

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D2512 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATA

ACCOUNT:

LI0027L

REG ENTITY ID: RN100542927

SITE NAME: LIMESTONE ELECTRIC GENERATING STATION

COUNTY: LIMESTONE

NEAREST CITY: JEWETT

LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

CONTACT DATA

NAME: PERRY GALLOWAY

TITLE: ENVIRONMENTAL SPECIALIST

STREET: 1201 FANNIN, SUITE 8000 CITY/STATE, ZIP: HOUSTON, TX , 77002-0

PHONE: 713-537-2147 ext 0

FAX: 832-584-2114 ext 0

Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2011-11-18 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 1085.00

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D2517 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATA

ACCOUNT:

LI0027L

LI0027L

REG ENTITY ID: RN100542927

SITE NAME: LIMESTONE ELECTRIC GENERATING STATION

COUNTY: LIMESTONE

NEAREST CITY: JEWETT

LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

CONTACT DATA

NAME: PERRY GALLOWAY

TITLE: ENVIRONMENTAL SPECIALIST

STREET: 1201 FANNIN, SUITE 8000 CITY/STATE, ZIP: HOUSTON, TX , 77002-0

PHONE: 713-537-2147 ext 0

FAX: 832-584-2114 ext 0

Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2011-11-18 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 718.80

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D2518 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATA

ACCOUNT:

LI0027L

REG ENTITY ID: RN100542927

SITE NAME: LIMESTONE ELECTRIC GENERATING STATION

COUNTY: LIMESTONE

NEAREST CITY: JEWETT

LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

CONTACT DATA

NAME: PERRY GALLOWAY

TITLE: ENVIRONMENTAL SPECIALIST

STREET: 1201 FANNIN, SUITE 8000 CITY/STATE, ZIP: HOUSTON, TX , 77002-0

PHONE: 713-537-2147 ext 0

FAX: 832-584-2114 ext 0

Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2011-11-18 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 8.60

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D2519 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATA

ACCOUNT:

LI0027L
REG ENTITY ID: RN100542927
SITE NAME: LIMESTONE ELECTRIC GENERATING STATION
COUNTY: LIMESTONE NEAREST CITY: JEWETT
LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

CONTACT DATA

NAME: PERRY GALLOWAY TITLE: ENVIRONMENTAL SPECIALIST
STREET: 1201 FANNIN, SUITE 8000 CITY/STATE, ZIP: HOUSTON, TX , 77002-0
PHONE: 713-537-2147 ext 0
FAX: 832-584-2114 ext 0
Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN
DATE ENTERED: 2011-11-18 00:00:00.0 DELETED DATE: EFFECTIVE YEAR:
CONTAMINATE: NOX TONS: 102.80 DOLLARS: 0
ALLOWANCE0 CERTIFICATE NO.: D2520 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC
CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATA

ACCOUNT:
LI0027L
REG ENTITY ID: RN100542927
SITE NAME: LIMESTONE ELECTRIC GENERATING STATION
COUNTY: LIMESTONE NEAREST CITY: JEWETT
LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

CONTACT DATA

NAME: PERRY GALLOWAY TITLE: ENVIRONMENTAL SPECIALIST
STREET: 1201 FANNIN, SUITE 8000 CITY/STATE, ZIP: HOUSTON, TX , 77002-0
PHONE: 713-537-2147 ext 0
FAX: 832-584-2114 ext 0
Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN
DATE ENTERED: 2011-11-18 00:00:00.0 DELETED DATE: EFFECTIVE YEAR:
CONTAMINATE: NOX TONS: 1067.50 DOLLARS: 0
ALLOWANCE0 CERTIFICATE NO.: D2522 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC
CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATA

ACCOUNT:

LI0027L

REG ENTITY ID: RN100542927

SITE NAME: LIMESTONE ELECTRIC GENERATING STATION

COUNTY: LIMESTONE

NEAREST CITY: JEWETT

LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

CONTACT DATA

NAME: PERRY GALLOWAY

TITLE: ENVIRONMENTAL SPECIALIST

STREET: 1201 FANNIN, SUITE 8000 CITY/STATE, ZIP: HOUSTON, TX , 77002-0

PHONE: 713-537-2147 ext 0

FAX: 832-584-2114 ext 0

Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2011-11-18 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 125.10

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D2526 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: LIMESTONE ELECTRIC - RN100542927

SITE DATA

ACCOUNT:

LI0027L

REG ENTITY ID: RN100542927

SITE NAME: LIMESTONE ELECTRIC GENERATING STATION

COUNTY: LIMESTONE

NEAREST CITY: JEWETT

LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

CONTACT DATA

NAME: PERRY GALLOWAY

TITLE: ENVIRONMENTAL SPECIALIST

STREET: 1201 FANNIN, SUITE 8000 CITY/STATE, ZIP: HOUSTON, TX , 77002-0

PHONE: 713-537-2147 ext 0

FAX: 832-584-2114 ext 0

Email: perry.galloway@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2011-11-18 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 395.10

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D2804 COUNTY : LIMESTONE

TRACKING ACTIVITIESTR - PROJ TECH
COMPLETE :

11/18/2011

TR - ENGINEER RECEIVE
PROJECT :

11/18/2011

TR - SUP/MANGR
APP/RVW RQSTD :

FA - PROJECT ISSUED :

TR - DATE SUP/MNGR
REQ ADDL TR :

DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Project No.:	406178	Customer Reference No.:	CN603207218
Project Type:	BDIU	Regulated Entity Reference No.:	RN100542927
Company:	NRG Texas Power, LLC	Facility Name:	Limestone Electric Generating Station
City:	Jewett	County:	Limestone
Project Reviewer:	Mr. Joseph Thomas	Portfolio Name:	P3185

Project Overview

NRG Texas Power, LLC (NRG) submitted a Form DEC-2, Notice of Intent to Use Discrete Emission Credits, received November 16, 2011, for compliance with the annual emission rate in 30 Texas Administrative Code (TAC) §117.3010(1)(A)(ii). NRG intends to use nitrogen oxides (NO_x) Discrete Emission Reduction Credits (DERCs) for any potential excess emissions during the period of January 1, 2012, to December 31, 2012. The potential excess emissions may be caused by generating electricity using the coal-fired boilers in the two electric generating units at the site, Facility Identification Numbers (FINs) 1 and 2.

NRG estimated that an additional 3,383.2 tons of DERCs may be required for generating power with the two electric generation units at the site and requested that 3,890.8 tons be set aside for compliance (including the required 10% environmental contribution of 338.4 tons and the required 5% compliance margin of 169.2 tons). The 3,890.8 tons of NO_x DERCs needed are available on DERC certificates D-2200 (111.1 tons), D-2203 (61.7 tons), D-2204 (164.0 tons), D-2512 (55.6 tons), D-2517 (1,085.0 tons), D-2518 (718.8 tons), D-2519 (8.6 tons), D-2520 (102.8 tons), D-2522 (1,067.5 tons), D-2526 (125.1 tons), and D-2804 (395.1 tons). Additionally, to limit their number of DERC certificates to facilitate tracking, NRG has requested that the entire amounts in the certificates (3,895.3 tons) be set aside so that a return certificate is not issued at this time. Instead, the excess amount (4.5 tons) will be returned with any unused portions of the above certificates after NRG's Form DEC-3, Notice of Use of Discrete Emission Credits, is processed after the use period.

Discrete Emission Credit Use

NRG has two Electric Generating Units at the Limestone Electric Generating Station that are subject to the emission rate limits in 30 TAC §117.3010(1)(A)(ii). NRG intends to cover any potential excess emissions from the units through the use of up to 3,383.2 tons of DERCs during the intended use period of January 1, 2012, through December 31, 2012.

NRG has provided for an additional 338.4 tons of NO_x DERCs in their Form DEC-2 for the use period to account for the 10% environmental contribution. Because the total DERCs are more than 10 tons, the 5% compliance margin is required, and NRG has provided 169.2 tons for this margin. The entire amount from the certificates (3,895.3 tons total) will be set aside, so as to limit the number of certificates that the company needs to track by avoiding creation of a new certificate for the remaining balance of DERCs.

Certificates to be set aside.....	See above
Pollutant.....	NO _x
Amount.....	3,895.3 tons
Regulation.....	§117.3010(1)(A)(ii)
Use period/Use Date.....	1/1/2012 – 12/31/2012

Credit Use Calculation Methods

FINs 1 and 2 are expected to be fired throughout the year with emission rates of 0.21383 pounds per MMBtu (lb/MMBtu) and 0.21492 lb/MMBtu, respectively, which exceed to regulatory limit of 0.165 lb/MMBtu for coal-fired boilers. NRG is assuming that each boiler will be operated throughout the year without meeting the limit and has estimated a maximum level of activity for the year of 63,295,984.0 MMBtu for FIN 1 and 73,629,773.0 MMBtu for FIN 2.

Per §101.376(d)(2)(B),
DERCs needed = (ELA) × (EER - RER)

Where:

ELA = expected level of activity

EER = expected emission rate per unit activity

RER = regulatory emission rate per unit activity

FIN 1

DERCs needed = $(0.21383 \text{ lb/MMBtu} - 0.165 \text{ lb/MMBtu}) \times (63,295,984.0 \text{ MMBtu}) / (2000 \text{ lb/ton})$
= 1,545.5 tons

FIN 2

DERCs needed = $(0.21492 \text{ lb/MMBtu} - 0.165 \text{ lb/MMBtu}) \times (73,629,773.0 \text{ MMBtu}) / (2000 \text{ lb/ton})$
= 1,837.7 tons

Total

1,545.5 tons + 1,837.7 tons = 3,383.2 tons

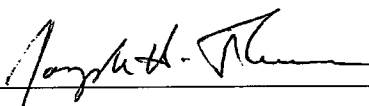
10% environmental contribution = 338.32 tons; rounded up to the nearest tenth = 338.4 tons


5% compliance margin = 169.2 tons

Total DERCs needed = 3,383.2 tons + 338.4 tons + 169.2 tons = 3,890.8 tons

Conclusion

NRG has estimated that 3,383.2 tons of DERCs may be needed to comply with the emission limits in 30 TAC §117.3010(1)(A)(ii) during the use period of January 1, 2012, through December 31, 2012, for the two electrical generation units at the Limestone Electric Generating Station. Based on the estimate, a total of 3,890.8 tons of NO_x DERCs (including the required 10% environmental contribution of 338.4 tons and the 5% compliance margin of 169.2 tons) is needed for this intent, but the entire amount from certificates D-2200, D-2203, D-2204, D-2512, D-2517, D-2518, D-2519, D-2520, D-2522, D-2526, and D-2804 (3,895.3 tons total) will be set aside, so as to limit the number of certificates that the company needs to track by avoiding creation of a new certificate for the remaining balance of DERCs.

 12/21/2011
Account Manager Date

 12/21/2011
Team Leader/Section Manager/Backup Date

RECEIVED

NOV 16 2011

AIR QUALITY
DIVISION



Form DEC-2 (Page 1)
Notice of Intent To Use Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

406178

DB

I. Company Identifying Information			
A. Company Name: NRG Texas Power LLC ✓			
Mailing Address: 1201 Fannin, Suite 8000			
City: Houston	State: TX	Zip Code: 77002	
Telephone: 713-537-2146		Fax: 713-537-4219	
B. TCEQ Customer Number (CN): 603207218 ✓			
C. Site Name: Limestone Electric Generating Station			
Street Address: (if no street address, give driving directions to site) 3964 FM 39			
Nearest City: Jewett	Zip Code: 75846	County: Limestone	
D. TCEQ Regulated Entity Number (RN): 100542927 ✓			
E. TCEQ Air Account Number: (if applicable) LI-0027-L ✓			P3185
F. Primary SIC: 4911		Air Permit Number: 8576	
II. Technical Contact Identifying Information			
A. Technical Contact Name: <input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) Perry Galloway			
Technical Contact Title: Sr. Environmental Specialist			
Mailing Address: 1201 Fannin, Suite 8000			
City: Houston	State: TX	Zip Code: 77002	
Telephone: 713-537-2147	Fax: 832-584-2114	E-mail: perry.galloway@nrgenergy.com	
III. Mass Emission Cap and Trade Program (MECT)			
Is the DERC use for compliance with 30 TAC Chapter 101 Subchapter H, Division 3? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			
Year DERC Generated: _____ Year of Use: _____ Ratio of DERC to Allowance: _____ to _____			
Note: If DERC use is to comply with MECT then go to Section IX			
IV. Intended Use Period			
Intended Use Start Date <u>01/01/2012</u>		Intended Use End Date <u>12/31/2012</u>	



Form DEC-2 (Page 2)
Notice of Intent To Use Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

V. State and Federal Requirements

Applicable State and Federal requirements that the DERCs will be used for compliance:
30 TAC 117.3010, 30 TAC 117.3020, 30 TAC 116.115(b)(2)(F)

VI. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate:

☐ Permit _____

☐ RACT _____

☒ Other: 0.165 lb/mmBtu

Notes:

Continue to Section VII (next page)



Form DEC-2 (Page 3)
Notice of Intent To Use Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

VII. Tons of DERCS Required									
Emission Point No.	FIN	Air Contaminant	Calculation of DERCS						
			Expected Activity (units)	Expected Emission Rate (units)	Expected Total Emissions (tons)	Regulated Activity (units)	Regulated Emission Rate (units)	Regulated Total Emissions (tons)	DERCS (tons)
LMS1	1	NOx	63,295,984.0 MMBtu	0.2138 ³ lb/mmBtu	6,924.5	61,600,000 MMBtu	0.165 lb/mmBtu	5,082.0	1,545.5
LMS2	2	NOx	73,629,773.0 MMBtu	0.2149 ⁷ lb/mmBtu	7,953.2	58,569,697 MMBtu	0.165 lb/mmBtu	4,832.0	1,837.7
Total:								3,383.2	



Form DEC-2 (Page 4)
Notice of Intent To Use Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

VIII. Protocol

Protocol used to calculate DERC:

Note: Attach the actual calculations that were used to determine the amounts of DERCs needed to this form
see attached

IX. Total DERCS Required for Use (round up to the nearest tenth of a ton)

Tons of DERCs required (from Sect. VII.)	CO: _____	NO _x : <u>3,383.2</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Offset Ratio (if required)	CO: _____	NO _x : _____	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Environmental Contribution (+ 10%)	CO: _____	NO _x : <u>338.34</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Compliance Margin (+ 5%) (If DERC use requires >10 tons)	CO: _____	NO _x : <u>169.2</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCs	CO: _____	NO _x : <u>3890.70</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

X. DERC Information

Name of the DERC Generator: W. A. Parish Electric Generating Station

DERC Generator Regulated Entity Number: RN100888312

Certificate number of the DERCs acquired or to be acquired: D-2814

Note: The certificate number is assigned by the TCEQ



Form DEC-2 (Page 5)
Notice of Intent To Use Discrete Emission Reduction Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

XI. Purchase Date and Price

Date on which the DERCs were acquired or will be acquired: 09/22/2011

Price or expected price of the DERCs: \$ 0.00 per ton (Required)

XII. Certification by Responsible Official

I, Craig R. Eckberg, hereby certify, to the best of my knowledge and belief, that this application is correct and the use strategy claimed on this notice has met the requirements of all applicable state and federal rules and regulations. I further state that to the best of my knowledge and belief the information in this certification is not in any way in violation of 30 TAC, Subchapter H, Division 4, §101.370-101.379 or any applicable air quality rule or regulation of the Texas Commission on Environmental Quality and that intentionally or knowingly making or causing to be made false material statements or representations in this certification is a CRIMINAL OFFENSE subject to criminal penalties. I hereby also waive the Federal statute of limitations defense in regards to the generation and use of discrete emission credits.

Signature C. R. Eckberg Signature Date 14 Nov 11
Title Sr. Manager, Environmental Business

Mail application to:
Emission Banking and Trading Program
TCEQ MC-206
PO BOX 13087
AUSTIN, TX 78711-3087

NRG Texas Power LLC
Limestone Electric Generating Station
DERC Intent to Use Calculations for January 1, 2012 - December 31, 2012
Based on 2011 CEMS NOx Cumulative Report (1/1/11 - 10/31/11)

TCEQ Account	Unit	NOx Control Method1	NOx Monitoring Method	Jan 1, 2010 thru December 31, 2010 Heat Input-(ELA) (MMBtu)	Jan 1, 2010 thru December 31, 2010 EF-(EER) (NOx lb/MMBtu)2	Emission Specification (RER) 117.3010(1)(A)(ii)	Actual Emissions (NOx tons/yr)	Annual Average Emissions Cap (NOx tons/yr)	DERCs needed to meet Compliance (NOx lbs/yr) (101.376(d)(2)(B))3	DERCs needed to meet Compliance (NOx tns/yr) (101.376(d)(2)(B))3	10% Environmental Contribution	Total DERCs Required
L1-0027-L	LMS 1	Comb, LNB, OFA	CEMS	63,295,984.0	0.21383	0.165	6,924.5	5,081.5	3,090,953.9	1,545.5	154.5	1,700.0
	LMS 2	Comb, LNB, OFA	CEMS	73,629,773.0	0.21492	0.165	7,953.2	4,831.5	3,675,352.8	1,837.7	183.8	2,021.4
Total:				136,925,757.0			14,877.7	9,913.0	6,766,306.7	3,383.2	338.3	3,721.5

Note 1 - NOx Control Method Code

Comb - Combustion Tuning

LNB - Low NOx Burners

OFA - Over-fire Air

Note 2 - Emission Factor

Heat Input weighted Emission Factor derived from CEMS data

Note 3 - Formula for discrete credits used is per 30 TAC 101.376(d)(2)(B):

(ELA) X (EER - RER) = discrete emission credits used

Where:

ELA = expected level of activity

EER = expected emission rate per unit activity

RER = regulatory emission rate per unit activity

**2011 Yearly NOx Emissions
CEMS 2011 Cumulative Report**

Month 2011	LMS1			LMS2		
	Heat Input (mmBtu/mo.)	NOx (tons)	NOx Rate (lb/mmBtu)	Heat Input (mmBtu/mo.)	NOx (tons)	NOx Rate (lb/mmBtu)
January	5,958,909	675.4	0.226	6,504,292	613.9	0.188
February	1,834,316	183.1	0.174	5,837,665	569.0	0.195
March	5,830,179	612.2	0.208	6,297,616	662.0	0.210
April	5,986,852	627.1	0.209	6,117,571	697.1	0.228
May	5,440,643	580.7	0.207	6,034,489	647.9	0.214
June	6,003,136	670.9	0.223	5,064,470	579.8	0.221
July	5,465,595	622.6	0.223	6,495,776	761.7	0.234
August	5,622,545	651.0	0.234	6,475,113	729.9	0.225
September	5,730,536	595.9	0.207	6,068,064	604.5	0.199
October	4,178,183	403.6	0.187	5,743,165	564.0	0.197
November	5,622,545	651.0	0.234	6,495,776	761.7	0.234
December	5,622,545	651.0	0.234	6,495,776	761.7	0.234
Totals	63,295,984.00	6,924.5	0.2138	73,629,773.00	7,953.2	0.2149

2011 max ER YTD

2011 max ER YTD

Bryan W. Shaw, Ph.D., *Chairman*
Buddy Garcia, *Commissioner*
Carlos Rubinstein, *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 22, 2011

RECEIVED
SEP 29 2011

Mr. Perry Galloway
Senior Environmental Specialist
NRG Texas Power, LLC
1201 Fannin, Suite 8800
Houston, Texas 77002

BY:

Re: Transfer of Discrete Emission Reduction Credits
W.A. Parish Electric Generating Station
Thompsons, Fort Bend County
Regulated Entity Reference Number: RN100888312
Customer Reference Number: CN603207218
Portfolio Numbers: P0576, P3101, and P3140
DERC Certificate Numbers: D-1025, D-1027, D-1034, D-1035, D-1037, D-1044, D-1047,
D-2118, and D-2810 through D-2817

Dear Mr. Galloway:

This letter is in response to a Form DEC-4 (Application for Transfer of Discrete Emission Credits) received from NRG Texas Power, LLC, on September 15, 2011, regarding the transfer of nitrogen oxides (NO_x) Discrete Emission Reduction Credits (DERCs) from RN100888312 to NRG Texas Power, LLC's Houston-Galveston-Brazoria (HGB) System Cap portfolio. We understand that the following transfers have taken place, totaling 29,023.0 tons of NO_x DERCs:

Project Number	From (Seller Portfolio)	To (Buyer Portfolio)	Certificates Canceled	Certificates Created	Tons
406051	P3101	P3140	D-2118	D-2810	2,134.0
406052	P0576	P3140	D-1025	D-2811	5,299.0
406052	P0576	P3140	D-1027	D-2812	1,090.0
406052	P0576	P3140	D-1034	D-2813	5,566.0
406052	P0576	P3140	D-1035	D-2814	5,172.0
406052	P0576	P3140	D-1037	D-2815	2,279.0
406052	P0576	P3140	D-1044	D-2816	2,370.0
406052	P0576	P3140	D-1047	D-2817	5,113.0

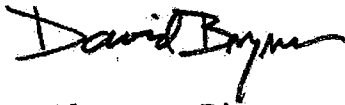
Ms. Perry Galloway
Page 2
September 22, 2011

Enclosed are copies of DERC Certificate Numbers D-2810 through D-2817 for the HGB System Cap portfolio (P3140). All the certificates are issued to NRG Texas Power, LLC. The certificates have been deposited in the Texas Commission on Environmental Quality (TCEQ) Discrete Emissions Credit Registry and may be transferred or sold to another owner for use per the requirements of Title 30 Texas Administrative Code §§101.370 - 101.379.

Thank you for your cooperation in this matter. If you have questions concerning this review, please contact Mr. Joseph Thomas at (512) 239-0012, or write to the Texas Commission on Environmental Quality, Chief Engineer's Office, Air Quality Division (MC-206), P.O. Box 13087, Austin, Texas 78711-3087.

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

Sincerely,



David Brymer, Director
Air Quality Division

DB/JT

Enclosures

cc: Air Section Manager, Region 12 – Houston
Mr. Michael Schaffer, Director, Environmental Public Health Division, Harris County
Public Health and Environmental Services, Pasadena
Mr. Arturo Blanco, Bureau Chief, Air Quality control, Health and Human Services
Department, City of Houston

Project Numbers 406051 and 406052

The State of Texas

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Certificate Number:

D-2814



Number of Credits:

5,172.0 tons NOx

Discrete Emission Reduction Credit Certificate

This certifies that
NRG Texas Power, L.L.C.
1201 Fannin, Suite 8800
Houston, TX 77002

is the owner of 5,172.0 tons of nitrogen oxides (NOx) discrete emission reduction credits established under the laws of the State of Texas, transferable only on the books of the Texas Commission on Environmental Quality, by the holder hereof in person or by duly authorized Attorney, upon surrender of this certificate.

The owner of this certificate is entitled to utilize the discrete emission credits evidenced herein for all purpose authorized by the laws and regulations of the State of Texas and is subject to all limitations prescribed by the laws and regulations of the State of Texas.

Discrete Emission Reduction Generation Period: April 1, 2000 to March 31, 2001

Generator Regulated Entity No.: RN100888312

Generator Certificate: D-1035

County of Generation: Fort Bend

October 5, 2011

Date

A handwritten signature in cursive script, appearing to read "David Boyer".

For the Commission

AREA	CERTIFICATE	POLLUTANT	GENERATION PERIOD START DATE	GENERATION PERIOD END DATE	TONS AVAILABLE	LAST PROJECT	PROJECT STATUS	TRANSACTION TYPE	PORTFOLIO	GENERATOR CERTIFICATE
EAST AND CENTRAL TEXAS	D2200	NOX	3/1/2001	2/28/2002	111.1	406178	P	DERC_INTEN	3185	D1170
HOUSTON-GALVESTON-BRAZ	D2203	NOX	4/1/2000	3/31/2001	61.7	406178	P	DERC_INTEN	3185	D2120
HOUSTON-GALVESTON-BRAZ	D2204	NOX	4/1/2000	3/31/2001	164	406178	P	DERC_INTEN	3185	D2185
EAST AND CENTRAL TEXAS	D2512	NOX	1/1/2001	12/31/2001	55.6	406178	P	DERC_INTEN	3185	D1053
EAST AND CENTRAL TEXAS	D2517	NOX	1/1/2001	12/31/2001	1085	406178	P	DERC_INTEN	3185	D1053
EAST AND CENTRAL TEXAS	D2518	NOX	4/1/2002	12/31/2002	718.8	406178	P	DERC_INTEN	3185	D1062
HOUSTON-GALVESTON-BRAZ	D2519	NOX	4/1/1999	3/31/2000	8.6	406178	P	DERC_INTEN	3185	D1026
HOUSTON-GALVESTON-BRAZ	D2520	NOX	4/1/2001	3/31/2002	102.8	406178	P	DERC_INTEN	3185	D1049
EAST AND CENTRAL TEXAS	D2522	NOX	4/1/2002	12/31/2002	1067.5	406178	P	DERC_INTEN	3185	D1062
HOUSTON-GALVESTON-BRAZ	D2526	NOX	4/1/1999	3/31/2000	125.1	406178	P	DERC_INTEN	3185	D1029
HOUSTON-GALVESTON-BRAZ	D2804	NOX	4/1/2001	3/31/2002	395.1	406178	P	DERC_INTEN	3185	D1048



RECEIVED
NOV 16 2011
AIR QUALITY
DIVISION

CERTIFIED MAIL—RETURN RECEIPT REQUESTED

November 14, 2011

Ms. Danell Zawaski
Texas Commission on Environmental Quality
Emission Banking and Trading Program, MC206
P.O. Box 13087
Austin, TX 78711-3087

RE: Notice of Intent to Use Discrete Emission Credits (Form DEC-2)
Limestone Electric Generating Station
Customer Reference No.: CN603207218
Regulated Entity No.: RN100542927

Dear Ms. Zawaski:

NRG Texas Power LLC (NRG Texas) submits the enclosed information providing notice of intent to use Discrete Emission Credits (DERCs) for the Limestone Electric Generating Station.

NRG Texas has determined that up to 3,384 discrete emission credits will be required for 2012 operations at the Limestone Electric Generating Station. In addition, NRG Texas would like to use the flexibility provided in 30 TAC 101.376(b)(1)(B) and set aside an additional 40 tons from DERC certificate D-2814 for use pursuant to 30 TAC 116.115(b)(2)(F).

If you have any questions, please contact Mr. Perry M. Galloway at (713) 537-2147 or email at perry.galloway@nrgenergy.com.

Sincerely,

Craig R. Eckberg
Sr Manager, Environmental Business
Environmental Operations

cc: Mr. Gary Goldman, TCEQ Region 9, Air Section Manager, Waco, TX
Mr. John Smith, TCEQ Central Office, Austin, TX

Calculation Description

The equation used to calculate the amount of discrete emission credits needed to demonstrate compliance or meet regulatory requirements is provided in 30 TAC 101.376 (d) to determine appropriate data series.

The affected units are equipped with a certified NO_x Continuous Emission Monitor (CEM), which provides hourly NO_x rates on a lb/MMBtu basis, in accordance with the requirements of 40 CFR 75.10(a)(2). The annual baseline NO_x rate reported in the TCEQ Emission Inventories is calculated by the CEM data acquisition system and consists of the average of the hourly rates. The expected emission rate represents a conservative estimate of NO_x emissions for the compliance period.

$$(ELA) \times (EER - RER) = \text{discrete emission credits needed}$$

where

ELA = maximum expected level of activity (MMBtu/yr)

EER = expected emission rate per unit activity (lb/MMBtu)

RER = regulatory emission rate per unit activity (lb/MMBtu)

$$\begin{aligned} \text{LMS1} &= (63,295,984.0 \text{ MMBtu}) \times (0.21383 \text{ lb / MMBtu} - 0.165 \text{ lb / MMBtu}) \\ &= (63,295,984.0 \text{ MMBtu}) \times (0.04883 \text{ lb / MMBtu}) \\ &= 3,090,953.9 / 2000 \text{ lbs./ton} \\ &= 1,545.5 \text{ tons} \end{aligned}$$

$$\begin{aligned} \text{LMS2} &= (73,629,773.0 \text{ MMBtu}) \times (0.21492 \text{ lb / MMBtu} - 0.165 \text{ lb / MMBtu}) \\ &= (73,629,773.0 \text{ MMBtu}) \times (0.04992 \text{ lb / MMBtu}) \\ &= 3,675,352.8 \text{ lbs. / 2000 lbs./ton} \\ &= 1,837.7 \text{ tons} \end{aligned}$$

$$\begin{aligned} \text{LMS1} + \text{LMS2} &= 1,545.5 \text{ tons} + 1,837.7 \text{ tons} \\ &= 3,383.2 \text{ tons} \end{aligned}$$

From: Joe Thomas
To: Galloway, Perry
Date: 11/18/2011 2:06 PM
Subject: RE: DERC Intent to Use for Limestone Electric Gen Stn

Perry,

Re-send of previous with an additional part I left out:

In processing the Form DEC-2, I have noted a few calculation differences:

In calculating the expected total emissions for each EGU (on page 3), I assume you are multiplying the expected activity by the expected emission rate for each unit, then dividing by 2000 lb/ton. However, when I do this calculation with the numbers in the table, I get lower results than you did (Fin 1 - 6766.3 tons vs 6924.5 tons; FIN 2 7911.5 tons vs 7953.2 tons). Please check if the following values from the Form DEC-2 are correct:

FIN	Expected Activity	Expected Emission Rate
1	63,295,984.0 MMBtu	0.2138 lb/MMBtu
2	73,629,773.0 MMBtu	0.2149 lb/MMBtu

The regulated total emissions calculations in the rest of the table on page 3 appear to be correct. However, in subtracting the regulated emissions from the total emissions, I am getting a higher number than you calculated (using the calculated values in the DEC-2, FIN 1 = 1842.5 ton (vs 1545.5) and FIN 2 = 3121.2 ton (vs 1837.7)).

Additionally, the 10% environmental contribution calculation on page 4 of the DEC-2 was rounded down rather than rounded up (so it is 1/10 ton low). I am calculation 338.4 tons for this part if the tons of DERCs required remains the same.

Please let me know which information is correct so I can complete the processing.

Thanks

+++++

Joe Thomas
 TCEQ Air Quality Division, Stationary Sources Team
 (512) 239-0012
joe.thomas@tceq.texas.gov

How is our customer service? Fill out our online customer satisfaction survey at www.tceq.state.tx.us/goto/customersurvey.

>>> "Galloway, Perry" <Perry.Galloway@nrgenergy.com> 11/18/2011 10:34 AM >>>
 Sorry, forgot to address that one. Please set aside the entire amount of 3895.3 tons from the 11 certificates.

Thanks.

Perry M. Galloway
 NRG Texas Power LLC
 Sr. Environmental Specialist
 Office: 713-537-2147
 Fax: 832-584-2114
 Cell: 713-824-9109
perry.galloway@nrgenergy.com

-----Original Message-----

From: Joe Thomas [<mailto:Joe.Thomas@tceq.texas.gov>]
 Sent: Friday, November 18, 2011 10:32 AM
 To: Galloway, Perry
 Subject: RE: DERC Intent to Use for Limestone Electric Gen Stn

Perry,

I appreciate your quick response.

Would you like for me to set aside the entire 3895.3 tons from the 11 certificates or return to extra 4.6 tons now as a separate certificate?

Thanks

+++++

Joe Thomas
TCEQ Air Quality Division, Stationary Sources Team
(512) 239-0012
joe.thomas@tceq.texas.gov

How is our customer service? Fill out our online customer satisfaction survey at www.tceq.state.tx.us/goto/customersurvey.

>>> "Galloway, Perry" <Perry.Galloway@nrgenergy.com> 11/18/2011 10:15 AM >>>
Joe,

I believe NRG would like to move forward with your suggested approach of using the current certificates (as you have lined out below) that are in the Limestone portfolio (P3185) to cover the 2012 operating period.

Additionally, I will be submitting a DEC-4 form to transfer certificate D2814 to portfolio P3185 for use at a later date. Should you have any questions or if you need any additional information, don't hesitate to contact me.

Thanks.

Perry M. Galloway
NRG Texas Power LLC
Sr. Environmental Specialist
Office: 713-537-2147
Fax: 832-584-2114
Cell: 713-824-9109
perry.galloway@nrgenergy.com

-----Original Message-----

From: Joe Thomas [<mailto:Joe.Thomas@tceq.texas.gov>]
Sent: Friday, November 18, 2011 9:50 AM
To: Galloway, Perry
Subject: DERC Intent to Use for Limestone Electric Gen Stn

Perry,

As discussed, here are some options for how to cover the DERC intent for the Form DEC-2 that you submitted on 11/16/2011. Please note that I made an error on one certificate when we spoke on the phone, so there are less total NOx DERCs available than I stated. Currently, you have 13 certificates with NOx DERCs in portfolio P3185 for the Limestone Electric Generating Station:

Certificate	Amount (Tons)
D-2200	111.1
D-2203	61.7
D-2204	164.0
D-2512	55.6
D-2517	1085.0
D-2518	718.8
D-2519	8.6
D-2520	102.8
D-2522	1067.5
D-2526	125.1
D-2804	395.1
Subtotal	3895.3
D-2524	832.8
D-2758	242.4
Subtotal	1075.2
Total	4970.5 Tons

In the Form DEC-2, you asked to set aside for 2012 a total of 3890.7 tons of NOx DERCs from certificate D-2814. However, this certificate is in the portfolio for the HGB System Cap rather than the one for Limestone EGS (P3185). Therefore, to use the specified certificate, a Form DEC-4 would need to be submitted to transfer it to P3185.

Alternately, certificates already in P3185 could be used for the 2012 Intent project. The first group of 11 certificates above give a total of 3895.3 tons of NOx DERCs, which is 4.6 tons more than what you asked to have set aside. In addition to speeding up the processing of the submitted Form DEC-2 (since it would not have to wait until the Form DEC-4 is processed), using these 11 certificates could reduce the number of certificates in P3185 if any DERCs are actually used during 2012. This action would reduce the number of certificates that you need to track for the future. Additionally, if you choose this option, we could set aside the entire amounts in the certificates (3895.3 tons, or 4.6 tons more than you requested) so that you do not receive a new certificate to return the 4.6 tons remaining. The 4.6 tons would be returned after your Form DEC-3 for 2012 is processed, along with any remaining DERCs from the amount that you have requested, but all of the DERCs would be in a minimal number of certificates.

Using the second alternative above would leave 1075.2 tons of NOx DERCs available in P3185, in case you need additional DERCs in 2012 or future years. You could file a Form DEC-4 to transfer certificate D-2814 or another certificate to P3185 to increase the amount available, which would not affect the processing of the already submitted Form DEC-2 (i.e., the Form DEC-4 would be processed later).

Please let me know at your earliest convenience how you would like to proceed on this issue.

Thanks

Joe Thomas
TCEQ Air Quality Division, Stationary Sources Team
(512) 239-0012
joe.thomas@tceq.texas.gov

How is our customer service? Fill out our online customer satisfaction survey at www.tceq.state.tx.us/goto/customersurvey.

Portfolio Number: P3185

Portfolio Name: LIMESTONE ELECTRIC - RN100542927

Company Name: NRG TEXAS POWER LLC

Actual Allowances for Pollutant NOX

Balance/Year	2006	2007	2008	2009	2010	2011	2012
Penalty from last year	0	0	0	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	0	0	0	0	0	0
Stream Trade Out	-0	-0	-0	-0	-0	-0	-0
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	0	0	0	0	0
Vintage Trade Out	0	0	0	0	0	0	0
Vintage Used	-0	-0	-0	-0	-0	-0	-0
VINTAGE BALANCE	0	0	0	0	0	0	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	0	0	0	0	0
BALANCE	0	0	0	0	0	0	0

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

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

DERC

Certificate Num	Cont Code	Avail Tons	Transaction Type	Inactive Date	Gen Start Date	Gen End Date	County	Parent Cert Num
D2201	NOX	1284.80	DERC_RET	04/15/2010	04/01/2001	03/31/2002	LIMESTONE	D1207
D2517	NOX	1085.00	DERC_INTEN	12/30/3000	01/01/2001	12/31/2001	RUSK	D2202
D2526	NOX	125.10	DERC_INTEN	12/30/3000	01/04/1999	03/31/2000	HARRIS	D2525
D2698	NOX	2414.80	DERC_INTEN	08/12/2011	01/04/2001	03/31/2002	FORT BEND	D2691
D2516	NOX	185.10	DERC_USE	04/15/2010	01/01/2001	12/31/2001	RUSK	D2202
D2198	NOX	5251.80	DERC_INTEN	04/15/2010	12/30/3000		LIMESTONE	D1062
D2198	NOX	5251.80	DERC_GEN	04/15/2010	12/30/3000		LIMESTONE	D1062
D2202	NOX	1325.70	DERC_RET	04/15/2010	01/01/2001	12/31/2001	RUSK	D2049
D2804	NOX	395.10	DERC_INTEN	12/30/3000	01/04/2001	03/31/2002	FORT BEND	D2797
D2519	NOX	8.60	DERC_RET	12/30/3000	03/31/2000		FORT BEND	D2513
D2201	NOX	1284.80	DERC_USE	04/15/2010	04/01/2001	03/31/2002	LIMESTONE	D1207
D2204	NOX	164.00	DERC_RET	12/30/3000	04/01/2000	03/31/2001	FORT BEND	D2185
D2515	NOX	2437.00	DERC_USE	04/15/2010	12/30/3000		LIMESTONE	D2198
D2513	NOX	2736.00	DERC_BUY	04/15/2010	04/01/1999	03/31/2000	FORT BEND	D1026
D2517	NOX	1085.00	DERC_RET	12/30/3000	01/01/2001	12/31/2001	RUSK	D2202
D2804	NOX	395.10	DERC_RET	12/30/3000	01/04/2001	03/31/2002	FORT BEND	D2797
D2519	NOX	8.60	DERC_INTEN	12/30/3000	03/31/2000		FORT BEND	D2513
D2691	NOX	5048.00	DERC_INTEN	04/06/2011	04/01/2001	03/31/2002	FORT BEND	D1048
D2797	NOX	1116.50	DERC_INTEN	10/18/2011	04/01/2001	03/31/2002	FORT BEND	D2698
D2410	NOX	2814.80	DERC_RET	04/15/2010	04/01/2002	12/31/2002	LIMESTONE	D2198
D2410	NOX	2814.80	DERC_INTEN	04/15/2010	04/01/2002	12/31/2002	LIMESTONE	D2198
D2522	NOX	1067.50	DERC_RET	12/30/3000	04/01/2002	12/31/2002	LIMESTONE	D2410
D2525	NOX	1330.00	DERC_INTEN	04/20/2010	04/01/1999	03/31/2000	HARRIS	D2323
D2526	NOX	125.10	DERC_RET	12/30/3000	01/04/1999	03/31/2000	HARRIS	D2525
D2512	NOX	55.60	DERC_INTEN	12/30/3000	01/01/2001	12/31/2001	RUSK	D2202
D2758	NOX	242.40	DERC_RET	12/30/3000	12/30/3000		FORT BEND	D2514
D2514	NOX	2560.00	DERC_BUY	04/25/2011	12/30/3000		FORT BEND	D1049
D2797	NOX	1116.50	DERC_RET	10/18/2011	04/01/2001	03/31/2002	FORT BEND	D2698
D2200	NOX	111.10	DERC_RET	12/30/3000	03/01/2001	02/28/2002	LIMESTONE	D1170
D2200	NOX	111.10	DERC_INTEN	12/30/3000	03/01/2001	02/28/2002	LIMESTONE	D1170
D2201	NOX	1284.80	DERC_INTEN	04/15/2010	04/01/2001	03/31/2002	LIMESTONE	D1207
D2523	NOX	1894.60	DERC_USE	04/15/2010	03/31/2000		FORT BEND	D2513
D2524	NOX	832.80	DERC_RET	12/30/3000	03/31/2000		FORT BEND	D2513
D2512	NOX	55.60	DERC_RET	12/30/3000	01/01/2001	12/31/2001	RUSK	D2202
D2521	NOX	1028.50	DERC_USE	04/15/2010	04/01/2002	12/31/2002	LIMESTONE	D2410
D2520	NOX	102.80	DERC_RET	12/30/3000	12/30/3000		FORT BEND	D2514
D2527	NOX	1204.90	DERC_USE	04/20/2010	04/01/1999	03/31/2000	HARRIS	D2525
D2518	NOX	718.80	DERC_INTEN	12/30/3000	01/04/2002	12/31/2002	LIMESTONE	D2410
D2757	NOX	2214.80	DERC_USE	04/25/2011	12/30/3000		FORT BEND	D2514

DERC	NOX	DERC_COST	DERC_USE	01/01/2011	12/31/2011	01/01/2012	12/31/2012	PORT	DERC_COST
D2202	NOX	1325.70	DERC_INTEN	04/15/2010	01/01/2001	12/31/2001		RUSK	D2049
D2203	NOX	61.70	DERC_RET	12/30/3000	04/01/2000	03/31/2001		FORT BEND	D2120
D2204	NOX	164.00	DERC_INTEN	12/30/3000	04/01/2000	03/31/2001		FORT BEND	D2185
D2520	NOX	102.80	DERC_INTEN	12/30/3000	12/30/3000			FORT BEND	D2514
D2698	NOX	2414.80	DERC_RET	08/12/2011	01/04/2001	03/31/2002		FORT BEND	D2691
D2514	NOX	2560.00	DERC_INTEN	04/25/2011	12/30/3000			FORT BEND	D1049
D2199	NOX	1369.50	DERC_GEN	04/20/2010	12/30/3000			LIMESTONE	D1063
D2199	NOX	1369.50	DERC_INTEN	04/20/2010	12/30/3000			LIMESTONE	D1063
D2199	NOX	1369.50	DERC_USE	04/20/2010	12/30/3000			LIMESTONE	D1063
D2203	NOX	61.70	DERC_INTEN	12/30/3000	04/01/2000	03/31/2001		FORT BEND	D2120
D2513	NOX	2736.00	DERC_INTEN	04/15/2010	04/01/1999	03/31/2000		FORT BEND	D1026
D2522	NOX	1067.50	DERC_INTEN	12/30/3000	04/01/2002	12/31/2002		LIMESTONE	D2410
D2525	NOX	1330.00	DERC_BUY	04/20/2010	04/01/1999	03/31/2000		HARRIS	D2323
D2518	NOX	718.80	DERC_RET	12/30/3000	01/04/2002	12/31/2002		LIMESTONE	D2410
D2691	NOX	5048.00	DERC_BUY	04/06/2011	04/01/2001	03/31/2002		FORT BEND	D1048

Bryan W. Shaw, Ph.D., *Chairman*
Buddy Garcia, *Commissioner*
Carlos Rubinstein, *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 21, 2011

Mr. Perry M. Galloway
Senior Environmental Specialist
NRG Texas Power, LLC
1201 Fannin, Suite 8000
Houston, Texas 77002

Re: Notice of Intent to Use Discrete Emission Credits
Limestone Electric Generating Station
Jewett, Limestone County
Regulated Entity Reference Number (RN): RN100542927
Customer Reference Number: CN603207218
Portfolio Number: P3185

Dear Mr. Galloway:

This letter is in response to a Form DEC-2 (Notice of Intent to Use Discrete Emission Credits) received November 16, 2011, from NRG Texas Power, LLC (NRG), for compliance with Title 30 Texas Administrative Code (TAC) Chapter 117 for the period of January 1, 2012, through December 31, 2012. We understand NRG plans to use nitrogen oxides (NO_x) Discrete Emission Reduction Credits (DERCs) for potential excess emissions from the boilers of the two electrical generating units, Facility Identification Numbers 1 and 2, at the site. You requested 3,890.8 tons (including the required 10% environmental contribution of 338.4 tons and the required 5% compliance margin of 169.2 tons) of NO_x DERCs for the purpose of complying with the emission limit in 30 TAC §117.3010(1)(A)(ii).

We have reviewed your application and found that the notice and the credits set aside meet the requirements of 30 TAC §§101.370 through 101.379. For the use period of January 1, 2012, through December 31, 2012, the entire 3,895.3 tons of NO_x DERCs from Certificates D-2200 (111.1 tons), D-2203 (61.7 tons), D-2204 (164.0 tons), D-2512 (55.6 tons), D-2517 (1,085.0 tons), D-2518 (718.8 tons), D-2519 (8.6 tons), D-2520 (102.8 tons), D-2522 (1,067.5 tons), D-2526 (125.1 tons), and D-2804 (395.1 tons) are being set aside to avoid a separate certificate for returning excess DERCs to NRG at this time. A Form DEC-3 (Notice of Use of Discrete Emission Credits) must be submitted within 90 days after the end of the use period, after which the excess amount of 4.5 tons plus any unused DERCs will be returned in the fewest possible number of certificates to facilitate tracking.

Thank you for your cooperation in this matter. If you have questions concerning this review or need further assistance regarding the banking program, please contact Mr. Joseph Thomas at (512) 239-0012, or write to the Texas Commission on Environmental Quality, Chief Engineer's Office, Air Quality Division (MC-206), P.O. Box 13087, Austin, Texas 78711-3087.

Mr. Perry M. Galloway
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December 21, 2011

This action is taken under authority delegated by the Executive Director of the Texas Commission on Environmental Quality.

Sincerely,

A handwritten signature in black ink, appearing to read "David Brymer". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Brymer".

David Brymer, Director
Air Quality Division

DB/JT/ig

cc: Air Section Manager, Region 9 - Waco

Project 406178

COD 12/21
RB

Banking and Trading Route Slip

Company:

NRG TEXAS POWER LLC

Project
Number:

406178

Type of Letter
Correspondence:

DCUA DCTR

Letter Doc No:

17754 17755

Certificate No:
RN#:

N/A
RN 100542927

	Initials:	Date
Author/Creator	JHT	11/22/2011
Peer Review Completed	FHC	11/23/2011
Author/Creator Review	JHT	11/29/2011
Review and Approval By:	Initials:	Date
WL Review: Brandon Greulich	BG	12/1/21
Management Review Chance Goodin	BG for CG	See ed. 75 12/21
Copies made	JHT	12/21/2011
Mailed	JHT	12/21/2011

Comments/Special Instructions:

Please return **Routing Slip** and **Project Paperwork**
to Brandon Greulich, MC-206, Ext. 4904