

AIR DERC_100218569-405153_
USE_20110203_Use_D2728

01/27/2011 ----- EBTP IMS- PROJECT RECORD -----

PROJECT#: 405153 STATUS: P
RECEIVED: 12/28/2010 PROJTYPE: BUSEDISP CODE: *CV*
ISSUED DT:
SUP-DISP DATE: *2/3/2011*STAFF ASSIGNED TO PROJECT:
DANIEL, SHANTHA

PROJECT NOTES:

2010 USE. LETTER ADDRESSED AND SENT TO RESPONSIBLE OFFICIAL SINCE THE TECHNICAL CONTACT IS A CONSULTANT. GROUPWISE DOCUMENTS: DCTR-16137; DCUS-16138

PROJECT TRANSACTIONS

COMPANY DATA

COMPANY NAME: DALLAS CLEAN ENERGY LLC
CUSTOMER REGISTRY ID: CN603278177

PORTFOLIO DATA

NUMBER: P3355 NAME: DALLAS CLEAN ENERGY FACILITY - RN100218569

SITE DATA

ACCOUNT:
DB4707Q

REG ENTITY ID: RN100218569

SITE NAME: DALLAS CLEAN ENERGY FACILITY

COUNTY: DALLAS

NEAREST CITY: DALLAS

LOCATION: 5500 YOUNGBLOOD RD DALLAS, TX 75241-7356
LOCATED AT THE MCCOMMAS BLUFF LANDFILL NEAR THE
NE CORNER OF IH 20 AND IH 45

CONTACT DATA

NAME: DAVID MEZZACAPPA TITLE: PROJECT MANAGER, SCS ENGINEER
STREET: 1901 CENTRAL DRIVE STE 550 CITY/STATE, ZIP: BEDFORD, TX, 76021-0
PHONE: 817-358-6108 ext 0
FAX: 817-571-2188 ext 0
Email: dmezzacappa@scsengineers.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_USE
DATE ENTERED: 2010-12-28 00:00:00.0
CONTAMINATE: NOX_O
ALLOWANCE0DELETED DATE: EFFECTIVE YEAR:
TONS: 0.50 DOLLARS: 0
CERTIFICATE NO.: D2408 COUNTY: DALLAS

COMPANY DATA

COMPANY NAME: DALLAS CLEAN ENERGY LLC
CUSTOMER REGISTRY ID: CN603278177

PORTFOLIO DATA

NUMBER: P3355 NAME: DALLAS CLEAN ENERGY FACILITY - RN100218569

SITE DATA

*Copies not made**Need cert folder
for D-2728
&
D2728.
make copies
to place in
both folders.*

ACCOUNT:

DB4707Q

REG ENTITY ID: RN100218569

SITE NAME: DALLAS CLEAN ENERGY FACILITY

COUNTY: DALLAS

NEAREST CITY: DALLAS

LOCATION: 5500 YOUNGBLOOD RD DALLAS, TX 75241-7356

LOCATED AT THE MCCOMMAS BLUFF LANDFILL NEAR THE
NE CORNER OF IH 20 AND IH 45

CONTACT DATA

TRANSACTION DATA

TRANSACTION TYPE: DERC_USE

DATE ENTERED: 2011-01-21 00:00:00.0

CONTAMINATE: NOX_O

ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

TONS: 14.30

DOLLARS: 0

CERTIFICATE NO.: D2728 COUNTY : DALLAS

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET

DATE ENTERED: 2011-01-21 00:00:00.0

CONTAMINATE: NOX_O

ALLOWANCE

DELETED DATE:

EFFECTIVE YEAR:

TONS: 0.70

DOLLARS: 0

CERTIFICATE NO.: D2729 COUNTY : DALLAS

COMPANY DATA

COMPANY NAME: DALLAS CLEAN ENERGY LLC

CUSTOMER REGISTRY ID: CN603278177

PORTFOLIO DATA

NUMBER: P3355 NAME: DALLAS CLEAN ENERGY FACILITY - RN100218569

SITE DATA

ACCOUNT:

DB4707Q

REG ENTITY ID: RN100218569

SITE NAME: DALLAS CLEAN ENERGY FACILITY

COUNTY: DALLAS

NEAREST CITY: DALLAS

LOCATION: 5500 YOUNGBLOOD RD DALLAS, TX 75241-7356

LOCATED AT THE MCCOMMAS BLUFF LANDFILL NEAR THE
NE CORNER OF IH 20 AND IH 45

CONTACT DATA

TRANSACTION DATA

TRANSACTION TYPE: DERC_USE

DATE ENTERED: 2011-01-21 00:00:00.0

CONTAMINATE: NOX_O

ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

TONS: 8.70

DOLLARS: 0

CERTIFICATE NO.: D2508 COUNTY : DALLAS

TRACKING ACTIVITES

TR - ENGINEER RECEIVE
PROJECT :

01/20/2011

TR - PROJ TECH
COMPLETE :

01/21/2011

TR - SUP/MANGR
APP/RVW RQSTD :

01/27/2011

FA - PROJECT ISSUED :

TR - DATE SUP/MNGR
REQ ADDL TR :

DISCRETE EMISSION CREDIT USE TECHNICAL REVIEW

Project No.:	405153	Customer Reference No.:	CN603278177
Project Type:	BUSE	Regulated Entity No.:	RN100218569
Company:	Dallas Clean energy, L.L.C.	Facility Name:	Dallas Clean Energy Facility
City:	Dallas	County:	Dallas
Project Reviewer:	Dr. Shantha Daniel	Portfolio Name:	P3355-RN100218569

Project Overview

Dallas Clean Energy, L.L.C., submitted a Form DEC-3, Notice of Use of Discrete Emission Credits, on December 28, 2010, to comply with requirements of Title 30 Texas Administrative Code (TAC) §117.410(b)(4)(B)(i) at their Dallas Clean Energy Facility site. The site is located in Dallas County within the Dallas-Fort Worth ozone nonattainment area. Dallas Clean Energy, L.L.C., have reported the use of 23.5 tons (including the 10% environmental contribution of 2.2 tons) of nitrogen oxides-ozone season (NO_x-O) Discrete Emission Reduction Credits (DERCs) to cover excess emissions from an engine, Facility Identification Number (FIN) COMP, at the Dallas Clean Energy Facility site. The use period is January 1, 2010, through November 19, 2010. The company submitted hours of operation and stack test results as backup documentation.

The corresponding intent project is 403994. The intent project set aside 24.2 tons of NO_x-O DERCs from the certificates D-2408, D-2467, and D-2508. The intended use period specified in project 403994 was January 1, 2010, through November 14, 2010. The company determined the end date of the use period based on assumptions regarding anticipated downtime of FIN COMP in the months of August and September and the replacement schedule of the engine replacing FIN COMP. However, FIN COMP had a longer than expected down time and the replacement engine for FIN COMP did not come online till November 19, 2010. The amount of DERCs needed did not exceed the amount set aside in the intent project and the company had sufficient DERCs to be in compliance till November 19, 2010. Hence the end date of the use period was revised to November 19, 2010.

The 23.2 tons of NO_x-O DERCs associated with this use will be retired from certificates D-2408 (parent certificate D-2404, original certificate D-1078), D-2508 (parent certificate D-2404, original certificate D-1078), and D-2728 (previously D-2467, parent and original certificate D-1066). Since the quantity of credits used is less than the amount set aside in the intent project, certificate D-2729 is being issued to Dallas Clean Energy, L.L.C., for the remaining 0.7 ton of NO_x-O DERCs remaining from certificate D-2467.

Discrete Emission Credit / Emission Reduction Credit Use

FIN COMP, a 2350 hp landfill gas fired engine, is subject to the Emission Specifications for Attainment Demonstration (ESAD) limit specified in 30 TAC §117.410(b)(4)(B)(i). The company is using DERCs to cover the difference between the NO_x emission rate of 0.7 g/hp-hr, specified in 30 TAC §117.410(b)(4)(B)(i), and the actual NO_x emission rate of the engine.

Certificate(s) to be used..... D-2408, D-2508, and D-2728 (previously D-2467)
 PollutantNO_x-O
 Amount 23.5 tons
 Regulation 30 TAC §117.410(b)(4)(B)(i)
 Use period/Use Date01/01/10 – 11/19/10

Credit Use Calculation Methods

Per 30 TAC §101.376(e)(2)(A), the amount of discrete emission credits needed demonstrate compliance or meet a regulatory requirement is calculated as follows:

$$(ALA) \times (AER - RER) = \text{discrete emission credits used}$$

Where:

ALA = actual level of activity

AER = actual emission rate per unit activity

RER = regulatory emission rate per unit activity

DISCRETE EMISSION CREDITS / EMISSION CREDIT USE TECHNICAL REVIEW

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Project Number 405153

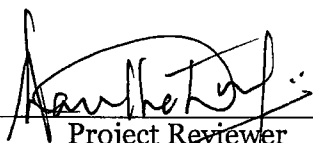
Dallas Clean Energy, L.L.C., utilized results from stack testing conducted in May 2009 to determine the actual emission rate of FIN COMP. A copy of the stack test summary was provided as backup documentation.

DERCs needed = $7,126.3 \text{ hr} \times 2,350 \text{ hp} \times (1.85 - 0.7) \text{ g/hp-hr} \times (1 \text{ lb}/453.6 \text{ g}) \times (1 \text{ ton}/2000 \text{ lbs}) = 21.3 \text{ tons}$
(Rounded up to a tenth of a ton)
+10% environmental contribution
(Rounded up to a tenth of a ton) = 2.2 tons

Total DERCs used = 23.5 tons.

Conclusion:

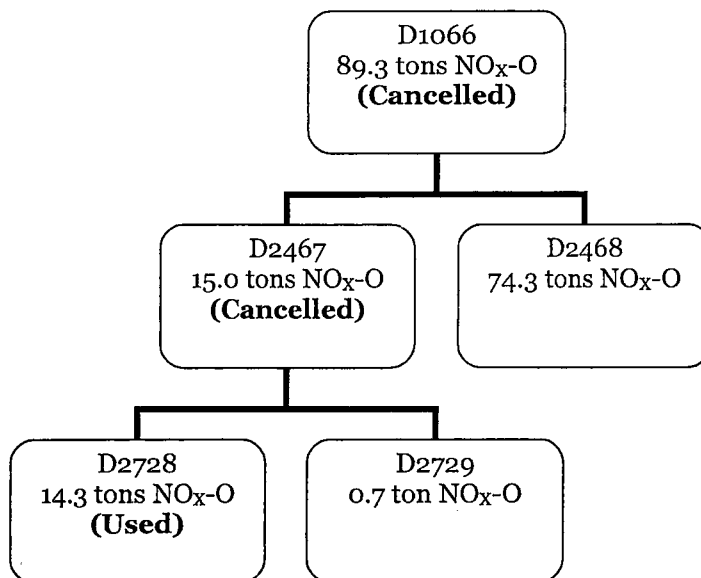
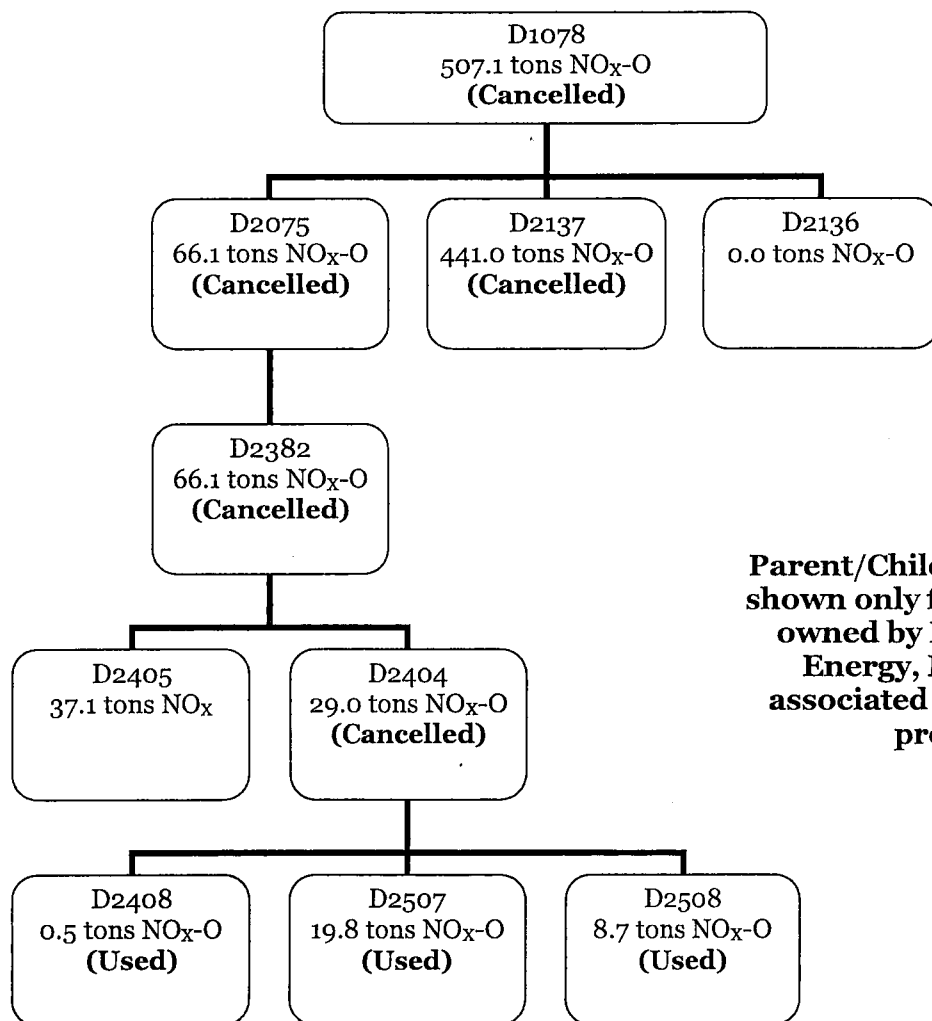
Dallas Clean Energy, L.L.C., has accurately calculated the amount of DERCs used to comply with 30 TAC §117.410(b)(4)(B)(i) during the use period of January 1, 2010, through November 19, 2010. Dallas Clean Energy, L.L.C., will use 23.5 tons to cover emission exceedances by FIN COMP at the Dallas Clean Energy Facility. Certificates D-2408, D-2508, and D-2728 (previously D-2467) will be retired for this purpose. Certificate D-2729 will be issued to Dallas Clean Energy, L.L.C., for the 0.7 ton of NO_x-O credits remaining from certificate D-2467.


Project Reviewer

1/27/11
Date


Team Leader/Section Manager/Backup

2/3/2011
Date





Form DEC-3 (Page 1)
Notice of Use of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

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405153

Air Quality Division

I. Company Identifying Information			
A. Company Name: Dallas Clean Energy, LLC			
Mailing Address: 624 South Grand Avenue, Ste. 2420			
City: Los Angeles	State: California	Zip Code: 90017-3325	
Telephone: (213) 628-8312		Fax: (213) 488-9890	
B. TCEQ Customer Number (CN): CN603278177			
C. Site Name: McCommas Bluff LFG Processing Facility			
Street Address (If no street address, give driving directions to site) 5500 Youngblood Road			P3355
Nearest City: Dallas	Zip Code: 75241	County: Dallas	
D. TCEQ Regulated Entity Number (RN): RN100218569			
E. TCEQ Air Account Number: (if applicable) DB-4707-Q			
F. Primary SIC: 4953 - Refuse Systems		Air Permit Number: 81425	
II. Technical Contact Identifying Information			
A. Technical Contact Name: (<input checked="" type="checkbox"/> Mr. Mrs. Ms. Dr.) : David Mezzacappa, P.E.			
Technical Contact Title: Project Director, SCS Engineers			
Mailing Address: 1901 Central Drive, Ste. 550			
City: Bedford	State: Texas	Zip Code: 76021	
Telephone: (817) 358-6108	Fax: (817) 571-2188	E-mail: dmezzacappa@scsengineers.com	
III. Mass Emission Cap and Trade Program (MECT)			
Is the DERC use for compliance with 30 TAC Chapter 101, Subchapter H, Division 3? Yes <input checked="" type="checkbox"/> No			
Year DERC Generated: _____ Year of use: _____ Ratio of DERC to Allowance: _____ to _____			
<i>Note: If DERC use is to comply with MECT then go to Section IX</i>			
IV. Use Period			
Use Start Date: 01/01/2010		Use End Date: 11/19/2010	
V. State and Federal Requirements			
Applicable State and Federal requirements that the DERCs will be used for compliance: 30 TAC § 117.410(b)(4)(B)(i)			
VI. Most Stringent Emission Rate			
Describe basis for most stringent allowable emission rate:			
<input type="checkbox"/> Permit <input type="checkbox"/> RACT <input checked="" type="checkbox"/> Other: NO _x = 0.7g/hp-hr			
Notes:			



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

VII. Tons of DERCs Used									
Emission Point No.	FIN	Air Contaminant	Calculation of DERCs						
			Annual Activity (units)	Actual Emissions Rate (units)	Actual Total Emissions (tons)	Regulated Activity (units)	Regulated Emissions Rate (units)	Regulated Total Emissions (tons)	DERCs (tons)
ICE1/ICE2 ¹	COMP	NO _x	7,126.3 hours (January 1–November 19)	1.85 g/bhp-hr	34.15 ²	7,126.3 hours (January 1–November 19)	0.7 g/bhp-hr	12.92 ²	21.23
								Total:	21.23

¹Note that Emission Points ICE1 and ICE2 are two stacks from the same engine.

²See attached calculations



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

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Air Quality Division

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

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

Tons of DERCs required (from Sect. VI.)	CO: _____	NO _x : <u>21.23</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Offset Ratio (if required)	CO: _____	NO _x : <u>N/A</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Environmental Contribution (+ 10%)	CO: _____	NO _x : <u>2.123</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCs Used	CO: _____	NO _x : <u>23.4</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

X. DERC Information

Name of the DERC Generator: Luminant Generation Company, LLC

DERC Generator Regulated Entity Number: Per Luminant's submittal to transfer the DERCs, the credits are from the following RN numbers within the Luminant DFW system: RN100804301, RN100784735

Certificate number of the DERCs acquired or to be acquired: D-2408, D-2467, D-2508

Note: The certificate number is assigned by the TCEQ

XI. Purchase Date and Price

Date on which the DERCs were acquired or will be acquired: 1/25/2010 (D-2408), 2/4/2010 (D-2467), 4/29/2010 (D-2508)

Price or expected price of the DERCs: \$800 (D-2408), \$19,500 (D-2467), \$800 (D-2508) per ton (Required)



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Notice of Use of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

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XII. Certification by Responsible Official

I, Evan G. Williams, 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 Evan G. Williams Signature Date December 23, 2010

Title : Manager, Cambrian Energy Development, LLC, Manager of Dallas Clean Energy, LLC

Mail application to:
Texas Commission on Environmental Quality
Emission Banking and Trading Program MC 206
PO BOX 13087
AUSTIN, TX 78711-3087

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

February 7, 2011

Mr. Evan G. Williams
Manager
Dallas Clean Energy, L.L.C.
624 South Grand Avenue, Suite 2420
Los Angeles, California 90017-3325

Re: Use of Discrete Emission Reduction Credits
Dallas Clean Energy Facility,
Dallas, Dallas County
Regulated Entity Number: RN100218569
Customer Reference Number: CN603278177
Portfolio Number: P3355

Dear Mr. Williams:

This letter is in response to Dallas Clean Energy, L.L.C.'s Form DEC-3 (Notice of Use of Discrete Emission Credits) received on December 28, 2010, regarding the use of 23.5 tons (including 10% environmental contribution of 2.2 tons) of nitrogen oxides-ozone season (NO_x-O) Discrete Emission Reduction Credits (DERCs) for the purpose of compliance with 30 Texas Administrative Code (TAC) §117.410(b)(4)(B)(i) for the period of January 1, 2010, through November 19, 2010.

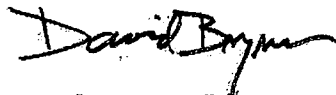
Upon review, we agree that the use of 23.5 tons of NO_x-O DERCs meets the requirements of 30 TAC §117.410(b)(4)(B)(i) and §101.376. A total of 23.5 tons of NO_x-O DERCs from certificates D-2408, D-2508, and D-2728 (previously D-2467) have been retired for this purpose. Enclosed is a copy of certificate D-2729, issued to Dallas Clean Energy, L.L.C., for 0.7 ton of NO_x-O DERCs remaining from certificate D-2467. Certificate D-2729 has been deposited in the Texas Commission on Environmental Quality (TCEQ) Discrete Emissions Credit Registry. This certificate may be transferred or sold to another owner for use per the requirements of §§101.370 through 101.379.

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 Dr. Shantha Daniel at (512) 239-3930, 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. Evan G. Williams
Page 2
February 7, 2011

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

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
Texas Commission on Environmental Quality

DB/SD/fl

cc: Air Section Manager, Region 4 - Fort Worth
Mr. David Mezzacappa, P.E., Project Manager, SCS Engineers, Bedford
Mr. David Miller, Section Manager, Air Pollution Control Program, City of Dallas
Environmental and Health Services, Dallas

Project Number: 405153

2/11 BG

Banking and Trading Route Slip

Company:

Dallas Clean Energy,
L.L.C.

Project
Number:

405153

Type of Letter
Correspondence:

DCUS DCTR

Letter Doc No:

16138 16137

Certificate No:

D-2408, D-2508 * D-267

	Initials:	Date
Author/Creator	SD	1/21
Peer Review Completed	FL	1/26
Author/Creator Review	SD	1/27
Review and Approval By:	Initials:	Date
WL Review: Brandon Greulich	BG	2/3
Management Review Chance Goodin	BG for CG	2/3
Copies made		2/7
Mailed	JB	2/7

rec'd 2/7/11
Comments/Special Instructions:

check D2728 - no percent original after closing
ls looks good BG 2/11

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