

Kathleen Hartnett White, *Chairman*
 R. B. "Ralph" Marquez, *Commissioner*
 Larry R. Soward, *Commissioner*
 Glenn Shankle, *Executive Director*



AIR DERC_100642040-300986_
 TR_20051216_Trade_D2061

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 16, 2005

Mr. Dale Lebsack
 Environmental Compliance Manager
 Barney M. Davis, L.P.
 2705 Bee Cave Road, Suite 340
 Austin, Texas 78746

Re: Transfer of Discrete Emission Reduction Credits from American Electric Power
 Barney M. Davis Power Station
 Corpus Christi, Nueces County
 Regulated Entity Number: RN100642040
 Customer Reference Number: CN602656472
 DERC Certificate Number: D-1177

Dear Mr. Lebsack:

This letter is in response to a notice received from American Electric Power dated March 14, 2005, regarding the transfer of Discrete Emission Reduction Credits (DERCs). We understand that American Electric Power has transferred a total amount of 62.5 tons of nitrogen oxides (NO_x) DERCs to Barney M. Davis, L.P.

Enclosed is a copy of DERC Certificate Number D-2061 issued to Barney M. Davis, L.P., reflecting the transferred amount of 62.5 tons of NO_x DERCs from DERC Certificate Number D-1177. American Electric Power's DERC Certificate Number D-1177 is now canceled.

The above-mentioned certificate has been deposited in the Texas Commission on Environmental Quality (TCEQ) Emissions Credit Registry. The certificate may be transferred or sold to another owner for use per the requirements of Title 30 Texas Administrative Code §§ 101.370 - 101.379. However, the certificate must be submitted to the TCEQ Discrete Emission Credits Registry when ownership of the credits changes.

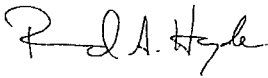
Please reference the regulated entity number (RN) and customer reference number (CN) noted in this document in all your future banking and trading correspondence. The RN replaces the former TCEQ account number for the facility or site. The CN is a unique number assigned to the company or corporation and applies to all facilities and sites owned or operated by this company or corporation.

Mr. Dale Lebsack
Page 2
December 16, 2005

Re: Transfer of Discrete Emission Reduction Credits from American Electric Power

Thank you for your cooperation in this matter. If you have questions concerning this transaction or need further assistance regarding the banking program, please contact Mr. Ivan Gray at (512) 239-4451 or write to the Texas Commission on Environmental Quality, Office of Permitting, Remediation, and Registration, Air Permits Division (MC-163), P.O. Box 13087, Austin, Texas 78711-3087.

Sincerely,



Richard A. Hyde, P.E., Director
Air Permits Division
Office of Permitting, Remediation, and Registration
Texas Commission on Environmental Quality

RH/IKG/bob

cc: Ms. Kimberly Hughes, Air Compliance Manager, American Electric Power, Dallas
Air Section Manager, Region 14 - Corpus Christi

Project Number: 300986

The State of Texas
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Certificate Number

D-2061



Number of Credits

62.5 tons NOx

Discrete Emission Reduction Credit Certificate

This certifies that
Barney M. Davis L.P.
4301 Waldron Road
Corpus Christi, Texas 78418

is the owner of 62.5 tons of nitrogen oxide (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.

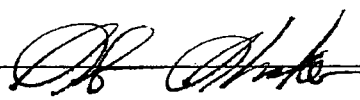
Discrete Emission Reduction Generation Period: January 31, 2003 to April 30, 2003

Generator Regulated Entity No.: RN100642040

Generator Certificate: D-1177

County of Generation: Nueces

Date



Executive Director
Texas Commission on Environmental Quality



Form DEC-4 (Page 1)
Application for Transfer of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.374)

I. SELLER'S COMPANY IDENTIFYING INFORMATION		
A. Company Name: American Electric Power		
B. Owner or Operator of Generator Source: AEP Texas Central Company		
C. Plant/Site Name: Barney M. Davis Power Station		
D. Street Address: 4301 Waldron Road		
E. Nearest City: Corpus Christi	F. Zip Code: 78418	
G. County: Nueces		
H. Regulated Entity Number: RN100642040		
I. Telephone: 361-937-1491		
J. Mailing Address: 4301 Waldron Road		
K. City: Corpus Christi	State: TX	Zip Code: 78418
II. SELLER'S TECHNICAL CONTACT IDENTIFYING INFORMATION		
A. Technical Contact Name: (☒ Mr. ☒ Mrs. ☐ Ms. ☐ Dr.) Kimberly Hughes		
B. Technical Contact Title: Air Quality Engineer		
C. Telephone: 214-777-1155	D. Fax: 214-777-1380	E. E-Mail: kmhughes@aep.com
F. Mailing Address: P.O. Box 660164		
G. City: Dallas	State: TX	Zip Code: 75266-0164
III. SELLER'S CONTACT FOR SALE OF CERTIFICATE		
A. Contact Name: (☒ Mr. ☒ Mrs. ☐ Ms. ☐ Dr.) Kimberly Hughes		
B. Sale Contact Title: Air Quality Engineer		
C. Telephone: 214-777-1155	D. Fax: 214-777-1380	E. E-Mail: kmhughes@aep.com
F. Mailing Address: P.O. Box 660164		
G. City: Dallas	State: TX	Zip Code: 75266-0164
IV. BUYER'S COMPANY IDENTIFYING INFORMATION		
A. Company Name: Barney M. Davis, LP		
B. Owner or Operator of Generator Source: Barney M. Davis, LP		
C. Plant/Site Name: Barney M. Davis Power Station		
D. Street Address: 4301 Waldron Road		
E. Nearest City: Corpus Christi	F. Zip Code: 78418	RECEIVED MAR 18 2005 AIR PERMITS DIVISION
G. County: Nueces		
H. Regulated Entity Number: RN100642040		
I. Telephone: (361) 937-1491		
J. Mailing Address: 4301 Waldron Road		
K. City: Corpus Christi	State: TX	Zip Code: 78418



Form DEC-4 (Page 2)
Application for Transfer of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.374)

V. BUYER'S TECHNICAL CONTACT IDENTIFYING INFORMATION			
A. Technical Contact Name: (✓ Mr. ___ Mrs. ___ Ms. ___ Dr.) Dale Lebsack			
B. Technical Contact Title: Environmental Compliance Manager			
C. Telephone: (512) 314-8604		D. Fax: 512-314-8699	E. E-Mail: dlebsack@semprats.com
F. Mailing Address: 2705 Bee Cave Road, Suite 340			
G. City: Austin		State: TX	Zip Code: 78746
VI. BUYER'S CONTACT FOR SALE OF CERTIFICATE			
A. Contact Name: (✓ Mr. ___ Mrs. ___ Ms. ___ Dr.) Dale Lebsack			
B. Sale Contact Title: Environmental Compliance Manager			
C. Telephone: 512-314-8604		D. Fax: 512-314-8699	E. E-Mail: dlebsack@semprats.com
F. Mailing Address: 2705 Bee Cave Road, Suite 340			
G. City: Austin		State: TX	Zip Code: 78746
VII. DERCs TO BE TRANSFERRED			
DERC Serial Numbers	Pollutant (NO _x , VOC-N, VOC-O, HAP-N, HAP-O, CO, SO ₂ , PM ₁₀)	Transferred Amount (tons)	Retained Amount (tons)
D-1177	NO _x	62.5	0
VIII. PURCHASE PRICE			
*Price of the DERCs acquired or the expected price of the DERCs to be acquired: \$ _____ per ton (Required) *Chapter 101 requires the price of DERCs to be publicly disclosed immediately after the transaction is finalized*			
IX. CERTIFICATION BY RESPONSIBLE OFFICIAL			
I, <u>Charles Adami</u> , hereby certify as owner of the above listed emission reduction credits, these credits may be transferred to the listed buyer and that the information entered in this application is correct to the best of my knowledge and belief.			
Signature <u>Charles Adami</u>		Signature Date <u>3-14-05</u>	
Title <u>Regional Director</u>			

Mail application to:

Emission Banking and Trading Program
TCEQ MC 163
PO BOX 13087
AUSTIN, TX 78711-3087

RECEIVED

MAR 18 2005

AIR PERMITS DIVISION



March 14, 2005

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

7003 0500 0001 3491 8975

Texas Commission on Environmental Quality
Office of Permitting, Remediation and Registration
Emissions Banking and Trading Program, MC 163
P. O. Box 13087
Austin, Texas 78711-3087

Re: Application for Transfer of Discrete Emission Reduction Credits
American Electric Power

To Whom It May Concern:

Enclosed for your review is the Application for Transfer of Discrete Emission Credits (Form DEC-4) for the following facilities:

Plant/Unit	Regulated Entity Number	Certificate Number	Transfer Amount
Barney M. Davis 1	RN100642040	D-1177	62.5
Coleto Creek 1	RN100226919	D-1179	130.1
Total			192.6 NOx Tons

The above facilities were sold to Topaz Power Group on July 2, 2004. DERC allowances were purchased within the sell of each plant therefore no price per ton is known and can be supplied.

These forms are submitted on behalf of AEP Texas Central Company, a wholly owned subsidiary of American Electric Power (AEP). If you have questions regarding this submittal, please contact me at (214) 777-1155 or by email at kmhughes@aep.com.

Sincerely,

Kimberly M. Hughes, E.I.T.
Air Quality Engineer
AEP Environmental Services

RECEIVED
MAR 18 2005
AIR PERMITS DIVISION

Enclosures

0

xc: Dale Lebsack, Sempra Texas Services (w/encl.)
Donny Hearn, WCM Group (w/encl.)
Roger Bentz, AEP (w/encl.)
File: TCC.10.10.50.2005 (w/encl.)

Emissions Banking & Trading Routing Slip

Company: Barney M Davis Lp

Site Name: Barney M Davis Power Station

Regulated Entity Number: RN100642040

Customer Reference Number: CN602656472

Project Number: 300986

Project Type: DERC Sell

Database Updates

Type	Initials	Date
IMS Entry		
Web Registry		
Spreadsheet Update (Aaron)		
Paradox Update (Steve)		

Technical Approval

Project Reviewer:		
Project Coordinator:	SS	11/2/05

Comments: