

AIR DERC_102041282-407251_
USE_20120802_Use_D2907**08/02/2012 ----- EBTP IMS- PROJECT RECORD -----**PROJECT#: 407251 STATUS: P
RECEIVED: 06/29/2012 PROJTYPE: BUSEDISP CODE: C ✓
ISSUED DT: 06/29/2012SUP-DISP DATE: 8/2/2012**STAFF ASSIGNED TO PROJECT:**

BANDA, DANIEL

PROJECT NOTES:

CORRESPONDING INTENT TO USE PROJECT NUMBER 406184

USE PERIOD 1/1/12-3/31/12

NOTE THAT THE 30-DAY ROLLING AVERAGE SYSTEM CAP LIMIT (218.9 LBS NOX/DAY) ESTABLISHED BY §117.320, FOR THE 3RD QUARTER MONTHS (JULY, AUGUST, SEPTEMBER), IS THE SAME FOR THE 1ST, 2ND AND 4TH QUARTER MONTHS.

GROUPWISE DOCUMENTS: DCUS-19185 / DCTR-19186 / DCCT-19187

PROJECT TRANSACTIONS**COMPANY DATA**

COMPANY NAME: AIR PRODUCTS LLC

CUSTOMER REGISTRY ID: CN602299257

PORTFOLIO DATA

NUMBER: P0026 NAME: AIR PRODUCTS LA PORTE PLANT - RN102041282

SITE DATA

ACCOUNT:

HG0010N

REG ENTITY ID: RN102041282

SITE NAME: AIR PRODUCTS LA PORTE PLANT

COUNTY: HARRIS

NEAREST CITY: LA PORTE

LOCATION: 10202 STRANG RD, LA PORTE, TX

CONTACT DATA

NAME: PAUL MORRIS

TITLE: ENVIRONMENTAL ENGINEER

STREET: PO BOX 3326 CITY/STATE, ZIP: PASADENA, TX , 77501-0

PHONE: 713-920-7296 ext 0

FAX: 713-920-7445 ext 0

Email: morrispj@airproducts.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET

DATE ENTERED: 2012-07-02 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE

DELETED DATE:

EFFECTIVE YEAR:

TONS: 32.70

DOLLARS: 0

CERTIFICATE NO.: D2907 COUNTY : HARRIS

TRANSACTION DATA

TRANSACTION TYPE: DERC_USE

DATE ENTERED: 2012-07-02 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

TONS: 1.00

DOLLARS: 0

CERTIFICATE NO.: D2905 COUNTY : HARRIS

TRACKING ACTIVITES

FA - PROJECT ISSUED :	06/29/2012	TR - PROJ TECH COMPLETE :	07/26/2012	TR - ENGINEER RECEIVE PROJECT :	07/26/2012
TR - SUP/MANGR APP/RVW RQSTD :		TR - DATE SUP/MNGR REQ ADDL TR :			

DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Project No.:	407251	Customer Reference No.:	CN602299257
Project Type:	BUSE	Regulated Entity No.:	RN102041282
Company:	Air Products, LLC	Facility Name:	Air Products La Porte Plant
City:	La Porte	County:	Harris
Project Reviewer:	Mr. Daniel Banda	Portfolio Name:	P0026 – La Porte Texas Facility - RN102041282

Project Overview

Air Products, LLC (Air Products), submitted a Form DEC-3, Notice of Use of Discrete Emission Credits, received June 29, 2012, for the purpose of compliance with the 30-day rolling average nitrogen oxides (NO_x) system cap under 30 Texas Administrative Code (TAC) §117.320 (previously §117.210), at the Air Products La Porte Plant. The corresponding intent to use project number is 406184. The site is located in Harris County within the Houston-Galveston-Brazoria (HGB) 8-hour ozone nonattainment area. The form reports the use of 1.0 tons of NO_x Discrete Emission Reduction Credits (DERCs) to cover excess emissions from Facility Identification Numbers (FIN) GT-1 through GT-4. This amount includes the 10% environmental contribution (0.1 ton). The supporting documentation demonstrates that 1.1 tons are needed for compliance, but this amount includes a 5% compliance margin (0.1 ton) that is not required. The appropriate DERC use amount is 1.0 ton. The credits on DERC certificate D-2841 will be used satisfy this use.

Intent project 406184 set aside 33.7 tons of NO_x DERCs from DERC certificate D-2841. The unused credits from DERC certificate D-2841, 32.7 tons, will be issued on DERC certificate D-2907 and returned to the company. DERC certificate D-2841 is cancelled and no longer available for use.

Discrete Emission Credit Use

Certificates used D-2841 (Intent), D-2905 (Use)
 Pollutant NO_x
 Amount 1.0 tons
 Regulation §117.320
 Use period/Use Date 01/1/11 – 3/31/12

Credit Use Calculation Methods

The 30-day rolling average system cap limit was established under §117.320(c)(1)(D) for the 3rd quarter and is the same for the 1st, 2nd and 4th quarter under §117.320(c)(2)(D). The system cap limit is the same for the entire year because the 3rd quarter represents the period with the highest heat input. Accordingly, the heat input data from the 2005 and 2006 third quarter was used to determine the average daily heat input of 6,840.1 MMBtu. The average daily heat input was multiplied by the emission specification for attainment demonstration in §117.310(a), 0.032 lb/MMBtu, to establish the 218.9 lb NO_x/day limit.

A Continuous Emission Monitoring System is used to determine the difference between the actual 30-day rolling average and the 30-day rolling average limit for each day of the use period. The company provided data for each day the emissions exceeded the 30-day rolling average and included heat input, megawatts generated, and total DERC usage for the use period. The example calculation below outlines the method used to determine the excess emissions for days the 30-day rolling cap was exceeded.

30-day rolling average emissions for 01/21/12:

237.6 lb NO_x /day

30-day rolling average system cap limit per 30 TAC §117.320:

218.9 lb NO_x /day

Difference:

237.6 lb NO_x /day - 218.9 lb NO_x /day = 18.7 lb NO_x /day

DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Page 2

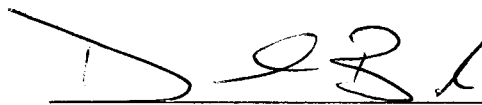
Project Number: 407251

Credit Use Calculation Methods Cont.

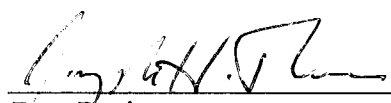
The 30-day rolling average system cap was exceeded 10 times during the use period. For this use period, the 30-day rolling average was exceeded by 1,781.2 lbs (0.9 ton). The additional 10% environmental contribution of 0.1 ton requires a DERC use amount of 1.0 ton.

Conclusion


Air Products submitted the required documentation to use DERCs for the purpose of compliance with §117.320. A total of 1.0 ton of NO_x DERCs will be retired from DERC certificate D-2841. The remaining credits from DERC certificate D-2841 will be issued to DERC Certificate D-2907. DERC certificate D-2841 is now cancelled and no longer available for use.

 7/26/12

Account Manager Date

 7/27/2012

Peer Reviewer Date

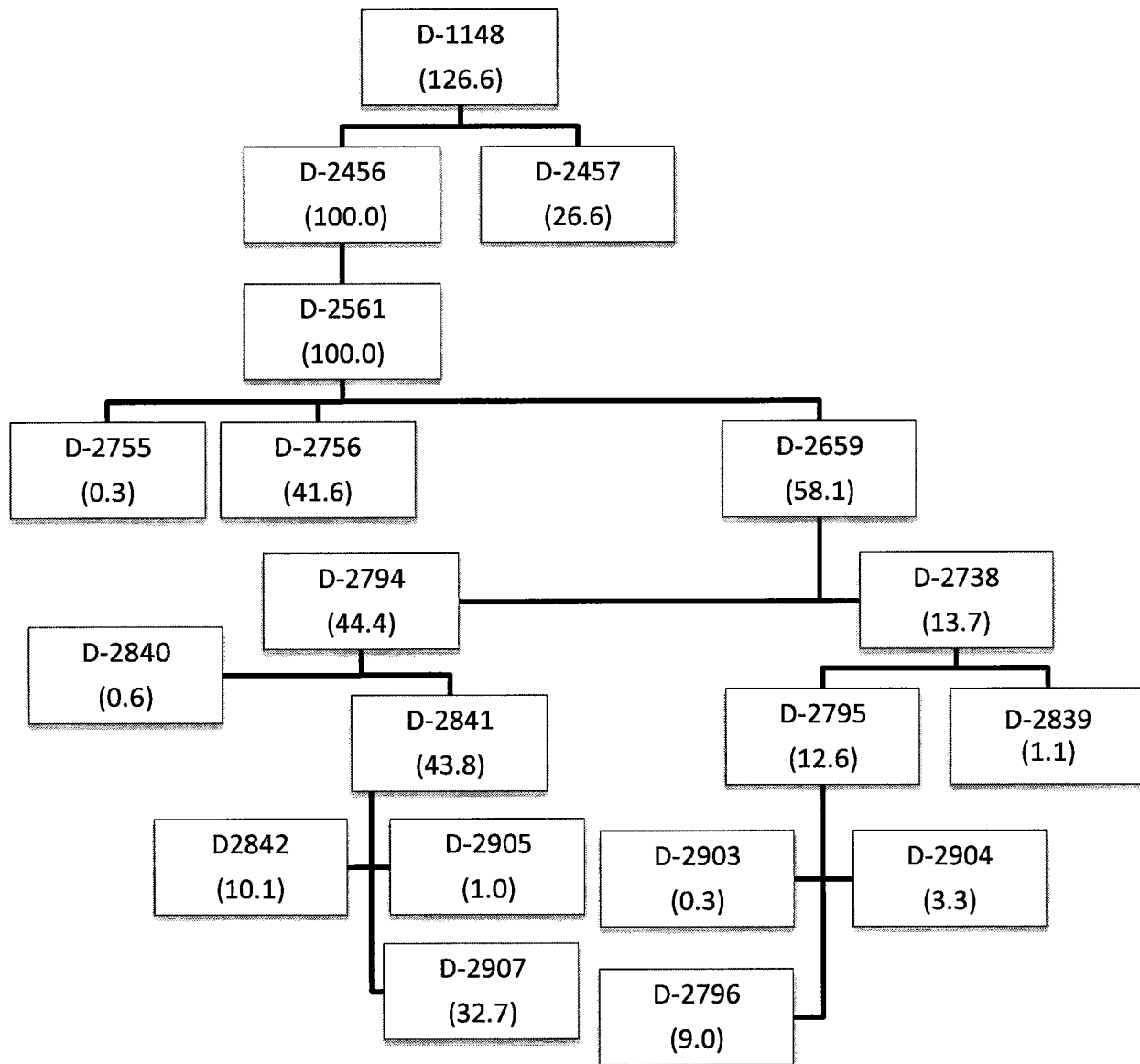
 8/2/2012

Work Lead Date

DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Page 3

Project Number: 406867



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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 2, 2012

Mr. Paul J. Morris
Senior Principal Environmental Engineer
Air Products, LLC
PO Box 3326
Pasadena, Texas 77501

Re: Notice of Use of Discrete Emission Credits
Air Products La Porte Plant
La Porte, Harris County
Regulated Entity Reference Number: RN102041282
Customer Reference Number: CN602299257
Portfolio Number: P0026

Dear Mr. Morris:

This letter is in response to a Form DEC-3 (Notice of Use of Discrete Emission Credits) received on June 29, 2012, regarding the use of nitrogen oxides (NO_x) Discrete Emission Reduction Credits (DERCs) for the purpose of complying with the 30-day rolling average NO_x system cap under 30 Texas Administrative Code (TAC) §117.320, for the period of January 1, 2012, through March 31, 2012.

Upon review of the form and supporting documentation, we agree that 1.0 ton of NO_x DERCs (including the 10% environmental contribution) meets the requirements of 30 TAC §101.376 for compliance with §117.320. A total of 1.0 ton of NO_x DERCs have been retired from DERC certificate D-2841. DERC certificate D-2841 is cancelled.

The remaining 32.7 tons of credits from DERC certificate D-2841 have been issued on certificate D-2907. This certificate has been deposited into the Texas Commission on Environmental Quality (TCEQ) Discrete Emission 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 Mr. Daniel Banda at (512) 239-4701 or write to the Texas Commission on Environmental Quality, Office of Air, Air Quality Division (MC-206), PO Box 13087, Austin, Texas 78711-3087.

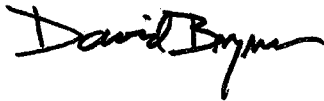
Mr. Paul J. Morris

Page 2

August 2, 2012

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

DB/DB/jt

cc: Air Section Manager, Region 12 – Houston

Mr. Michael Schaffer, Director, Environmental Public Health Division, Harris County
Public Health and Environmental Services, Pasadena

Project Number: 406251

The State of Texas
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Certificate Number:

D-2907



Number of Credits:

32.7 tons NO_x

Discrete Emission Reduction Credit Certificate

This certifies that
Air Products, LLC
10202 Strang Road
La Porte, TX 77571

is the owner of 32.7 tons of nitrogen oxides (NO_x) 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: March 20, 1999 - November 15, 1999

Generator Regulated Entity No.: RN100225945

County of Generation: Brazoria

Generator Certificate: D-1148

August 2, 2012

A handwritten signature in black ink, appearing to read "David Bryner".

For the Commission



Form DEC-3 (Page 1)
Not of Use of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

407251

DB

Received

JUN 29 2012

I. COMPANY IDENTIFYING INFORMATION			
A. Company Name: Air Products LLC ✓		Air Quality Division	
Mailing Address: 10202 Strang Road			
City: La Porte	State: TX	Zip Code: 77571	
Telephone: 281-478-5901		Fax:	
B. TCEQ Customer Number (CN): CN602299257 ✓			
C. Site Name: Air Products La Porte Facility			
Street Address (If no street address, give driving directions to site) 10202 Strang Rd.			
Nearest City: La Porte		Zip Code: 77571	County: Harris
D. TCEQ Regulated Entity Number (RN): RN102041282 ✓		P0026	
E. TCEQ Air Account Number: (if applicable) HG-0010-N ✓			
F. Primary SIC: 2813		Air Permit Number: 21878	
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.) : Paul J. Morris			
Technical Contact Title: Senior Principal Environmental Engineer			
Mailing Address: PO Box 3326			
City: Pasadena	State: TX	Zip Code: 77501	
Telephone: 713-920-7296	Fax: 713-920-7445	E-mail: morrispj@airproducts.com	
III. COMPANY CONTACT IDENTIFYING INFORMATION			
A. Company Contact Name: (<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) : David C. Hefe			
Company Contact Title: West Gulf Coast Region Manager			
Mailing Address: P.O. Box 3326			
City: Pasadena	State: TX	Zip Code: 77501	
Telephone: 713-920-7284	Fax: 281-478-3042	E-mail: hefeledc@airproducts.com	
IV. 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 X			
V. Use Period			
Use Start Date: 01 / 01 / 2012		Use End Date: 03 / 31 / 2012	



Form DEC-3 (Page 2)
Not of Use of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

VI. State and Federal Requirements

Applicable State and Federal requirements that the DERCs will be used for compliance:
30 TAC §117.310(a)(10)(A)

VII. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate:

☐ Permit : _____ ☒ RACT : 0.032 lb/MMBtu ☐ Other: _____

Notes:

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

Continue to Section VII (next page)



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

IX. Tons of DERCs Used									
Emission Point No.	FIN	Air Contaminant	Calculation of DERCs						
			Actual Emissions Rate (units)	Actual Emissions Rate (units)	Actual Total Emissions (tons)	Regulated Activity (units)	Regulated Emissions Rate (units)	Regulated Total Emissions (tons)	DERCs Used (tons)
			See Attachment for calculations						
								Total:	



Form DEC-3 (Page 4)
Notice of Use of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

X. 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>0.9</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Offset Ratio (if required)	CO: _____	NO _x : <u>0.0</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Environmental Contribution (+ 10%)	CO: _____	NO _x : <u>0.1</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCS Used	CO: _____	NO _x : <u>1.0</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

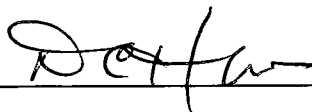
XI. DERC INFORMATION

Name of the DERC Generator: National Offsets
DERC Generator Regulated Entity Number: P1149 Broker Account
Certificate number of the DERCS acquired or to be acquired: D2135

Note: The certificate number is assigned by the TCEQ

XII. CERTIFICATION BY RESPONSIBLE OFFICIAL

I, David C. Hefe, 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:  Date: 6-27-12
Title West Gulf Coast Region Manager

Air Products, LLC
LaPorte Facility
10202 Strang Road
LaPorte, TX 77571

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

Calculation of Discrete Emission Reduction Credits (DERCs)

Use Period Start: 11/1/12 ~~9/1/2011~~

Use Period End: 12/31/2011 ~~12/31/2011~~

Date	MWhs Generation (MWhs)	Heat Input (MMBtu)	NO _x Emissions (lbs/day)	Expected Emission Rate (lb/MMBtu)	Regulatory Limit System Cap per 117.320 (Lbs NO _x /day)	Difference (lbs NO _x)	DERCs (tons)	Environmental Contribution - 10% (tons)	Compliance Margin - 5% (tons)	Total DERCs Required (tons)
1/21/2012	648	7,914	237.6	0.029	218.9	18.7	0.01	0.00	0.00	0.01
3/2/2012	947	11,567	600.8	0.029	218.9	381.9	0.19	0.02	0.01	0.22
3/8/2012	254	3,107	247.8	0.029	218.9	28.9	0.01	0.00	0.00	0.02
3/9/2012	716	8,745	554.0	0.029	218.9	335.1	0.17	0.02	0.01	0.19
3/14/2012	216	2,644	228.3	0.029	218.9	9.4	0.00	0.00	0.00	0.01
3/15/2012	693	8,468	484.6	0.029	218.9	265.7	0.13	0.01	0.01	0.15
3/19/2012	330	4,030	397.5	0.029	218.9	178.6	0.09	0.01	0.00	0.10
3/23/2012	376	4,590	453.8	0.029	218.9	234.9	0.12	0.01	0.01	0.14
3/30/2012	1,470	17,968	489.9	0.029	218.9	271.0	0.14	0.01	0.01	0.16
3/31/2012	869	10,619	275.9	0.029	218.9	57.0	0.03	0.00	0.00	0.03

1781.2 lbs
Total for Use Period:

0.9

0.1

0.1

1.1

Heat Rate: 12,220 Btu/kwh

Calculation based upon the DERC calculation in 101.376(e)(2)

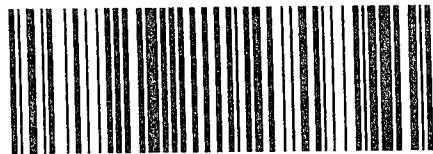
Dates only include days where emissions exceeded 30 day rolling average (218.9 lbs NO_x/day)

MWhs Generation is total for all 4 emission units

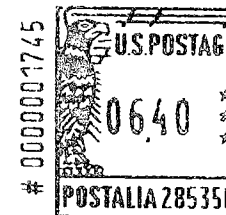
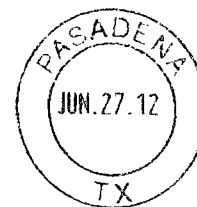
Established system cap of 218.9 lbs Nox/day established per 117.320

LC

77506



7010 3090 0002 1311 2835



RECEIVED
JUN 28 2012
TCEQ MAIL CENTER
RG

Emission Banking and Trading Program
TCEQ MC-206
P. O. Box 13087
Austin, TX 78711-3087

Banking and Trading Route Slip

AIR QUALITY DIVISION Emissions Banking and Trading Program (EBTP)											
Company Name:	Air Products, LLC - La Porte Plant										
Project Number:	4107251										
Type of Letter Correspondence:	DCUS DCTR DCCT										
Letter Document Number(s):	19185 19186 19187										
Certificate Number(s):	D-2907										
Review and Approval	Initial and Date	Comments/Special Instructions									
Brandon Greulich, Work Lead EBTP	BG 8/2/12	Please see cd's. Thanks!									
Author/Creator Review	IG 7/27										
Peer Review Completed	JAT 7/27/2012										
Author/Creator	IG 7/27		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr style="background-color: #cccccc;"> <th style="width: 50%; text-align: center; padding: 2px;">Copies Made</th> <th style="width: 50%; text-align: center; padding: 2px;">Date</th> </tr> <tr> <td style="text-align: center; padding: 2px;">IG</td> <td style="text-align: center; padding: 2px;">8/2</td> </tr> <tr style="background-color: #cccccc;"> <th style="text-align: center; padding: 2px;">Mailed</th> <th style="text-align: center; padding: 2px;">Date</th> </tr> <tr> <td style="text-align: center; padding: 2px;">IG</td> <td style="text-align: center; padding: 2px;">8/2</td> </tr> </table>	Copies Made	Date	IG	8/2	Mailed	Date	IG	8/2
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Please return Routing Slip and Project Paperwork to Brandon Greulich, MC-206, Ext. 4904											

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