

AIR DERC_100237452-407794_
TR_20130226_Trade_D2967

02/26/2013 ----- EBTP IMS- PROJECT RECORD -----

PROJECT#: 407794 STATUS: P
RECEIVED: 02/06/2013 PROJTYPE: BTSF

DISP CODE: C ✓
ISSUED DT:
SUP-DISP DATE: 2/26/13

STAFF ASSIGNED TO PROJECT:
BANDA, DANIEL

PROJECT NOTES:

GROUPWISE DOCUMENTS: DCTS-20280 / DCTB-20281 / DCCT-20282 / DCCT-20283

PROJECT TRANSACTIONS**COMPANY DATA**

COMPANY NAME: KM LIQUIDS TERMINALS LLC
CUSTOMER REGISTRY ID: CN603254707

PORTFOLIO DATA

NUMBER: P3435 NAME: KM LIQUIDS TERMINALS LLC - GALENA - RN100237452

SITE DATA

ACCOUNT: HG0262H
REG ENTITY ID: RN100237452
SITE NAME: GALENA PARK TERMINAL - HG0262H
COUNTY: HARRIS NEAREST CITY: GALENA PARK
LOCATION: LOCATED IN HARRIS COUNTY, CITY OF GALENA
PARK, STATE OF TEXAS, ON THE HOUSTON SHIP CHANNEL
(BUFFALO BAYOU)

File - /D2967

CONTACT DATA

NAME: GARY COTIE TITLE: COMPLIANCE MANAGER
STREET: 906 CLINTON DRIVE CITY/STATE, ZIP: GALENA PARK, TX , 77547-0
FAX: 713-495-4836 ext 0
PHONE: 713-920-8447 ext 0
Email: gary_cotie@kindermorgan.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_SELL
DATE ENTERED: 2013-02-14 00:00:00.0 DELETED DATE: EFFECTIVE YEAR:
CONTAMINATE: HAP TONS: 25.00 DOLLARS: 15000.00
ALLOWANCE CERTIFICATE NO.: D2784 COUNTY : HARRIS

COMPANY DATA

COMPANY NAME: ELEMENT MARKETS LLC
CUSTOMER REGISTRY ID:

PORTFOLIO DATA

NUMBER: P3195 NAME: ELEMENT MARKETS BROKER - BKR1021

SITE DATA

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

CONTACT DATA

NAME: MICHAEL TAYLOR TITLE: VICE PRESIDENT
STREET: 3555 TIMMONS LANE, SUITE 900 CITY/STATE, ZIP: HOUSTON, TX , 77027-0
FAX: 281-207-7211 ext 0

PHONE: 281-207-7200 ext 0
Email: contractadmin@elementmarkets.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_BUY
DATE ENTERED: 2013-02-26 00:00:00.0 DELETED DATE: EFFECTIVE YEAR:
CONTAMINATE: HAP TONS: 25.00 DOLLARS: 0
ALLOWANCE CERTIFICATE NO.: D2966 COUNTY :

COMPANY DATA

COMPANY NAME: KM LIQUIDS TERMINALS LLC
CUSTOMER REGISTRY ID: CN603254707

PORTFOLIO DATA

NUMBER: P3435 NAME: KM LIQUIDS TERMINALS LLC - GALENA - RN100237452

SITE DATA

ACCOUNT: HG0262H
REG ENTITY ID: RN100237452
SITE NAME: GALENA PARK TERMINAL - HG0262H
COUNTY: HARRIS NEAREST CITY: GALENA PARK
LOCATION: LOCATED IN HARRIS COUNTY, CITY OF GALENA
PARK, STATE OF TEXAS. ON THE HOUSTON SHIP CHANNEL
(BUFFALO BAYOU)

CONTACT DATA

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET
DATE ENTERED: 2013-02-26 00:00:00.0 DELETED DATE: EFFECTIVE YEAR:
CONTAMINATE: HAP TONS: 23.00 DOLLARS: 0
ALLOWANCE CERTIFICATE NO.: D2967 COUNTY : HARRIS

TRACKING ACTIVITES

PM RECEIVED DATE : 02/15/2013 PM REQUESTS PEER REVIEW : 02/26/2013 LETTER ISSUED : 2/1/13

The State of Texas

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Certificate Number:

D-2967



Number of Credits:

23.0 tons VOC-HAP

Discrete Emission Reduction Credit Certificate

This certifies that
KM Liquids Terminals, LLC
603 Clinton Drive
Galena Park, 77547

is the owner of 23.0 tons of volatile organic compound (VOC) hazardous air pollutant (HAP) 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: February 1, 2000 – February 28, 2001

Generator Regulated Entity No.: RN100237452

County of Generation: Harris

Generator Certificate: D-1031

March 1, 2013

Date

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

For the Commission



Texas Commission for Environmental Quality
Form DEC-4 (Page 1)
Application for Transfer of Discrete Emission Credits
(Title 30 Texas Administrative Code §§ 101.370 - 101.379)

Received

FEB - 6 2013

Air Quality Division

407794

I. SELLER'S COMPANY IDENTIFYING INFORMATION			
A. Company Name: Kindermorgan Liquids Terminals LLC			
Mailing Address: 500 Dallas Street, Suite 1000			
City: Houston		State: TX	Zip Code: 77002
Telephone: 713-920-8447		Fax: 713-495-4836	E-mail: gary_cotie@kindermorgan.com
B. TCEQ Customer Identification Number (CN): 601545940 CN603254707			
C. Plant/Site Name: Galena Park Terminal			
Street Address (If no street address, give driving directions in writing.): 909 Clinton Drive			
Nearest City: Galena Park		Zip Code: 77547	County: Harris
D. TCEQ Regulated Entity Number (RN): 100237452 ✓			
E. TCEQ Account Number (if applicable): HG-0262-H ✓ P3435			
II. SELLER'S TECHNICAL CONTACT IDENTIFYING INFORMATION			
A. Contact Name: (<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) Gary Cotie			
Contact Title:			
Telephone: 713-920-8447		Fax: 713-495-4836	E-Mail: gary_cotie@kindermorgan.com
Mailing Address: 906 Clinton Dr.			
City: Galena Park		State: TX	Zip Code: 77547
III. SELLER'S CONTACT FOR SALE OF CERTIFICATE			
A. Contact Name: (<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) Same As Technical Contact Information			
Contact Title:			
Telephone:		Fax:	E-Mail:
Mailing Address:			
City:		State:	Zip Code:
IV. BUYER'S COMPANY IDENTIFYING INFORMATION			
A. Company Name: Element Markets, LLC			
Mailing Address: 3555 Timmons Lane, Suite 900			
City: Houston		State: TX	Zip Code: 77027
Telephone: 281-207-7200		Fax: 281-207-7211	E-Mail: contractadmin@elementmarkets.com
B. TCEQ Customer Identification Number (CN): BKR1021			
C. Plant/Site Name: N/A			
Street Address (If no street address, give driving directions in writing.):			
Nearest City:		Zip Code:	County:
D. TCEQ Regulated Entity Number (RN):			
E. TCEQ Account Number (if applicable): BKR1021 P3195			



Texas Commission for Environmental Quality
Form DEC-4 (Page 1)
Application for Transfer of Discrete Emission Credits
(Title 30 Texas Administrative Code §§ 101.370 - 101.379)

V. BUYER'S TECHNICAL CONTACT IDENTIFYING INFORMATION

A. Contact Name: (☐ Mr. ☐ Mrs. ☐ Ms. ☐ Dr.) Michael Taylor

Contact Title: Senior Vice President

Telephone: 281-207-7200

Fax: 281-207-7211

E-Mail: contractadmin@elementmarkets.com

Mailing Address: 3555 Timmons Lane, Suite 900

City: Houston

State: TX

Zip Code: 77027

VI. BUYER'S CONTACT FOR SALE OF CERTIFICATE

A. Contact Name: (☐ Mr. ☐ Mrs. ☐ Ms. ☐ Dr.) Same As Technical Contact Information

Contact Title:

Telephone:

Fax:

E-Mail:

Mailing Address:

City:

State:

Zip Code:

VII. DERCs TO BE TRANSFERRED

Seller RN 100237452

Buyer RN BKR1021

DERC Certificate	Pollutant (NO _x , VOC, HAP, CO, SO ₂ , PM ₁₀)	Transferred Amount (tons)	Retained Amount (tons)
D2784	HAP	25.0	23.0

VIII. PURCHASE PRICE

*Price of the DERCs acquired or the expected price of the DERCs to be acquired: \$ 15,000.00 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

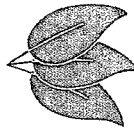
I, Gary Cotie, hereby certify as owner of the above listed discrete emission credits, these credits may be transferred to the listed buyer and that the information entered in this application is correct to the best of my knowledge and belief.

Seller's Signature Gary Cotie Signature Date 01/29/2013

Title Environmental Manager

Buyer's Signature [Signature] Signature Date 1/30/2013

Title Senior Vice President



Element Markets LLC

VIA UPS

February 5, 2013

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

Reference: Application for Transfer of Ownership

Dear Mr. Greulich:

Enclosed are two (2) Form DEC-4 Applications for Transfer of Discrete Emission Credits to transfer 25 tons of DERC HGBVOC to Kinder Morgan from Element Markets and 25 tons of DERC HGBHAP credits from Kinder Morgan to Element Markets, LLC.

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

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

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

Thank you,



Tiffany Grigsby

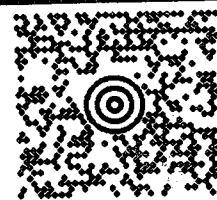
TIFFANY GRIGSBY
281-207-7200
ELEMENT MARKETS
3555 TIMMONS LN
HOUSTON TX 77027

1 LBS

1 OF 1

SHIP TO:

MR. BRANDON GREULICH
2812077200
TEXAS COMMISSION ENVIRONM. QUALITY
OFFICE OF PERMITTING & REGISTRATION
12100 PARK THIRTY FIVE CIR
AUSTIN TX 78753

**TX 787 9-04****UPS GROUND**

TRACKING #: 1Z 074 1W1 03 9318 6751



BILLING: P/P

Trx Ref No.: 100 ERCs

XOL 13.01.32

NV45 33.0A 10/2012

**RECEIVED**

FEB 06 2013

TCEQ MAIL CENTER

Airbill: 1Z0741W10393186751

Create New Shipment

View Pending Shipments

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

March 1, 2013

Mr. Michael Taylor
Senior Vice President
Element Markets, LLC
3555 Timmons Lane, Suite 900
Houston, Texas 77027

Re: Transfer of Volatile Organic Compound (VOC) Hazardous Air Pollutant (HAP) Discrete
Emission Credits
Discrete Emission Credit Program
Broker Account Number: BKR1021

Dear Mr. Taylor:

This letter is in response to a Form DEC-4 (Application for Transfer of Discrete Emission Credits) received from KM Liquids Terminals, LLC, on February 6, 2013, project number 407794. The Texas Commission on Environmental Quality (TCEQ) approves the following transfer of VOC-HAP discrete emission credits.

Certificate	Pollutant	Total Amount	Action	Company Name	Amount Traded	Price per Ton
D-2784	VOC-HAP	48.0	Bought from	KM Liquids Terminals, LLC	25.0	\$15,000.00

Listed below is the purchased certificate. Enclosed is a copy of this certificate.

Portfolio	Company Name	Site or Broker Name	Certificate	Pollutant	Total Amount
P3195	Element Markets, LLC	Broker Account - Element Markets	D-2966	VOC-HAP	25.0

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

If you have questions concerning this transfer or need further assistance regarding the banking program, please contact 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.

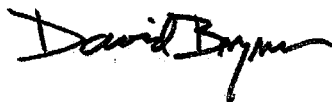
Mr. Michael Taylor

Page 2

March 1, 2013

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/sd

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

March 1, 2013

Mr. Gary Cotie
Compliance Manager
KM Liquids Terminals, LLC
906 Clinton Drive
Galena Park, Texas 77547

Re: Transfer of Volatile Organic Compound (VOC) Hazardous Air Pollutant (HAP) Discrete Emission Credits
Discrete Emission Credit Program
Customer Reference Number: CN603254707
Regulated Entity Reference Number: RN100237452

Dear Mr. Cotie:

This letter is in response to a Form DEC-4 (Application for Transfer of Discrete Emission Credits) received from KM Liquids Terminals, LLC, on February 6, 2013, project number 407794. The Texas Commission on Environmental Quality (TCEQ) approves the following transfer of VOC-HAP discrete emission credits.

Certificate	Pollutant	Total Amount	Action	Company Name	Amount Traded	Price per Ton
D-2784	VOC-HAP	48.0	Sold to	Element Markets, LLC	25.0	\$0.00

Because the full amount was not transferred, the table below lists a new certificate with the retained amount. Enclosed is a copy of this certificate.

Portfolio	Company Name	Site or Broker Name	Certificate	Pollutant	Total Amount
P3435	KM Liquids Terminals, LLC	Galena Park Terminal	D-2967	VOC-HAP	23.0

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

If you have questions concerning this transfer or need further assistance regarding the banking program, please contact 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. Gary Cotie

Page 2

March 1, 2013

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/sd

cc: Air Section Manager, Region 12 – Houston

Mr. Bob Allen, Director, Harris County Pollution Control Services Department, Harris
County

Banking and Trading Route Slip

AIR QUALITY DIVISION Emissions Banking and Trading Program (EBTP)				
Company Name: <i>Element Markets / RM Liquid Terminals</i>				
Project Number: <i>407794</i>				
Type of Letter Correspondence: <i>DCTS DCTB DCTT DCT</i>				
Letter Document Number(s): <i>20280 20281 20282 20283</i>				
Certificate Number(s): <i>D-2966 , D2967</i>				
Review and Approval	Initial and Date	Comments/Special Instructions		
Brandon Greulich, Work Lead EBTP				
Author/Creator Review	<i>3/1/13</i>			
Peer Review Completed	<i>SD 2/28/13</i>	<i>Minor edits</i>		
Author/Creator	<i>DS 2/26/13</i>		Copies Made	Date
			<i>DS</i>	<i>3/1</i>
			Mailed	Date
			<i>DS</i>	<i>3/1</i>
Please return Routing Slip and Project Paperwork to Brandon Greulich, MC-206, Ext. 4904				

Brandon,

Close before 407797.

→ DS

C3/4