

AIR DERC_100542927-409859_
USE_20150930_Use_D3084

09/29/2015 ----- EBTP IMS- PROJECT RECORD -----

PROJECT#: 409859
RECEIVED: 03/04/2015

STATUS: P
PROJTYPE: BUSE

DISP CODE: C
ISSUED DT:
SUP-DISP DATE: 9/30/2015 ✓

STAFF ASSIGNED TO PROJECT:

MERCADO, PE, MARIE

PROJECT NOTES:

ASSOCIATED DERC INTENT PROJECTS: 408487 & 409297 - MR & MM

PROJECT HOLD: PROJECTS WERE HANDLED IN ORDER OF PRIORITY. HOLD ENDED ON 8/14/2015.

PROJECT TRANSACTIONS**COMPANY DATA**

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

PORTFOLIO DATA

NUMBER: P3185 NAME: NRG - 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

D-30845

CONTACT DATA

NAME: ELIZABETH KASHI

TITLE: ENVIRONMENTAL SPECIALIST

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

PHONE: 832-357-5292 ext 0

Email: liz.kashi@nrg.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_USE

DATE ENTERED: 2015-03-10 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 62.50

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO: D3084 COUNTY: LIMESTONE

COMPANY DATA

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

PORTFOLIO DATA

NUMBER: P3185 NAME: NRG - 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: ELIZABETH KASHI

TITLE: ENVIRONMENTAL SPECIALIST

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

PHONE: 832-357-5292 ext 0

Email: liz.kashi@nrg.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_USE

DATE ENTERED: 2015-09-28 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 805.20

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D3085 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: NRG - 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: ELIZABETH KASHI

TITLE: ENVIRONMENTAL SPECIALIST

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

PHONE: 832-357-5292 ext 0

Email: liz.kashi@nrg.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_USE

DATE ENTERED: 2015-09-28 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 662.40

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D3086 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: NRG - LIMESTONE ELECTRIC - RN100542927

SITE DATA

ACCOUNT: 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

CONTACT DATA

NAME: ELIZABETH KASHI TITLE: ENVIRONMENTAL SPECIALIST
STREET: 1201 FANNIN STREET CITY/STATE, ZIP: HOUSTON, TX , 77002-0
PHONE: 832-357-5292 ext 0
Email: liz.kashi@nrg.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET

DATE ENTERED: 2015-09-28 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE

DELETED DATE:

EFFECTIVE YEAR:

TONS: 2756.90

DOLLARS: 0

CERTIFICATE NO.: D3199 COUNTY : LIMESTONE

TRANSACTION DATA

TRANSACTION TYPE: DERC_USE

DATE ENTERED: 2015-09-28 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

TONS: 975.60

DOLLARS: 0

CERTIFICATE NO.: D3198 COUNTY : LIMESTONE

TRACKING ACTIVITIES

PROJECT SUBMITTED : 03/02/2015 PROJECT HOLD : 03/23/2015 08/14/2015 PM RECEIVED DATE : 03/23/2015

PROJECT COMPLETED : 10/9/15

DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Project No.:	409859	Customer Reference No.:	CN603207218
Project Type:	BUSE	Regulated Entity Reference No.:	RN100542927
Company:	NRG Texas Power, LLC	Facility Name:	Limestone Electric Generating Station
City:	Jewett	County:	Limestone
Project Manager:	Ms. Marie Mercado, P.E.	Portfolio Name:	P3185

Project Overview

NRG Texas Power, LLC (NRG), submitted a Notice of Use Discrete Emission Credits (Form DEC-3) received on March 4, 2015, for compliance with 30 Texas Administrative Code (TAC) §117.3020 at the Limestone Electric Generating Station. The site has two electric generating units, Facility Identification Numbers (FIN) LMS1 and LMS2. NRG set aside 5,262.6 tons of nitrogen oxides (NO_x) Discrete Emission Reduction Credits (DERC) using two Intent to Use Discrete Emission Credits forms (DEC-2 forms) received on November 18, 2013 (project 408487) and June 16, 2014 (project 409297) to comply with the requirement in §101.376 to have DERCs available for the period of January 1, 2014 through December 31, 2014 and August 1, 2014 through December 31, 2014, respectively.

The Form DEC-3 was received within 90 days of the end of the period. The associated intent projects set aside 5,262.6 tons of NO_x DERCs for the period from certificates D-3084 (62.5 tons), D-3085 (805.2 tons), D-3086 (662.4 tons), and D-3082 (3,732.5 tons). NRG reported that 2,505.7 tons of NO_x DERCs (including the 10% environmental contribution of 227.8 tons) were needed for compliance with §117.3020 during the use period. Therefore, the entire amounts set aside from certificates D-3084, D-3085, and D-3086 have been used, as well as 975.6 tons of the amount set aside from certificate D-3082 (use certificate D-3199). The unused 2,756.9 tons set aside from certificates D-3082 (return certificate D-3199) have been deposited in the DERC registry for use by NRG in Intent to Use project 410320.

Discrete Emission Credit Use

The Limestone Electric Generating Station has two coal-fired boilers, FINs LMS1 and LMS2, which are subject to §117.3020. NRG used NO_x DERCs to cover their excess NO_x emissions above their system cap limit through the use of 2,277.9 tons of NO_x DERCs during the use period of January 1, 2014 through December 31, 2014. To cover the required 10% environmental contribution, an additional 227.8 tons of NO_x DERCs were needed, resulting in a total of 2,505.7 tons of NO_x DERCs being used.

Certificate Used.....	D-3084, D-3085, D-3086, & D-3082 (D-3198 use certificate)
Pollutant.....	NO _x
Amount Used.....	2,505.7 tons
Regulation.....	§117.3020
Compliance period.....	01/1/2014 – 12/31/2014

Credit Use Calculation Methods

Boilers LMS1 and LMS2 have continuous emissions monitoring systems (CEMS) for measuring NO_x emissions; therefore, NRG monitors the total emissions on an ongoing basis. NRG calculated the actual emission rate for each unit on the Form DEC-3 by dividing the actual emissions in pounds by the actual activity in million British thermal units (MMBtu). The reported regulated total emissions was based on the system cap emission limitations determined using §117.3020(c). The control plan for the site was provided as supporting documentation in project number 408418, which includes a spreadsheet that provides the system cap value for each boiler.

The applicant opted to use the equation referenced below to calculate the amount of discrete emission credits required to comply with §117.3020, which during the use period reflects the more stringent regulatory requirement when compared to the regulatory emission rate of 0.165 pound per MMBtu. NRG provided calculations as supplemental data.

$$DERCs = \sum_{a=1}^N [(AH_a \times AR_a) - (H_a \times R_a)]$$

a = each emission unit in the system cap

N = total number of emission units in the system cap

AH_a = actual annual heat input

AR_a = actual annual average emission factor

$H_a = H_i$, specified in §117.3020(c)

$R_a = R_i$, specified in §117.3020(c)

LMS1

DERCs used = 6,309.7 tons – 5,081.5 tons = 1,228.2 tons

LMS2

DERCs used = 5,881.2 tons – 4,831.5 tons = 1,049.7 tons

Total DERCs needed for 2014 compliance

1,228.2 tons + 1,049.7 tons = 2,277.9 tons

10% environmental contribution = 227.8 tons (rounded up to nearest 0.1 ton)

Total DERCs used = 2,277.9 tons + 227.8 tons = 2,505.7 tons

Conclusion

NRG has submitted all required documentation for the use of NO_x DERCs to be in compliance with §101.376. Based on data that NRG reported, it is calculated that 2,505.7 tons of NO_x DERCs (including the 10% environmental contribution of 227.8 tons) were needed for excess emission from the two boilers at the Limestone Electric Generating Station during the period of January 1, 2014 to December 31, 2014. Certificates D-3084, D-3085, D-3086, D-3082 have been cancelled, and the remaining 2,756.9 tons are available to NRG on certificate D-3199 for Intent to Use project 410320.

Marie Mercade 9/30/15
Project Manager Date

Jay H. Stum 9/30/2015
Peer Reviewer Date

Dan Latta 10/7/15
Work Lead Date



Form DEC-3 (Page 1)
No. 409859 of Use of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

Received

MM

MAR - 4 2015

I. COMPANY IDENTIFYING INFORMATION

A. Company Name: NRG Texas Power LLC ✓

Air Quality Division

Mailing Address: 1201 Fannin Street

City: Houston

State: TX

Zip Code: 77002

Telephone: 832-357-5291

Fax: 832-584-2111

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

P3185

Nearest City: Jewett

Zip Code: 75846

County: Limestone

D. TCEQ Regulated Entity Number (RN): RN100542927 ✓

E. TCEQ Air Account Number: (if applicable) LI-0027-L ✓

F. Primary SIC: 4911

Air Permit Number: O-00075/8576

II. TECHNICAL CONTACT IDENTIFYING INFORMATION

A. Technical Contact Name: (☐ Mr. ☒ Mrs. ☐ Ms. ☐ Dr.) : Liz Kashi

Technical Contact Title: Environmental Specialist

Mailing Address: 1201 Fannin Street

City: Houston

State: TX

Zip Code: 77002

Telephone: 832-357-5292

Fax: 832-584-2114

E-mail: liz.kashi@nrg.com

III. COMPANY CONTACT IDENTIFYING INFORMATION

A. Company Contact Name: (☒ Mr. ☐ Mrs. ☐ Ms. ☐ Dr.) : Craig R. Eckberg

Company Contact Title: Sr. Manager, Environmental Business

Mailing Address: 1201 Fannin Street

City: Houston

State: TX

Zip Code: 77002

Telephone: 832-357-5291

Fax: 832-584-2111

E-mail: craig.eckberg@nrg.com

IV. Mass Emission Cap and Trade Program (MECT)

Is the DERC use for compliance with 30 TAC Chapter 101, Subchapter H, Division 3? ☐ Yes ☒ 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/ 2014

Use End Date: 12/ 31/ 2014

DERC
Intens: 408487, 409297,
409467



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 Activity (units)	Actual Emissions Rate (units)	Actual Total Emissions (tons)	Regulated Activity (units)	Regulated Emissions Rate (units)	Regulated Total Emissions (tons)	DERCs Used (tons)
LMS1	1	NOx	60,385,491.0 MMBtu	0.207 lb/MMBtu	6,309.7		0.165 lb/MMBtu	5,081.5	1,228.2
LMS2	2	NOx	56,275,691.0 MMBtu	0.208 lb/MMBtu	5,881.2		0.165 lb/MMBtu	4,831.5	1,049.7
								Total:	2,277.9



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 117.3010, 30 TAC 117.3020

VII. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate:

☐ Permit : _____ ☐ RACT : _____ ☒ Other: 0.165 lb/mmBtu

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

CEMS data (see attached)

Continue to Section VII (next page)



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>2,277.9</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>227.8</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCS Used	CO: _____	NO _x : <u>2,505.7</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

XI. DERC INFORMATION

Name of the DERC Generator: Limestone Electric Generating Station
DERC Generator Regulated Entity Number: RN100542927
Certificate number of the DERCS acquired or to be acquired: D-3084, D-3085, D-3086, and D-3082. (Please use certificates D-3084, D-3085, D-3086, and D-3082 in the order listed, and release the remaining balance from D-3082.)

Note: The certificate number is assigned by the TCEQ

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 Date: 2 March 2015
Title Sr. Manager, Environmental Business

NRG Texas Power LLC
Limestone Electric Generating Station
DERC Usage Calculations for January 1, 2014 - December 31, 2014
Based on 2014 CEMS NOx Cumulative Report

TCEQ Account	Unit	NOx Control Method ¹	NOx Monitoring Method	Jan 1, 2014 through Dec. 31, 2014 Heat Input (MMBtu)	Jan 1, 2014 through Dec. 31, 2014 Emission Factor ² (NOx lb/MMBtu)	Emission Specification (RER) 117.3010(1)(A)(II)	Actual Emissions (ATE) (NOx tons/yr)	Annual Average Emissions Cap (RTE) (NOx tons/yr)	Credits Used to Meet Compliance (NOx lbs/yr) ³	Credits Used to Meet Compliance (NOx tns/yr) ³	10% Environmental Contribution	Total DERCs Required
LI-0027-L	LMS 1	Comb, LNB, OFA	CEMS	60,385,491.0	0.207	0.165	6,309.7	5,081.5	2,536,190.6	1,228.2	122.8	1,351.0
LI-0027-L	LMS 2	Comb, LNB, OFA	CEMS	56,275,691.0	0.208	0.165	5,881.2	4,831.5	2,419,854.7	1,049.7	105.0	1,154.7
Total:				116,661,182.0			12,190.9	9,913.0	4,956,045.3	2,277.9	227.8	2,505.7

Note 1 - NOx Control Method Code

Comb - Combustion Tuning
LNB - Low NOx Burners
OFA - Over-fire Air

Note 3 - Formula for discrete credits used:

(ATE) - (RTE) = discrete emission credits used

Where:

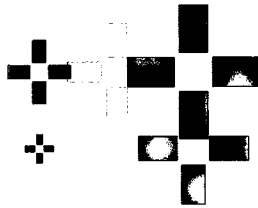
ATE = actual total emissions (tons)
RTE = regulated total emissions (tons)

Note 2 - Emission Factor

Heat Input weighted Emission Factor derived from CEMS data

**2014 Yearly NOx Emissions
CEMS 2014 Cumulative Report**

	LMS1			LMS2		
	Heat Input (mmBtu/mo.)	NOx (tons)	NOx Rate (lb/mmBtu)	Heat Input (mmBtu/mo.)	NOx (tons)	NOx Rate (lb/mmBtu)
Month						
January	5,757,656	625.3	0.217	5,325,219	526.1	0.196
February	5,123,570	560.3	0.219	4,964,403	506.9	0.196
March	5,626,368	619.9	0.221	1,705,942	171.2	0.201
April	5,825,427	638.8	0.219	1,543,896	141.4	0.168
May	5,579,309	578.7	0.207	6,051,356	632.4	0.209
June	5,486,098	593.1	0.217	5,428,952	583.9	0.211
July	4,711,218	506.7	0.215	5,345,375	552.5	0.208
August	5,280,836	511.4	0.193	3,147,746	330.8	0.203
September	4,343,029	438.0	0.197	5,771,183	646.4	0.225
October	5,401,257	522.9	0.195	5,665,104	595.1	0.213
November	5,147,138	506.4	0.198	5,682,279	582.5	0.206
December	2,103,585	208.2	0.179	5,644,236	612.0	0.219
Totals	60,385,491	6,309.7	0.207	56,275,691	5,881.2	0.208



CERTIFIED MAIL: RETURN RECEIPT REQUESTED

March 2, 2015

Ms. Lindley Anderson
Emission Banking and Trading Program, MC 206
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

**SUBJECT: Notice of Use of Discrete Emission Reduction Credits (Form DEC-3)
Limestone Electric Generating Station
Jewett, Limestone County
Account #: LI-0027-L
CN603207218; RN100542927**

Dear Ms. Anderson:

NRG Texas Power LLC (NRG Texas) is providing the enclosed DEC-3 Form and supporting documentation to demonstrate compliance with the requirements of Title 30 Texas Administrative Code (TAC), Chapter 117 and Chapter 101.376 regarding the Notice of Use of Discrete Emission Reduction Credits (DERCs) for the Limestone Electric Generating Station.

NRG Texas filed a notice of intent to use DERCs to comply with the emission requirements of this plan on November 14, 2013. In addition, NRG Texas submitted a supplemental Notice of Intent filing on June 13, 2014. The DERC distribution and use for the period of January 1, 2014 to December 31, 2014 is summarized in the following table.

DERC DISTRIBUTION	AMOUNT (tons)
Intended for Use (1/1/2014 - 12/31/2014)	5,262.6
Actual Use in 2014	2,277.9
10% Environmental Contribution	227.8
Total DERCs Used	2,505.7
Excess Credits Remaining	2,756.9

If you have any questions or require additional information, please do not hesitate to contact Liz Kashi at (832) 357-5292 or liz.kashi@nrg.com.

Sincerely,

Craig R. Eckberg
Sr. Manager, Environmental Business

cc: Mr. Jason Neumann, TCEQ Region 9, Air Section Manager, Waco, TX

MAIL



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nonpost

03/02/2015

POSTAGE

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RECEIVED

MAR 04 2015

TCEQ MAIL CENTER
AJ

TCEQ
P.O. Box 13087 MC-206
Austin, TX 78711-3087
Attn: Ms. Lindley Anderson

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 9, 2015

Ms. Liz Kashi
Environmental Specialist
NRG Texas Power, LLC
1201 Fannin Street
Houston, Texas 77002

Re: Use of Discrete Emission Credits
Limestone Electric Generating Station
Jewett, Limestone County
Regulated Entity Reference Number: RN100542927
Customer Reference Number: CN603207218
Portfolio Number: P3185

Dear Ms. Kashi:

This letter is in response to NRG Texas Power, LLC's (NRG) Notice of Use of Discrete Emission Credits (Form DEC-3) received March 4, 2014 regarding the use of nitrogen oxides (NO_x) discrete emission reduction credits (DERC) for the purpose of compliance with 30 Texas Administrative Code (TAC) §117.3020 for the period of January 1, 2014 through December 31, 2014 at the Limestone Electric Generating Station.


We have reviewed your application and agree that the use of 2,277.9 tons of NO_x DERCs (including the 10% environmental contribution of 227.8 tons) meets the requirements of 30 TAC §101.376 for compliance with §117.3020. These emission credits have been used from certificates D-3084, D-3085, D-3086, and D-3082, which are now cancelled. The remaining 2,756.9 tons of NO_x DERCs from certificate D-3082 will be retained on certificate D-3199. The emission credits from certificate D-3199 in the amount of 2,756.9 has been deposited in the Texas Commission on Environmental Quality (TCEQ) Discrete Emission Credit Registry for use by NRG in Intent to Use project 410320. These 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 Ms. Marie Mercado, P.E., at (512) 239-2054, or write to the Texas Commission on Environmental Quality, Office of Air, Air Quality Division (MC-206), PO Box 13087, Austin, Texas 78711-3087.

Ms. Liz Kashi
Page 2
October 9, 2015

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/MM/jt

cc: Air Section Manager, Region 9 – Waco

Project Number: 409859

Banking and Trading Route Slip

AIR QUALITY DIVISION Emissions Banking and Trading Program (EBTP)			
Company Name:		NRG Texas Power, LLC. Limestone Electric Generating Station RN100542927 (P318)	
Project Number:		409859	
Type of Letter Correspondence:		DCTR; DCUS	
Letter Document Number(s):		25356; 25357	
Certificate Number(s):		D-3084; D-3085; D-3086; D-3082; D-3198; D-3199	
Review and Approval	Initial and Date	Comments/Special Instructions	
DERIC Patton TBD, Work Lead EBTP	DL 10/7/15		
Author/Creator Review	MM 10/01/15		
Peer Review Completed	MM 9/30/2015		
Author/Creator	MM 9/30/15	Copies Made	Date
		MM	10/9
		Mailed	Date
		MM	10/9
Please return Routing Slip and Project Paperwork to Brandon Greulich, MC-206, Ext. 4904			

C
MM
10/9/15

08/20/2014 ----- EBTP IMS- PROJECT RECORD -----

PROJECT#: 409297 STATUS: P
RECEIVED: 06/16/2014 PROJTYPE: BDIUDISP CODE: C ✓
ISSUED DT: 7/21/2014
SUP-DISP DATE: 7/21/2014**STAFF ASSIGNED TO PROJECT:**

MERCADO, PE, MARIE

PROJECT NOTES:

NRG REQUESTED AN INTENT TO USE PERIOD OF 7/8/2014 - 12/31/2014; HOWEVER, THIS WAS CHANGED TO 8/1/2014 TO COMPLY WITH 45-DAY SUBMISSION REQUIREMENT.

EMAILED COPY RECEIVED ON 6/13/2014. MAILED FORM RECEIVED 6/16/2014.

PROJECT HOLD: REQUESTED ADDITIONAL INFORMATION ON 6/25/2014. RECEIVED FINAL RESPONSE ON 7/11/2014.

PROJECT TRANSACTIONS**COMPANY DATA**

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: NRG - 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

D-3084

CONTACT DATA

NAME: ELIZABETH KASHI

TITLE: ENVIRONMENTAL SPECIALIST

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

PHONE: 832-357-5292 ext 0

Email: liz.kashi@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2014-06-16 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 805.20

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D3085 COUNTY : LIMESTONE

COMPANY DATA

COMPANY NAME: NRG TEXAS POWER LLC

CUSTOMER REGISTRY ID: CN603207218

PORTFOLIO DATA

NUMBER: P3185 NAME: NRG - 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: ELIZABETH KASHI

TITLE: ENVIRONMENTAL SPECIALIST

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

PHONE: 832-357-5292 ext 0

Email: liz.kashi@nrgenergy.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2014-07-17 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 662.40

DOLLARS: 0

ALLOWANCE0

CERTIFICATE NO.: D3086 COUNTY : LIMESTONE

TRACKING ACTIVITES

PM RECEIVED DATE :

06/17/2014 PROJECT HOLD :

06/25/2014 07/11/2014 LETTER ISSUED :

8/21/14

DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Project No.:	409297	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 Manager:	Ms. Marie Mercado, P.E.	Portfolio Name:	P3185

Project Overview

NRG Texas Power, LLC (NRG) submitted a Form DEC-2, Notice of Intent to Use Discrete Emission Credits, received on June 16, 2014 for compliance with 30 Texas Administrative Code (TAC) §117.3020 at the Limestone Electric Generating Station. NRG requested to use nitrogen oxides (NO_x) Discrete Emission Reduction Credits (DERC) for any potential excess emissions during the period of July 8, 2014 through December 31, 2014, but the Form DEC-2 was not submitted until June 13, 2014. Therefore, the company agreed to change the use period to August 1, 2014 through December 31, 2014 so that the Form DEC-2 was not late under 30 TAC §101.376(d)(1)(B)(ii). Note that this is the second Form DEC-2 submitted for 2014.

In the original intent project 408487, NRG set aside 3,765.7 tons of DERCs, including the 10% environmental contribution of 327.5 tons and the 5% compliance margin of 163.8 tons, for compliance with §117.3020. The 3,765.7 tons of NO_x DERCs were set aside from certificates D-3082 (3,732.5 tons) and D-3084 (62.5 tons) for use period of January 1, 2014 through December 31, 2014. The 29.3 tons of DERCs remaining from the certificate D-3084 were set aside at the company's request, via telephone conversation on 1/16/2014, not for use but to avoid creating a small retain certificate.

In this request, NRG has requested that additional DERCs be set aside without increasing the number of estimated DERCs potentially needed for compliance with §117.3020. The purpose of this request is to set aside and use Nueces County DERCs prior to the Fort Bend County DERCs from certificate D-3082 for the use period of August 1, 2014 through December 31, 2014. Therefore, NRG has requested that certificates D-3085 (805.2 tons) and D-3086 (662.4 tons) be set aside for the August 1, 2014 through December 31, 2014 use period. In addition, NRG requested that the 29.3 tons of DERCs remaining from certificate D-3084, previously set aside to avoid creating a small retain certificate but not for use, also be made available for use, totaling 1,496.9 tons of additional DERCs.

Discrete Emission Credit Use

NRG has two electric generating units at the Limestone Electric Generating Station that are subject to the system cap in §117.3020. NRG intends to use certificates D-3085, D-3086, and the 29.3 tons of DERCs from remaining form certificate D-3084 to cover any potential excess emissions from the boilers at the site by complying with the system cap emission limitation in accordance with §117.3020 during the use period of August 1, 2014 through December 31, 2014.

Additional certificates to be set aside/made available for use.....D-3085, D-3086, and D-3084 (29.3 tons)
 Pollutant.....NO_x
 Amount.....1,496.9 tons
 Regulation.....§117.3020
 Use period.....8/1/2014 – 12/31/2014

DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Page 2

Project No. 409297

Credit Use Calculation Methods

See the original intent project 408487 for details on the calculation method used to determine the number of DERCs potentially needed for compliance with §117.3020.

Conclusion

NRG estimated that 3,274.4 tons of NO_x DERCs may be needed to comply with §117.3020 during the original use period of January 1, 2014 through December 31, 2014 for two coal-fired boilers at the Limestone Electric Generating Station. Based on the estimate, a total of 3,765.7 tons of DERCs (including the required 10% environmental contribution of 327.5 tons and 5% compliance margin of 163.8 tons) were needed and set aside in the original intent project 408487.

In this intent, NRG requested that an additional 1,467.6 tons of DERCs from certificates D-3085 (805.2 tons) and D-3086 (662.4 tons) be set aside and the 29.3 tons of DERCs remaining from certificate D-3084 be made available during August 1, 2014 through December 31, 2014 use period, totaling 1,469.9 tons of additional DERCs.

Mani Merendo 8/5/14
Project Manager Date

DERL 8/5/14
Peer Reviewer Date

Brad U 8/20/2014
Work Lead Date

Certificate	Pollutant	Amount	Gen Started	Gen Ended	Gen County	Gen Cert	Gen RN	Notes
D3085	NOX	805.2	10/1/2001	10/31/2002	NUECES	D1083	RN100642040	
D3086	NOX	662.4	10/1/2001	10/31/2002	NUECES	D1082	RN100552181	
D3089	NOX	1090	4/1/1999	3/31/2000	FORT BEND	D1027	RN100888312	
D3114	NOX	2	4/1/2000	3/31/2001	FORT BEND	D1033	RN100888312	In pending BUSE #409095
D3115	NOX	137.4	4/1/2001	3/31/2002	FORT BEND	D1047	RN100888312	In pending BUSE #409095



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

RECEIVED
JUN 16 2014
AIR QUALITY
DIVISION

I. Company Identifying Information			
A. Company Name: NRG Texas Power LLC			
Mailing Address: 1201 Fannin, Suite 8800			
City: Houston	State: TX	Zip Code: 77002	
Telephone: 713-537-2147		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			
F. Primary SIC: 4911		Air Permit Number: 8576	
II. Technical Contact Identifying Information			
A. Technical Contact Name: (<input type="checkbox"/> Mr. <input checked="" type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) : Liz Kashi			
Technical Contact Title: Environmental Specialist			
Mailing Address: 1201 Fannin			
City: Houston	State: TX	Zip Code: 77002	
Telephone: 832-357-5292	Fax:	E-mail: liz.kashi@nrgenergy.com	
III. Company Contact Identifying Information (If different from Technical Contact)			
A. Company Contact Name: (<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) : Craig Eckberg			
Company Contact Title: Sr. Manager, Environmental Business			
Mailing Address: 1201 Fannin			
City: Houston	State: TX	Zip Code: 77002	
Telephone: 832-357-5291	Fax:	E-mail: craig.eckberg@nrgenergy.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 IX			
V. Intended Use Period			
Intended Use Start Date: 07/08/2014		Intended Use End Date: 12/31/2014	

8/1/2014 per email dated 7/11/14
from Liz Kashi



Form DEC-2 (Page 2)

Notice of Intent to Use 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 117.3020

VII. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate:

☐ Permit _____ ☐ RACT _____ ☒ Other: 0.165 lb/MMBtu

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

See attached.

Continue to Section IX (next page)



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

IX. 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	56,772,484.0 MMBtu	0.2078 lb/MMBtu	5,897.7		0.165 lb/MMBtu	5,081.5	816.2
LMS2	2	NOx	69,248,895.7 MMBtu	0.2105 lb/MMBtu	7,289.7		0.165 lb/MMBtu	4,831.5	2,458.2
								Total:	3,274.4



Form DEC-2 (Page 4)
Notice of Intent to Use 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. VII.)	CO: _____	NO _x : <u>3,274.4</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>327.4</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Compliance Margin (+ 5%) (If DERC use requires > 10 tons)	CO: _____	NO _x : <u>163.7</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCS	CO: _____	NO _x : <u>3,765.5</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

Handwritten notes: 44, 327.5, 163.8, 7/17/14 left, left.

XI. DERC Information

Name of the DERC Generator: RN100642040
DERC Generator Regulated Entity Number: Barney M. David Power Station
Certificate number of the DERCS acquired or to be acquired: D-3084, D-3085, D-3086, D-3082 (Please use certificates D-3084, D-3085, and D-3086 first.)
Date on which the DERCS were acquired or will be acquired: 12/18/2013
Note: The certificate number is assigned by the TCEQ

XII. Certification by Responsible Official

I, Craig 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. Eckberg Signature Date 13 Jun 14
Title Sr. Manager, Environmental Business

Calculation Description

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 total emissions represents a conservative estimate of NO_x emissions for the compliance period.

$$(ETE) - (RTE) = \text{discrete emission credits needed}$$

where

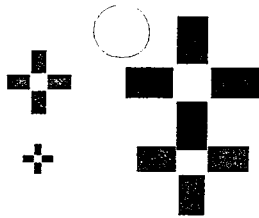
ETE = expected total emissions (tons)

RTE = regulated total emissions (tons)

$$\begin{aligned} \text{LMS1} &= (5,897.7 \text{ tons}) - (5,081.5 \text{ tons}) \\ &= 816.2 \text{ tons} \end{aligned}$$

$$\begin{aligned} \text{LMS2} &= (7,289.7 \text{ tons}) - (4,831.5 \text{ tons}) \\ &= 2,458.2 \text{ tons} \end{aligned}$$

$$\begin{aligned} \text{LMS1} + \text{LMS2} &= 816.2 \text{ tons} + 2,458.2 \text{ tons} \\ &= 3,274.4 \text{ tons} \end{aligned}$$



NRG Energy, Inc.
211 Carnegie Center
Princeton, NJ 08540

CERTIFIED MAIL -- RETURN RECEIPT REQUESTED

June 13, 2014

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

**RE: Supplemental 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. Anderson:

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

As required by 30 TAC 101.376(d)(1)(D)(xi) due diligence was taken to verify that the discrete emission credits were not previously used, the discrete emission credits were not generated as a result of actions prohibited under this regulation, and the discrete emission credits will not be used in a manner prohibited under this regulation.

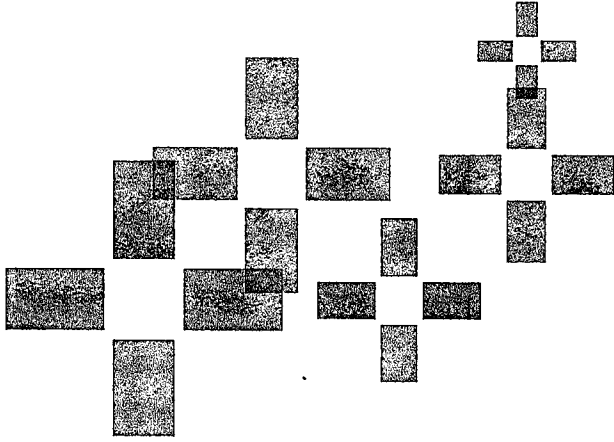
NRG Texas provides this Notice of Intent to Use Discrete Emission Reduction Credits as a supplement to the notice previously filed on November 15, 2013, and requests that certificates D-3084, D-3085, and D-3086 be used preferentially. NRG Texas has determined that up to 3,765.5 discrete emission credits will be required for 2014 operations at the Limestone Electric Generating Station.

If you have any questions, please contact Ms. Liz Kashi at (832) 357-5292 or email at liz.kashi@nrgenergy.com.

Sincerely,

Craig R. Eckberg
Sr Manager, Environmental Business

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

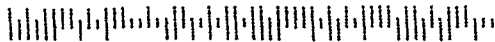


TCEQ
P.O. Box 13087 MC-206
Austin, TX 78711-3087
Attn: Ms. Lindley Anderson

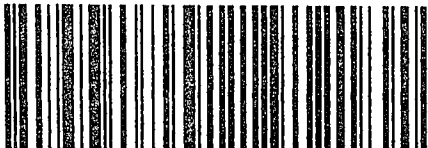
RETURN RECEIPT
REQUESTED

RECEIVED
JUN 16 2014
TCEQ MAIL CENTER
JR

NRG Energy, Inc.
1000 Main St.
Houston, TX 77
Attn: Liz Kashi

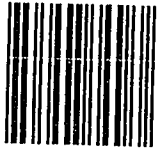


7012 3050 0000 9641 3883



1000

78711



U.S. POSTAGE
PAID
HOUSTON, TX
77010
JUN 13, 14
AMOUNT
\$7.19
00095601-1



Marie Mercado

From: Kashi, Liz <Liz.Kashi@nrgenergy.com>
Sent: Thursday, July 17, 2014 2:40 PM
To: Marie Mercado
Cc: Eckberg, Craig
Subject: RE: Notice of Intent to Use Discrete Emission Credits: Limestone Electric Generating Station, RN100542927 (Project #409297)

Marie,

I understand. Thank you for pointing that out, I will make sure our next submittal rounds up as appropriate.

Thanks,
Liz



Liz Kashi
Environmental Specialist
NRG Texas Power LLC
1000 Main St., Houston, TX 77002
(p) 832.357.5292
(m) 281.450.9309

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From: Marie Mercado [mailto:Marie.Mercado@tceq.texas.gov]
Sent: Thursday, July 17, 2014 2:38 PM
To: Kashi, Liz
Cc: Eckberg, Craig
Subject: RE: Notice of Intent to Use Discrete Emission Credits: Limestone Electric Generating Station, RN100542927 (Project #409297)
Importance: High

Hi Liz,

Just to ensure we both understand what was set-aside in the original intent, I would like to clarify that 3,765.7 tons not the 3,765.5 tons. You were informed of this on the dated 2/11/2014 for project 408487. The EBTP will round up for DERC intents and uses in accordance with 30 TAC 101.372(e)(1), which states that DERCs "...shall be rounded up to the nearest tenth of a ton when used."

Please confirm that you understand this and ensure that your next submittal rounds up as appropriate.

Thanks,
Marie

From: Kashi, Liz [<mailto:Liz.Kashi@nrgenergy.com>]

Sent: Friday, July 11, 2014 4:03 PM

To: Marie Mercado

Cc: Eckberg, Craig

Subject: RE: Notice of Intent to Use Discrete Emission Credits: Limestone Electric Generating Station, RN100542927 (Project #409297)

Marie,

No additional DERCs are requested at this time for the control period. Please ensure that certificates D-3084 (the remaining 29.3 tons), D-3085, and D-3086 are set aside for use prior to deducting from certificate D-3082, with a use period beginning August 1, 2014.

We will submit a supplemental Notice of Intent filing later in the year if additional DERCs are needed.

Thanks!

Liz



Liz Kashi
Environmental Specialist
NRG Texas Power LLC
1000 Main St., Houston, TX 77002
(p) 832.357.5292
(m) 281.450.9309

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From: Marie Mercado [<mailto:Marie.Mercado@tceq.texas.gov>]

Sent: Monday, July 07, 2014 10:11 AM

To: Kashi, Liz

Cc: Eckberg, Craig

Subject: RE: Notice of Intent to Use Discrete Emission Credits: Limestone Electric Generating Station, RN100542927 (Project #409297)

Liz,

Thank you for your response. Yes, I understand that I will use certificates D-3084, D-3085, and D-3086 first prior to deducting from certificate D-3082.

If you believe that the amount set-aside in the original intent is sufficient for the year and no additional DERCs will be needed, I will write my report accordingly. If you believe you need additional, DERCs to be set-aside for the year, I please submit a revised application requesting additional. Please advise to which of these options is appropriate for this site.

Thanks!

Marie

From: Kashi, Liz [<mailto:Liz.Kashi@nrgenergy.com>]

Sent: Wednesday, July 02, 2014 10:33 AM

To: Marie Mercado

Cc: Eckberg, Craig

Subject: RE: Notice of Intent to Use Discrete Emission Credits: Limestone Electric Generating Station, RN100542927 (Project #409297)

Marie,

I agree with the start date, please revise the start date to August 1st.

I just want to make sure we are of the same understanding regarding the DERCs that are set aside with this request. If we set aside certificates D-3084, D-3085, and D-3086, and the facility begins using DERCs after the start date of August 1st, can we deduct those DERCs prior to deducting the HGB DERCs from D-3082 that were previously set aside?

Thanks,
Liz



Liz Kashi
Environmental Specialist
NRG Texas Power LLC
1000 Main St., Houston, TX 77002
(p) 832.357.5292
(m) 281.450.9309

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From: Marie Mercado [<mailto:Marie.Mercado@tceq.texas.gov>]

Sent: Wednesday, June 25, 2014 10:01 AM

To: Kashi, Liz

Cc: Eckberg, Craig

Subject: Notice of Intent to Use Discrete Emission Credits: Limestone Electric Generating Station, RN100542927 (Project #409297)

Good Morning Liz,

The intended use start date does not comply with 30 TAC 101.376(d)(B)(ii), which requires your application be submitted at least 45 days prior to the first day of the use period. Please revise your intended start date. I would recommend August 1st. However, note in selecting a compliant start date that any DERCs used prior to this date will need to come from your first Intent.

In addition, your application should be to request the additional DERCs not to revise your original intent. This intent should include the request to set-aside the remaining 29.3 tons from D-3084, 805.2 tons from D-3086, and 662.4 tons from D-3086 for a total of 1496.9 tons to set-aside. Please revise accordingly.

Thanks,

Marie Mercado, P.E.
Engineer II

Texas Commission on Environmental Quality
Emissions Trading and Banking Program, MC-206
Office of Air, Air Quality Division

PO BOX 13087

Austin, Texas 78711-3087

512.239.2054 (Direct)

512.239.6188

Marie.Mercado@tceq.texas.gov

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 21, 2014

Ms. Elizabeth Kashi
Environmental Specialist
NRG Texas Power, LLC
1201 Fannin Street, 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: RN100542927
Customer Reference Number: CN603207218
Portfolio Number: P3185

Dear Ms. Kashi:

This letter is in response to a Notice of Intent to Use Discrete Emission Credits (Form DEC-2) received on June 16, 2014 from NRG Texas Power, LLC, for compliance with 30 Texas Administrative Code (TAC) §117.3020 for the period of August 1, 2014 through December 31, 2014. We understand NRG Texas Power, LLC, plans to use nitrogen oxides (NO_x) Discrete Emission Reduction Credits (DERC) for potential excess emissions from two coal-fired boilers, Facility Identification Numbers LMS-1 and LMS-2, at the Limestone Electric Generating Station.

We have reviewed your application and found that the notice and the credits to be set aside meet the requirements of 30 TAC §§101.370 through 101.379. For the use period of August 1, 2014 through December 31, 2014, 1,467.6 tons of NO_x DERCs were set aside from D-3085 (805.2 tons), and D-3086 (662.4 tons). In addition, 29.3 tons of DERCs remaining from certificate D-3084, previously set aside at your request, not for use (but to avoid creating a small retain certificate) are now available for the use period of August 1, 2014 through December 31, 2014. A Notice of Use of Discrete Emission Credits (Form DEC-3) must be submitted within 90 days of the end of use period.

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 Ms. Marie Mercado, P.E., at (512) 239-2054, or write to the Texas Commission on Environmental Quality, Office of Air, Air Quality Division (MC-206), PO Box 13087, Austin, Texas 78711-3087.

Ms. Elizabeth Kashi

Page 2

August 21, 2014

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/MM/db

cc: Air Section Manager, Region 9 – Waco

Project Number: 409297

Banking and Trading Route Slip

AIR QUALITY DIVISION Emissions Banking and Trading Program (EBTP)				
Company Name: NRG Texas Power, LLC Limestone Generating Station BN100542927				
Project Number: 409297				
Type of Letter Correspondence: DCTR; DCUA				
Letter Document Number(s): 23325; 23326				
Certificate Number(s): D-3084; D-3085; D-3086				
Review and Approval	Initial and Date	Comments/Special Instructions		
Brandon Greulich, Work Lead EBTP	BS 8/20/14	minor edits to letter		
Author/Creator Review	MM 8/5/14			
Peer Review Completed	JS 8/4/14			
Author/Creator	MM 7/21/14		Copies Made	Date
			MM	8/21/14
			Mailed	Date
			MM	8/21/14
Please return Routing Slip and Project Paperwork to Brandon Greulich, MC-206, Ext. 4904				

C 8/25/2014