

AIR DERC\_100542927-409467\_  
USE\_20141125\_Use\_D3089

**11/25/2014 ----- EBTP IMS- PROJECT RECORD -----**

PROJECT#: 409467  
RECEIVED: 11/17/2014

STATUS: P  
PROJTYPE: BDIU

DISP CODE: C ✓  
ISSUED DT:  
SUP-DISP DATE: 11-25-14

**STAFF ASSIGNED TO PROJECT:**

MERCADO, PE, MARIE

**PROJECT NOTES:**

USE PERIOD 1/1/2015 - 12/31/2015

**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

LOCATION: 9 MILES NORTH OF JEWETT, TEXAS ON FM 39

NEAREST CITY: JEWETT

D-3089

**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@nrg.com

**TRANSACTION DATA**

TRANSACTION TYPE: DERC\_INTEN

DATE ENTERED: 2014-11-19 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

TONS: 1090.00

DOLLARS: 0

CERTIFICATE NO.: D3089 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 ST CITY/STATE, ZIP: HOUSTON, TX , 77002-0  
PHONE: 832-357-5292 ext 0  
Email: liz.kashi@nrg.com

**TRANSACTION DATA**

TRANSACTION TYPE: DERC\_INTEN  
DATE ENTERED: 2014-11-25 00:00:00.0 DELETED DATE: EFFECTIVE YEAR:  
CONTAMINATE: NOX TONS: 2.00 DOLLARS: 0  
ALLOWANCE0 CERTIFICATE NO.: D3114 COUNTY : LIMESTONE

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**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@nrg.com

**TRANSACTION DATA**

TRANSACTION TYPE: DERC\_INTEN  
DATE ENTERED: 2014-11-25 00:00:00.0 DELETED DATE: EFFECTIVE YEAR:  
CONTAMINATE: NOX TONS: 137.40 DOLLARS: 0  
ALLOWANCE0 CERTIFICATE NO.: D3115 COUNTY : LIMESTONE

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**TRACKING ACTIVITIES**

PROJECT SUBMITTED : 11/12/2014 PM RECEIVED DATE : 11/19/2014 PROJECT COMPLETED : 12/21/14

## DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Project No.:	409467	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 Notice of Intent to Use Discrete Emission Credits (Form DEC-2 received on November 17, 2014 for compliance with 30 Texas Administrative Code (TAC) §117.3020 at the Limestone Electric Generating Station. NRG requested to use nitrogen oxides (NO<sub>x</sub>) Discrete Emission Reduction Credits (DERC) for any potential excess emissions during the period of January 1, 2015 through December 31, 2015. NRG has requested that certificates D-3089 (1,090 tons), D-3114 (2.0 tons), and D-3115 (137.4 tons) be set aside for the January 1, 2015 through December 31, 2015 use period.

The primary purpose of this intent project is to set aside DERCs if system cap exceedances occur early in 2015. However, NRG does not expect to need DERCs until mid-October given past history at the site. In addition, NRG plans to submit a supplemental Form DEC-2 to set aside additional DERCs, including any remaining DERCs in the Limestone Electric Generating Station portfolio (P3185) that were set aside but not used in 2014 and possibly DERCs purchased from another company that were generated in East Texas. NRG will ensure all necessary forms and paperwork for that supplemental filing are submitted at least 45 days prior to expected use.

### 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-3089, D-3114, and D-3115 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 January 1, 2015 through December 31, 2015.

Additional certificates to be set aside.....	D-3089, D-3114, and D-3115
Pollutant.....	NO <sub>x</sub>
Amount.....	1,229.4 tons
Regulation.....	§117.3020
Use period.....	1/1/2015 – 12/31/2015

### Credit Use Calculation Methods

Boilers LMS1 and LMS2 have continuous emissions monitoring systems (CEMS) for measuring NO<sub>x</sub> emissions that provided the historical emission rates used to determine the potential excess emissions. To determine the number of DERCs needed for compliance with §117.3020, the following calculations were performed:

DERCs needed = Expected Total Emissions – Regulated Total Emissions

NRG Texas Power, LLC, calculated the expected total emissions were based on a conservative estimate of NO<sub>x</sub> emissions using 2014 CEMS data. The reported regulated total emissions was based on the system cap emission limitations determined using §117.3020(c). The control plan for the site is available on file with project number 408418.

# DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Page 2

Project No. 409467

## LMS1

DERCs needed = 6,798.6 tons - 5,081.5 tons = 1,717.1 tons

## LMS2

DERCs needed = 5,832.1 tons - 4,831.5 tons = 1,000.6 tons

## Total DERCs needed for 2014 compliance

1,717.1 tons + 1,000.6 tons = 2,717.7 tons

10% environmental contribution = 271.8 tons

5% compliance margin = 135.9 tons

Total DERCs needed = 2,717.7 tons + 271.8 tons + 135.9 tons = 3,125.4 tons

As previously stated, NRG plans to submit a supplemental Form DEC-2 to set aside additional DERCs not from the Houston-Galveston-Brazoria area. Therefore, NRG is only requesting a total of 1,229.4 tons of DERCs (including 106.9 and 53.5 tons of DERCs for the 10% environmental contribution and 5% marginal compliance, respectively) to be set aside in this intent project.

## **Conclusion**

NRG has submitted all required documentation for this intent to use DERCs to be in compliance with §117.3020. As requested, a total of 1,229.4 tons of DERCs will be set aside at this time for the January 1, 2015 through December 31, 2015 use period for two coal-fired boilers at the Limestone Electric Generating Station.

Monie Mercedes 12/3/14  
Project Manager Date

Brandt L. 12/3/14  
Peer Reviewer Date

Jay H. Plummer FOR BRANDT 12/3/2014  
Work Lead GRENICH Date

### Available DERCs in P3185

Certificate	Type	Pollutant	Amount	Gen Started	Gen Ended	Gen County	Gen Cert	Gen RN
D3089	DERC	NOX	1090	4/1/1999	3/31/2000	FORT BEND	D1027	RN100888312
D3114	DERC	NOX	2	4/1/2000	3/31/2001	FORT BEND	D1033	RN100888312
D3115	DERC	NOX	137.4	4/1/2001	3/31/2002	FORT BEND	D1047	RN100888312

1229.4

### DERC History

INTENT PROJECT	INTENT RECEIVED	INTENT CERTIFICATE	POLLUTANT	INTENT AMOUNT	TOTAL AMOUNT	PERIOD START DATE	PERIOD END DATE	INTENT FLAG	USE PROJECT	USE RECEIVED	USE AMOUNT	USE CERTIFICATE
408487	11/18/2013	D3082	NOX	3732.5	3732.5	1/1/2014	12/31/2014	YES	Due by 3/31/2015			
408487	11/18/2013	D3084	NOX	62.5	62.5	1/1/2014	12/31/2014	YES				
409297	6/16/2014	D3085	NOX	805.2	805.2	8/1/2014	12/31/2014	YES				
409297	6/16/2014	D3086	NOX	662.4	662.4	8/1/2014	12/31/2014	YES				
409467	11/17/2014		NOX			1/1/2015	12/31/2015		Due by 3/30/2016			
409467	11/17/2014		NOX			1/1/2015	12/31/2015					
409467	11/17/2014		NOX			1/1/2015	12/31/2015					



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

RECEIVED

NOV 17 2014

AIR QUALITY  
DIVISION

409467

**I. Company Identifying Information**

A. Company Name: NRG Texas Power LLC ✓

Mailing Address: 1201 Fannin Street

City: Houston

State: TX

Zip Code: 77002

Telephone: 832-357-5291

Fax: 713-537-4219

B. TCEQ Customer Number (CN): CN603207218 ✓

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): RN100542927 ✓

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

P3185

F. Primary SIC: 4911

Air Permit Number: 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:

E-mail: liz.kashi@nrg.com

**III. Company Contact Identifying Information (If different from Technical Contact)**

A. Company Contact Name: (☒ Mr. ☐ Mrs. ☐ Ms. ☐ Dr.) : Craig 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: 713-537-4219

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 IX

**V. Intended Use Period**

Intended Use Start Date: 01 / 01 / 2015

Intended Use End Date: 12 / 31 / 2015



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:

*Per email dated 11/25/14*  
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

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)**

<b>IX. Tons of DERCS Required</b>									
<b>Emission Point No.</b>	<b>FIN</b>	<b>Air Contaminant</b>	<b>Calculation of DERCS</b>						
			<b>Expected Activity (units)</b>	<b>Expected Emission Rate (units)</b>	<b>Expected Total Emissions (tons)</b>	<b>Regulated Activity (units)</b>	<b>Regulated Emission Rate (units)</b>	<b>Regulated Total Emissions (tons)</b>	<b>DERCs (tons)</b>
LMS1	1	NOx	65,025,500 MMBtu	0.20898 lb/MMBtu	6,798.6		0.165 lb/MMBtu	5,081.5	534.5
LMS2	2	NOx	56,757,327 MMBtu	0.20404 lb/MMBtu	5,832.1		0.165 lb/MMBtu	4,831.5	534.5
<b>Total:</b>								1,069.0	





Form DEC-2 (Page 4)  
Notice of Intent to Use Discrete Emission Credits  
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

<b>X. Total DERCS Required for Use (round up to the nearest tenth of a ton)</b>					
Tons of DERCS required (from Sect. VII.)	CO: _____	NO <sub>x</sub> : <u>1,069.0</u>	PM <sub>10</sub> : _____	SO <sub>2</sub> : _____	VOC: _____
Offset Ratio (if required)	CO: _____	NO <sub>x</sub> : _____	PM <sub>10</sub> : _____	SO <sub>2</sub> : _____	VOC: _____
Environmental Contribution (+ 10%)	CO: _____	NO <sub>x</sub> : <u>106.9</u>	PM <sub>10</sub> : _____	SO <sub>2</sub> : _____	VOC: _____
Compliance Margin (+ 5%) (If DERC use requires >10 tons)	CO: _____	NO <sub>x</sub> : <u>53.5</u>	PM <sub>10</sub> : _____	SO <sub>2</sub> : _____	VOC: _____
<b>Total DERCS</b>	CO: _____	NO <sub>x</sub> : <u>1,229.4</u>	PM <sub>10</sub> : _____	SO <sub>2</sub> : _____	VOC: _____

**XI. DERC Information**

Name of the DERC Generator: W.A. Parish Electric Generating Station  
DERC Generator Regulated Entity Number: RN100888312  
Certificate number of the DERCS acquired or to be acquired: D-3089, D-3114, D-3115 (see note)  
Date on which the DERCS were acquired or will be acquired: 9/22/2011  
*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.R. Eckberg Signature Date 12/26/11

Title Sr. Manager, Environmental Business

**Note: NRG Texas will supplement these with additional DERCS**

### Calculation Description

The affected units are equipped with a certified NO<sub>x</sub> Continuous Emission Monitor (CEM), which provides hourly NO<sub>x</sub> rates on a lb/MMBtu basis, in accordance with the requirements of 40 CFR 75.10(a)(2). The annual baseline NO<sub>x</sub> 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<sub>x</sub> emissions for the compliance period.

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

where

*ETE* = expected total emissions (tons)

*RTE* = regulated total emissions (tons)

$$\begin{aligned} \text{LMS1} &= (6,798.6 \text{ tons}) - (5,081.5 \text{ tons}) \\ &= 1,717.1 \text{ tons} \end{aligned}$$

$$\begin{aligned} \text{LMS2} &= (5,832.1 \text{ tons}) - (4,831.5 \text{ tons}) \\ &= 1,000.6 \text{ tons} \end{aligned}$$

$$\begin{aligned} \text{LMS1} + \text{LMS 2} &= (1,717.1 \text{ tons}) + (1,000.6 \text{ tons}) \\ &= 2,717.7 \text{ tons} \end{aligned}$$

NRG Texas Power LLC  
Limestone Electric Generating Station  
DERC Intent to Use Calculations for January 1, 2015 - December 31, 2015  
Based on 2014 CEMS NOx Cumulative Report (1/1/14 - 12/31/14)

TCEQ Account	Unit	NOx Control Method <sup>1</sup>	NOx Monitoring Method	Jan 1, 2014 thru December 31, 2014 Heat Input (ELA) (MMBtu)	Jan 1, 2014 thru December 31, 2014 EF (EER) (NOx lb/MMBtu) <sup>2</sup>	Emission Specification (RER) 117.3010(1)(A)(ii)	Actual Emissions (NOx tons/yr)	Annual Average Emissions Cap (NOx tons/yr)	DERCs needed to meet Compliance (NOx tns/yr) (101.376(d)(2)(B)) <sup>3</sup>	10% Environmental Contribution	5% Compliance Margin	Total DERCs Required
LI-0027-L	LMS 1	Comb, LNB, OFA	CEMS	65,025,500.0	0.20898	0.165	6,798.6	5,081.5	1,717.1	171.7	85.9	<del>1,888.8</del>
LI-0027-L	LMS 2	Comb, LNB, OFA	CEMS	56,757,327.0	0.20404	0.165	5,832.1	4,831.5	1,000.6	100.1	50.0	1,100.7
<b>Total:</b>				<b>121,782,827.0</b>			<b>12,630.7</b>	<b>9,913.0</b>	<b>2,717.7</b>	<b>271.8</b>	<b>135.9</b>	<b>2,989.5</b>

**Note 1 - NOx Control Method Code**

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

**Note 2 - Emission Factor**

Heat Input weighted emission factor derived from CEMS data

**Note 3 - Formula for discrete credits used is conservative:**

ETE - RTE = discrete emission credits used

Where:

ETA = expected total emissions (tons)

RTE = regulated total emissions (tons)

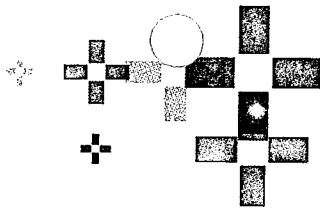
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\*\*\* 3/25.4

**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)
<b>Month 2014</b>						
January	5,757,656	625.3	0.217	5,325,219	526.1	0.198
February	5,123,570	560.3	0.219	4,964,403	506.9	0.204
March	5,626,368	619.9	0.220	1,705,942	171.2	0.201
April	5,825,427	638.8	0.219	1,543,896	141.4	0.183
May	5,579,309	578.7	0.207	6,051,356	632.4	0.209
June	5,486,098	593.1	0.216	5,428,952	583.9	0.215
July	4,711,218	506.7	0.215	5,345,375	552.5	0.207
August	5,280,836	511.4	0.194	3,147,746	330.8	0.210
September	4,343,029	438.0	0.202	5,771,183	646.4	0.224
October	5,401,257	522.9	0.194	5,665,104	595.1	0.210
November	5,716,192	559.7	0.196	5,590,757	532.8	0.191
December	6,174,540	643.8	0.209	6,217,394	612.6	0.197
<b>Totals</b>	<b>65,025,500</b>	<b>6,798.6</b>	<b>0.209</b>	<b>56,757,327</b>	<b>5,832.1</b>	<b>0.204</b>

2011-2013 Maximum

2011-2013 Maximum



**NRG Texas Power LLC**  
1201 Fannin St.  
Houston, TX 77002

**CERTIFIED MAIL -- RETURN RECEIPT REQUESTED**

November 12, 2014

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

**RE: 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 has determined that up to 1,069 discrete emission credits will be required for 2015 operations at the Limestone Electric Generating Station. NRG Texas will supplement these with additional DERCs.

If you have any questions, please contact Ms. Liz Kashi at (832) 357-5292 or by email at [liz.kashi@nrg.com](mailto:liz.kashi@nrg.com).

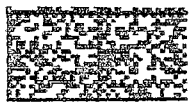
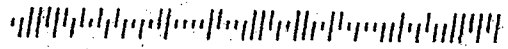
Sincerely,

A handwritten signature in black ink, appearing to read "C.R. Eckberg".

Craig R. Eckberg  
Sr. Manager, Environmental Business  
Environmental Operations

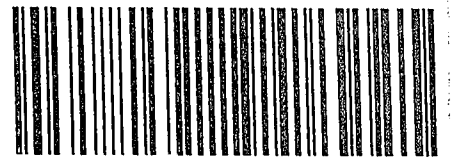
cc: Mr. Jason Neumann, TCEQ Region 9, Waco (w/ attachments)  
Austin Field Operations Support Central Office, MC174, TCEQ, Austin (w/ attachments)

NRG Energy, Inc.  
1000 Main St.  
Houston, TX 77002  
Attn: Liz Kashi



no opt

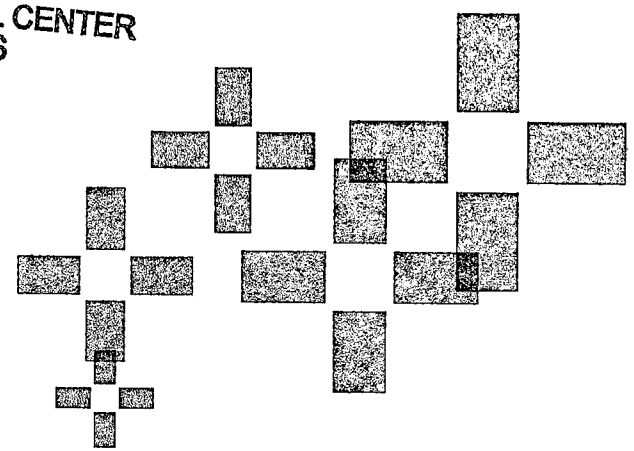
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11/12/2014  
Mailed From 77002  
US POSTAGE



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**RECEIVED**  
NOV 17 2014  
TCEQ MAIL CENTER  
CS

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



## Marie Mercado

---

**From:** Kashi, Liz <Liz.Kashi@nrg.com>  
**Sent:** Tuesday, November 25, 2014 3:02 PM  
**To:** Marie Mercado  
**Subject:** RE: Limestone Station 2015 Notice of Intent Project - Respond ASAP

Hi Marie,

Yes, that's correct – NRG is complying with 30 TAC 117.3020, consistent with the 2014 intent projects.

Thanks!

Liz



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

Note: The information contained in this e-mail and any accompanying documents may contain information that is confidential or otherwise protected from disclosure. If you are not the intended recipient of this message, or if this message has been addressed to you in error, please immediately alert the sender by reply e-mail and then delete this message, including any attachments. Any dissemination, distribution or other use of the contents of this message by anyone other than the intended recipient is strictly prohibited.

---

**From:** Marie Mercado [<mailto:Marie.Mercado@tceq.texas.gov>]  
**Sent:** Tuesday, November 25, 2014 3:00 PM  
**To:** Kashi, Liz  
**Subject:** RE: Limestone Station 2015 Notice of Intent Project - Respond ASAP  
**Importance:** High

Hi Liz,

On the Form DEC-2, two citations are listed for compliance using DERs: 30 TAC 117.3010 and 117.3020. I do believe during the 2014 intent projects it was confirmed that NRG is complying with 30 TAC 117.3020. Is this correct? If so, my language will be worded accordingly leaving all references to 117.3010 out of my response letter and report.

Please advise asap.

Thank you,  
Marie

---

**From:** Kashi, Liz [<mailto:Liz.Kashi@nrg.com>]  
**Sent:** Monday, November 24, 2014 1:40 PM  
**To:** Marie Mercado  
**Subject:** Limestone Station 2015 Notice of Intent Project

Marie,

Per our conversation this afternoon, I just wanted to clarify that the Notice of Intent project that was submitted on behalf of the Limestone Station on 11/12/2014 is primary to set aside DERCs just in case the usage of DERCs is needed in early 2015. However, we do not expect to begin consuming DERCs until mid-October, given the level of NOx activity that the plant has experienced this year and the last few years. In addition, we plan to submit a supplemental Notice of Intent filing to set aside additional DERCs (the remaining DERCs in the Limestone portfolio that were set aside but not consumed in 2014, and possibly DERCs purchased from another company that were generated in East Texas). We will be sure to submit all necessary forms and paperwork for that supplemental filing, and we will submit it a minimum of 45 days prior to expected use.

Feel free to call me if you have any additional questions, and have a happy Thanksgiving!

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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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*

December 2, 2014

Ms. Elizabeth Kashi  
Environmental Specialist  
NRG Texas Power, LLC  
1201 Fannin Street  
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 November 17, 2014 from NRG Texas Power, LLC, for compliance with 30 Texas Administrative Code (TAC) §117.3020 for the period of January 1, 2015 through December 31, 2015. We understand NRG Texas Power, LLC, plans to use nitrogen oxides (NO<sub>x</sub>) 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 January 1, 2015 through December 31, 2015, 1,090.0, 2.0, and 137.4 tons of NO<sub>x</sub> DERCs were set aside from certificates D-3089, D-3114, and D-3115, respectively, for a total of 1,229.4 tons (including 106.9 and 53.5 tons of NO<sub>x</sub> DERCs for the 10% environmental contribution and the 5% compliance margin for request greater than 10 tons), respectively. 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  
December 2, 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/nb

cc: Air Section Manager, Region 9 – Waco

Project Number: 409467

# Banking and Trading Route Slip

AIR QUALITY DIVISION Emissions Banking and Trading Program (EBTP)				
Company Name: NRG Texas Power, LLC Limestone Electric Generating Station BN100542927				
Project Number: 409467				
Type of Letter Correspondence: DCTR; DCUA				
Letter Document Number(s): 24159; 24160				
Certificate Number(s): D-3089; D-3114; D-3115				
Review and Approval	Initial and Date	Comments/Special Instructions		
Brandon Greulich, Work Lead EBTP	JB FOR BG 12/2/2014	EDITS ON TCM REVIEW & LETTER ✓		
Author/Creator Review	MM 12/2/14			
Peer Review Completed	NR 12-2-14			
Author/Creator	MM 11/25/14		Copies Made	Date
			MM	12/2
			Mailed	Date
			MM	12/2
Please return Routing Slip and Project Paperwork to Brandon Greulich, MC-206, Ext. 4904				

C 12/3/14