

AIR DERC_100885151-409433_
USE_20150106_Use_D3046

01/06/2015 ----- EBTP IMS- PROJECT RECORD -----

PROJECT#: 409433 STATUS: P
RECEIVED: 10/24/2014 PROJTYPE: BDIUDISP CODE: C ✓
ISSUED DT:
SUP-DISP DATE: 1/6/2015STAFF ASSIGNED TO PROJECT:
BANDA, DANIEL

PROJECT NOTES:

DERC INTENT TO USE PERIOD: 1/1/2015 - 12/31/2015

PROJECT TRANSACTIONS

COMPANY DATA

COMPANY NAME: TRANSPORT SERVICE CO
CUSTOMER REGISTRY ID: CN600313720

PORTFOLIO DATA

NUMBER: P3645 NAME: TRANSPORT SVC CO - BAYTOWN TERMINAL - RN100885151

SITE DATA

ACCOUNT: HG5072C

REG ENTITY ID: RN100885151

SITE NAME: ~~ENTERPRISE TRANSPORTATION BAYTOWN~~Transport Service Baytown BG 1/23/15
NEAREST CITY: BAYTOWN

COUNTY: HARRIS

LOCATION: 5206 WADE ROAD, BAYTOWN, TX

CONTACT DATA

NAME: JAMES KING

TITLE: DIRECTOR OF ENVIRONMENTAL QUALITY AND
COMPLAINT

STREET: 2001 SPRING ROAD, SUITE 300 CITY/STATE, ZIP: OAK BROOK, IL , 60523-0

PHONE: 630-472-5934 ext 0

FAX: 630-472-0495 ext 0

Email: james.king@thekag.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2014-11-04 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE0

DELETED DATE: 6 EFFECTIVE YEAR:
TONS: 0.30 DOLLARS: 0
CERTIFICATE NO.: D3046 COUNTY : HARRIS

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET

DATE ENTERED: 2014-11-04 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE0

DELETED DATE: EFFECTIVE YEAR:
TONS: 2.80 DOLLARS: 0
CERTIFICATE NO.: D3152 COUNTY : HARRIS

TRACKING ACTIVITES

PM RECEIVED DATE : 11/05/2014 PROJECT COMPLETED :

1/23/15

DISCRETE EMISSION CREDITS INTENT TO USE TECHNICAL REVIEW

Project No.:	409433	Customer Reference No.:	CN600313720
Project Type:	BDIU	Regulated Entity No.:	RN100885151
Company:	Transport Service Co.	Facility Name:	Transport Service Baytown
City:	Baytown	County:	Harris
Project Reviewer:	Mr. Daniel Banda	Portfolio Number:	P3645

Project Overview

Transport Service Co., submitted a Form DEC-2 (Notice of Intent to Use Discrete Emission Credits) received October 24, 2014. The company intends to use Discrete Emission Reduction Credits (DERC) to meet the requirements of 30 Texas Administrative Code (TAC) §117.2010(c)(1)(A) for a gas-fired boiler. The emission specification for attainment demonstration (ESAD) for this unit is 0.036 pounds of nitrogen oxides per million British thermal units (lb NO_x/MMBtu). The Transportation Service Baytown site is located in Harris County within the Houston-Galveston-Brazoria (HGB) ozone nonattainment area. The use period is January 1, 2015, through December 31, 2015.

The company intends to use 0.3 ton (including the additional 10% environmental contribution of 0.1 ton) of NO_x DERCs from certificate D-3046. The remaining 2.8 tons of DERCs from certificate D-3046 are returned on certificate D-3152.

Discrete Emission Credit Use

The site hosts one boiler, facility identification number (FIN) 93-1, which is subject to the ESAD listed in §117.2010(c)(1)(A). A review of NSR permit 22560 and the permit by rule registrations associated with the site did not reveal other sources subject to Chapter 117. The expected emission rate for the boiler is 0.052 lb/MMBtu; this emission rate is based on a stack test conducted on March 29, 2005. Because this emission rate is higher than the ESAD of 0.036 lb/MMBtu, the company will use DERCs to account for the difference.

Certificate to be set aside	D-3046
Pollutant.....	NO _x
Amount	0.3 ton
Regulation.....	§117.2010(c)(1)(A)
Use period/Use Date.....	01/01/15 – 12/31/15

Discrete Emission Credit Use Calculation Method

FIN 93-1 is rated at 2.5 MMBtu/hr. To determine the amount of credit to set aside, the company is assuming that the boiler will operate continuously throughout the year (8,760 hours). Therefore, the maximum level of activity for the year would be 2.5 MMBtu/hr x 8,760 hr = 21,900 MMBtu. As previously mentioned, the ESAD rate for this boiler is 0.036 lb/MMBtu, while the emission factor from the 2005 stack test is 0.052 lb/MMBtu.

Per §101.376(d)(2)(B):
DERCs Needed = (ELA) x (EER - RER)

Where:

ELA = expected level of activity

EER = expected emission rate per unit activity

RER = regulatory emission rate per unit activity

DERCs required = (21,900 MMBtu) x (0.052 lb/MMBtu - 0.036 lb/MMBtu) / 2,000 lb/ton

DERCs required = 0.175 ton; rounded up to the nearest tenth = 0.2 ton

10% environmental contribution = 0.02 ton; rounded up to the nearest tenth = 0.1 ton

Total DERCs required = 0.2 ton + 0.1 ton = 0.3 ton

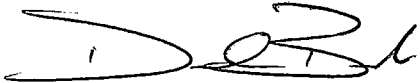
DISCRETE EMISSION CREDITS INTENT USE TECHNICAL REVIEW

Page 2

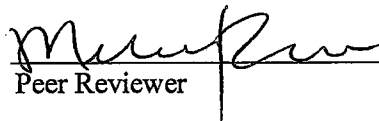
Project Number: 409433

Conclusion:

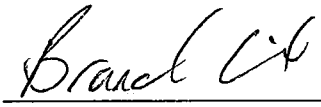
Transport Service Co., submitted all required documentation to use DERCs for compliance with §117.2010(c)(1)(A). A total of 0.3 ton of NO_x DERCs are set aside from certificate D-3046. The remaining 2.8 tons of DERCs from certificate D-3046 are returned to the company on certificate D-3152.

 1/6/15

Project Manager Date

 1/7/15

Peer Reviewer Date

 1/23/2015

Work Lead Date



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

Received

OCT 24 2014

Air Quality Division

409433

I. Company Identifying Information			
A. Company Name: Transport Service Co. ✓			
Mailing Address: 2001 Spring Rd., Suite 300			
City: Oak Brook	State: Illinois	Zip Code: 60523	
Telephone: 630-472-5934		Fax: 630-472-0495	
B. TCEQ Customer Number (CN): 600313720 ✓			
C. Site Name: Transport Service Co. - Baytown Terminal			
Street Address (If no street address, give driving directions to site) 5602 Wade Road			
Nearest City: Baytown	Zip Code: 77521	County: Harris	
D. TCEQ Regulated Entity Number (RN): RN100885151 ✓			
E. TCEQ Air Account Number: (if applicable) HG-5072-C ✓ P3645			
F. Primary SIC: 4213		Air Permit Number: 22560	
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.) : Philip Evans			
Technical Contact Title: Vice President, Technical Services			
Mailing Address: 110 Bender Ave.			
City: Humble	State: Texas	Zip Code: 77338	
Telephone: 281-446-7070	Fax: 281-446-3348	E-mail: pevans@wcmgroup.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.) : James King			
Company Contact Title: Director of Environmental Quality and Compliance			
Mailing Address: 2001 Spring Rd., Suite 300 409			
City: Oak Brook	State: Illinois	Zip Code: 60523	
Telephone: 630-472-5934	Fax: 630-472-0495	E-mail: james.king@thekag.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: 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:

30 TAC 117.2010(c)(1)(A)

boilers & process heaters

VII. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate:

☐ Permit _____ ☒ RACT 0.036 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 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)
93-1	93-1	NOx	21,900 MMBtu	0.052 lb/MMBtu	0.569	21,900 MMBtu	0.036 lb/MMBtu	0.394	0.175
Total:								0.2	



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>0.2</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Offset Ratio (if required)	CO: _____	NO _x : <u>N/A</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Environmental Contribution (+ 10%)	CO: _____	NO _x : <u>0.02</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Compliance Margin (+ 5%) (If DERC use requires > 10 tons)	CO: _____	NO _x : <u>N/A</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCs	CO: _____	NO _x : <u>0.22 or 0.3</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

XI. DERC Information

Name of the DERC Generator: N/A
DERC Generator Regulated Entity Number: N/A
Certificate number of the DERCs acquired or to be acquired: DERC Certificate No. D-3046 Currently held By Transport Service Co. - Baytown Terminal
Date on which the DERCs were acquired or will be acquired: N/A
Note: The certificate number is assigned by the TCEQ

XII. Certification by Responsible Official

I, James King, 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 James King Signature Date 10/17/2014
Title Director of Environmental Quality and Compliance

Name: Transport Service Co.
Facility: Transport Service - Baytown Terminal

2015 NOI DERC Use Calculations: January 01, 2015 thru December 31, 2015 Compliance Period

DERCs Needed = ELA X (EER-RER) / 2000 lb/ton + 10% environmental contribution

Where:

ELA = expected level of activity

EER = expected emission rate per unit activity

RER = regulatory emission rate per unit of activity

Boiler: 93-1

Assumption:

Maximum heat input = 2.5 MMBtu/hr
Maximum runtime = 8760 hr/yr
Expected Emis. Rate = 0.052 lb/MMBtu (from stack test dated 03/29/05)
Regulatory Emis Rate = 0.036 lb/MMBtu

DERCs Needed = $((2.5 \text{ MMBtu/hr} \times 0.052 \text{ lb/MMBtu}) - (2.5 \text{ MMBtu/hr} \times 0.036 \text{ lb/MMBtu})) \times (8760 \text{ hr/yr} / 2000 \text{ lb/ton})$
= 0.175 tons/year
= 0.200 tons/year (nearest tenth of a ton)

0.200 tons/year + 10% environmental contribution = 0.22 tons/year

Total DERCs Needed =	0.22 tons/year
(nearest tenth) =	0.3 tons/year

$$\begin{aligned} 0.5694 - 0.3942 &= 0.1752 \text{ ton} \\ &= 0.2 \text{ ton} \\ &+ 0.1 \text{ ton (10\% or 0.02)} \\ \hline &0.3 \text{ ton} \end{aligned}$$



Table 2: Summary of Tests

Run No.	1	2	3	Average
Date	03/29/05	03/29/05	03/29/05	
Time	0935-1035	1050-1150	1203-1303	
Stack Temperature (°F)	396	396	398	397
Stack Gas Moisture Content (%)	12.11	12.30	12.00	12.14
Oxygen Content (% Vol.)	10.2	10.1	10.0	10.1
Carbon Dioxide Content (% Vol.)	6.3	6.3	6.4	6.3
% Excess Air	85.5	83.8	82.3	83.9
Stack Gas Flow Rate (dscfm)	425	471	491	462
Oxides of Nitrogen Emissions				
- ppm	25.6	25.8	26.1	25.8
- ppm @ 3% O ₂	42.8	42.8	42.9	42.8
- lbs/million Btu	0.052	0.052	0.052	0.052
- lbs/hr	0.08	0.09	0.09	0.09
Allowable Oxides of Nitrogen Emissions				
- ppm @ 3% O ₂	30.0	30.0	30.0	30.0
Carbon Monoxide Emissions				
- ppm	10.0	9.1	7.0	8.7
- ppm @ 3% O ₂	16.7	15.1	11.5	14.4
- lbs/million Btu	0.012	0.011	0.008	0.010
- lbs/hr	0.02	0.02	0.01	0.02
Allowable Carbon Monoxide Emissions				
- ppm @ 3% O ₂	400.0	400.0	400.0	400.0
Unit Operating Level				
- Steam Pressure (psig)	88	86	86	87



Advantage Tank Lines • BXI • Cryogenic Transportation • DistTech • Jack B. Kelley • KAG Logistics • Klemm Tank Lines
KAG West • Kenan Transport • North Canton Transfer • Petro Chemical Transport • Transport Service Co.

October 17, 2014

VIA USPS: 7013 2250 0000 1139 8073

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
Emissions Banking and Trading
TCEQ MC -206
P.O. Box 13087
Austin, Texas 78711-3087

Subject: Notice of Intent to Use DERs (Form DEC-2)
Transport Service Co.
Transport Service Co Baytown Facility
5602 Wade Road, Baytown, Harris County
CN600313720; RN100885151

Dear Sir or Madame:

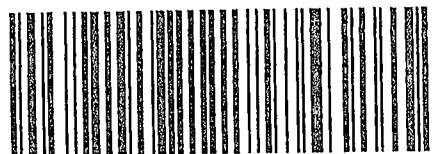
Pursuant to 30 TAC 117.9800(a), Transport Service Co.(TSC) Baytown Terminal hereby submits the Notice of Intent to Use Discrete Emission Reduction Credits (Form DEC-2) in accordance with 30 TAC 101.376 to comply with the emission control requirements of 30 TAC 117.2010(b) and (c)(1)(A). A completed Form DEC-2 is enclosed for the above referenced facility covering the compliance period from 01/01/2015 through 12/31/2015.

Please do not hesitate to contact me if you have questions or require further information regarding this matter.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "James King", is written over a horizontal line.

James King, CHMM
Director of Environmental Quality and
Compliance
2001 Spring Road
Oak Brook, IL 60523
Office: 630-472-5934 | Fax: 630-472-0495
Cell: 630-853-4395
james.king@thekag.com



7013 2250 0000 1139 8073



2001 Spring Road, Suite 400
Oak Brook, IL 60523

TCEQ
Emissions Banking and Trading
TCEQ MC-206
PO Box 13087
Austin TX 78711-3087

RECEIVED

OCT 24 2014

TCEQ MAIL CENTER
CS

Questions or Comments >>

Main Query Page

Program Area Search

Regulated Entity Detail					
Regulated Entity Name:	TRANSPORT SERVICE BAYTOWN			RN:	RN100885151
Status:	Active	Status Comment:		Stand Alone:	N
Physical Address:	5206 WADE RD BAYTOWN, TX 77521-8351			County:	HARRIS
Physical Location:					
Nearest City:	BAYTOWN	State:	TX	Zip Code:	77520
Latitude:	29° 46 min 35 sec (29.776388)		Longitude:	95° 1 min 1 sec (-95.016944)	

1-8 of 8 Records

Affiliated Customers						List All
CN Number	Customer ▲	Role	Begin Date	End Date	RE Comp Hist	
CN601492051	EL PASO FIELD SERVICES MANAGEMENT INC	OWNER	11/18/2002	12/31/3000	UNCLASSIFIED	
CN604118901	ENTERPRISE LOGISTIC SERVICES LLC	OWNER OPERATOR	09/30/2010	12/31/3000	UNCLASSIFIED	
CN600269468	ENTERPRISE PRODUCTS COMPANY	OWNER OPERATOR	04/7/2003	12/31/3000	HIGH	
CN602765703	ENTERPRISE PRODUCTS OPERATING LP	OWNER OPERATOR	11/26/2002	12/31/3000	HIGH	
CN603775099	ENTERPRISE PRODUCTS TRANSPORTATION COMPANY LLC	OWNER OPERATOR	09/30/2010	12/31/3000	UNCLASSIFIED	
CN600315147	ENTERPRISE TRANSPORTATION COMPANY	OWNER OPERATOR	12/7/1993	12/31/3000	HIGH	
CN602815375	EPCO INC	OWNER OPERATOR	01/1/1800	12/31/3000	UNCLASSIFIED	
CN600313720	TRANSPORT SERVICE CO	OWNER OPERATOR	02/1/2013	12/31/3000	HIGH	

1-50 of 50 Records

Program Interests								
Program	RE Type	ID Type	Addn ID	Addn ID Status	Alt RE Name	Role	Customer Name (CN)	Begin Date - End Date
AIR EMISSIONS INVENTORY	SITE	ACCOUNT NUMBER	HG5072C	ACTIVE				
AIR NEW SOURCE PERMITS	SITE	PERMIT	22560	ACTIVE	ENTERPRISE TRANSPORTATION BAYTOWN	OWNER OPERATOR	ENTERPRISE TRANSPORTATION COMPANY (CN600315147)	12/07/1993 - 09/30/2010
AIR NEW SOURCE PERMITS	SITE	REGISTRATION	43787	CANCELLED	ENTERPRISE TRANSPORTATION	OWNER OPERATOR	ENTERPRISE TRANSPORTATION COMPANY (CN600315147)	03/24/2000 - 12/31/3000
AIR NEW SOURCE PERMITS	SITE	REGISTRATION	53442	CANCELLED	ENTERPRISE TRANSPORTATION	OWNER OPERATOR	ENTERPRISE PRODUCTS OPERATING LP (CN602765703)	11/26/2002 - 12/31/3000
AIR NEW SOURCE PERMITS	SITE	REGISTRATION	54674	CANCELLED	ENTERPRISE TRANSPORTATION	OWNER OPERATOR	ENTERPRISE PRODUCTS COMPANY (CN600269468)	04/16/2003 - 12/31/3000
AIR NEW SOURCE PERMITS	SITE	REGISTRATION	55060	CANCELLED	TRANSPORT SERVICE	OWNER OPERATOR	ENTERPRISE PRODUCTS COMPANY (CN600269468)	05/22/2003 - 09/30/2010
AIR NEW SOURCE PERMITS	SITE	REGISTRATION	84924	CANCELLED	TRANSPORT SERVICE	OWNER OPERATOR	EPCO INC (CN602815375)	03/31/2005 - 09/30/2010
AIR NEW SOURCE PERMITS	SITE	REGISTRATION	75411	CANCELLED	TRANSPORT SERVICE	OWNER OPERATOR	EPCO INC (CN602815375)	04/25/2005 - 09/30/2010
AIR NEW SOURCE PERMITS	SITE	REGISTRATION	81469	CANCELLED	TRANSPORT SERVICE	OWNER OPERATOR	EPCO INC (CN602815375)	03/30/2007 - 09/30/2010
AIR NEW SOURCE PERMITS	SITE	REGISTRATION	87804	CANCELLED	TRANSPORT SERVICE	OWNER OPERATOR	EPCO INC (CN602815375)	03/30/2009 - 09/30/2010
AIR NEW SOURCE PERMITS	SITE	REGISTRATION	55060	CANCELLED	TRANSPORT SERVICE	OWNER OPERATOR	ENTERPRISE TRANSPORTATION COMPANY LLC (CN603775099)	09/30/2010 - 01/31/2013

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

January 23, 2015

Mr. James King
Director of Environmental Quality and Compliance
Transport Services Co.
2001 Spring Road, Suite 400
Oak Brook, Illinois 60523

Re: Notice of Intent to Use Discrete Emission Reduction Credits (DERC)
Transport Service Baytown
Baytown, Harris County
Customer Reference Number: CN600313720
Regulated Entity Reference Number: RN100885151
Portfolio Number: P3645

Dear Mr. King:

This letter is in response to a Notice of Intent to Use Discrete Emission Credits (Form DEC-2) received from Transport Service Co., on October 24, 2014. We understand that you plan to use 0.3 ton (including the 10% environmental contribution of 0.1 ton) of nitrogen oxides (NO_x) DERCs for the purpose of compliance with 30 Texas Administrative Code (TAC) §117.2010(c)(1)(A) for the period of January 1, 2015 through December 31, 2015.

We reviewed your application and found that the notice and the credits to be used meet the requirements of 30 TAC §§101.370 through 101.379. A total of 0.3 ton of NO_x DERCs from certificate D-3046 have been set aside for this intent with the remaining 2.8 tons of NO_x DERCs from certificate D-3046 retained on certificate D-3152.

Enclosed is a copy of certificate D-3152 issued to Transport Service Co., in the amount of 2.8 tons of NO_x DERCs. This certificate has been deposited in the Texas Commission on Environmental Quality (TCEQ) Discrete Emission Credit Registry. The certificate may be transferred or sold to another owner for use per the requirements of §§101.370 through 101.379

A Form DEC-3 (Notice of Use of Discrete Emission Credits) 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 transaction 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. James King
Page 2
January 23, 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/DB/mr

cc: Air Section Manager, Region 12 – Houston
Mr. Bob Allen, Director, Environmental Public Health Division, Harris County Public
Health and Environmental Services, Pasadena
Mr. Philip Evans, Vice President, Technical Services, WCM Group, Inc., Humble

Project Number: 409433

Banking and Trading Route Slip

AIR QUALITY DIVISION Emissions Banking and Trading Program (EBTP)			
Company Name: <i>Transport Service Co. - Baytown Terminal</i>			
Project Number: <i>409433</i>			
Type of Letter Correspondence: <i>DLHA DLTR DLCT</i>			
Letter Document Number(s): <i>24339 24340 24341</i>			
Certificate Number(s): <i>D-3152</i>			
Review and Approval	Initial and Date	Comments/Special Instructions	
Brandon Greulich, Work Lead EBTP	<i>BG 1/23/15</i>		
Author/Creator Review	<i>DS 1/7</i>		
Peer Review Completed	<i>MRZ 1/7/15</i>	<i>minor edits to letter, cert, envelope</i>	
Author/Creator	<i>DS 1/6/15</i>		
		Copies Made	Date
		<i>DS</i>	<i>1/23</i>
		Mailed	Date
		<i>DS</i>	<i>1/23</i>
Please return Routing Slip and Project Paperwork to Brandon Greulich, MC-206, Ext. 4904			

C 1/26/2015

04/08/2016 ----- EBTP IMS- PROJECT RECORD -----

PROJECT#: 410722
RECEIVED: 03/03/2016

STATUS: P
PROJTYPE: BUSE

DISP CODE: C
ISSUED DT:
SUP-DISP DATE: 4/8/16

STAFF ASSIGNED TO PROJECT:
MERCADO, PE, MARIE

PROJECT NOTES:

2015 USE PERIOD: JANUARY 1, 2015 TO AUGUST 31, 2015.
ASSOCIATED INTENT PROJECT: 409433.

PROJECT TRANSACTIONS**COMPANY DATA**

COMPANY NAME: TRANSPORT SERVICE CO
CUSTOMER REGISTRY ID: CN600313720

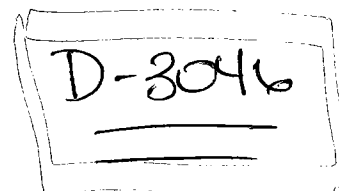
PORTFOLIO DATA

NUMBER: P3645 NAME: TRANSPORT SVC CO - BAYTOWN TERMINAL - RN100885151

SITE DATA

ACCOUNT: HG5072C
REG ENTITY ID: RN100885151
SITE NAME: TRANSPORT SERVICE BAYTOWN
COUNTY: HARRIS
LOCATION: 5206 WADE ROAD, BAYTOWN, TX

NEAREST CITY: BAYTOWN

**CONTACT DATA**

NAME: JAMES KING TITLE: DIRECTOR OF ENVIROMENTAL AND PROPERTIES
STREET: 1 TOWER LANE, SUITE 2325 CITY/STATE, ZIP: OAK BROOK, IL, 60181-0
PHONE: 630-472-5934 ext 0
Email: james.king@thekag.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET
DATE ENTERED: 2016-03-04 00:00:00.0
CONTAMINATE: NOX
ALLOWANCE0

DELETED DATE: EFFECTIVE YEAR:
TONS: 0.10 DOLLARS: 0
CERTIFICATE NO.: D3231 COUNTY : HARRIS

TRANSACTION DATA

TRANSACTION TYPE: DERC_USE
DATE ENTERED: 2016-03-04 00:00:00.0
CONTAMINATE: NOX
ALLOWANCE0

DELETED DATE: EFFECTIVE YEAR:
TONS: 0.20 DOLLARS: 0
CERTIFICATE NO.: D3230 COUNTY : HARRIS

TRACKING ACTIVITES

PROJECT SUBMITTED : 03/01/2016 PM RECEIVED DATE : 03/04/2016 PROJECT COMPLETED :

4/13/16

DISCRETE EMISSION CREDITS INTENT AND USE TECHNICAL REVIEW

Project No.:	410722	Customer Reference No.:	CN600313720
Project Type:	BUSE	Regulated Entity Reference No.:	RN100885151
Company:	Transport Service Co.	Facility Name:	Transport Service Baytown
City:	Baytown	County:	Harris
Project Manager:	Ms. Marie Mercado, P.E.	Portfolio Number:	P3645

Project Overview

Transport Service Co. (Transport) submitted a Notice of Use of Discrete Emission Credits (Form DEC-3), received March 3, 2016, for the purpose of complying with the nitrogen oxides (NO_x) Emissions Specification for Attainment Demonstration (ESAD) under 30 Texas Administrative Code (TAC) §117.2010(c)(1)(A) for a gas-fired boiler at the Transport Service Baytown site. The ESAD for this boiler, facility identification number (FIN) 93-1, is 0.036 pounds of NO_x per million British thermal units (lb NO_x/MMBtu).

Intent to Use Project.....	409433
Intent Amount.....	0.3 ton (D-3046)
Use Amount.....	0.2 ton (D-3046; use certificate D-3230)
Retained Amount	0.1 ton (D-3231)
Pollutant	NO _x
Regulation	§117.2010(c)(1)(A)
Use Period	01/01/15 - 12/31/15

Credit Use Calculation Methods

The actual emission rate for FIN 93-1 is 0.052 lb/MMBtu; this emission rate is based on a stack test conducted on March 29, 2005. Because this emission rate was higher than the ESAD of 0.036 lb/MMBtu, the company used DERCS to account for the difference.

Transport submitted the actual level of activity for the use period in units of thousand standard cubic feet (Mscf) and MMBtu, based on the fuel usage for the boiler. The amount of discrete emission credits (DEC) used was calculated per 30 TAC §101.376(e)(2)(A) as follows:

$$\text{DECs Used} = \text{ALA} \times (\text{AER} - \text{RER})$$

Where:

ALA = actual level of activity

AER = actual emission rate per unit activity

RER = regulatory emission rate per unit activity

DECs used = $(9,330.1 \text{ MMBtu/yr} \times (0.052 \text{ lb/MMBtu} - 0.036 \text{ lb/MMBtu})) \div 2,000 \text{ lb/ton}$

DECs used = 0.075 ton; rounded up to 0.1 ton

10% environmental contribution = 0.01 ton; rounded up to 0.1 ton

Total DERCS used = 0.1 ton + 0.1 ton = 0.2 ton

DISCRETE EMISSION CREDIT USE TECHNICAL REVIEW

Page 2

Project Number: 410722

Conclusion

Transport submitted the required documentation to use 0.2 ton of NO_x DERs for the purpose of compliance with §117.2010(c)(1)(A) for the period of January 1, 2015 through December 31, 2015. Certificate D-3046 (use certificate D-3230) is cancelled. Retained certificate D-3231 holds the remaining 0.1 ton of NO_x DERs from certificate D-3046 (use certificate D-3230) and has been deposited in the Texas Commission on Environmental Quality Discrete Emission Credit Registry for Transport's future use.

Moni Mercado

Project Manager

4/13/16

Date

Joseph Musa

Peer Reviewer

4/15/16

Date



Form DEC-3 (Page 1)
Notice of Use of Discrete Emission Credit
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

Received

MAR - 3 2016

MM

I. COMPANY IDENTIFYING INFORMATION <u>410722</u> Air Quality Division		
A. Company Name: Transport Service Co.		
Mailing Address: : 1 Tower Lane, Suite 2325		
City: Oakbrook Terrace	State: Illinois	Zip Code: 60181
Telephone: : 630-472-5934	Fax: 630-472-0495	
B. TCEQ Customer Number (CN): CN600313720		
C. Site Name: Transport Service – Baytown Terminal		
Street Address (If no street address, give driving directions to site) 5206 Wade Road		
Nearest City: Baytown	Zip Code: 77521	County: Harris
D. TCEQ Regulated Entity Number (RN): RN100885151 <u>P3695</u>		
E. TCEQ Air Account Number: (if applicable) HG-5072-C		
F. Primary SIC: 4213	Air Permit Number: 22560	
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.) : Philip Evans		
Technical Contact Title: Vice President, Technical Services		
Mailing Address: 110 Bender Ave.		
City: Humble	State: Texas	Zip Code: 77338
Telephone: 281-446-7070	Fax: 281-446-3348	E-mail: pevans@wcmgroup.com
III. COMPANY CONTACT IDENTIFYING INFORMATION		
EA. Company Contact Name: (<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input checked="" type="checkbox"/> Ms. <input type="checkbox"/> Dr.) : James King		
Company Contact Title: Director of Environmental and Properties		
Mailing Address: 1 Tower Lane, Suite 2325		
City: Oakbrook Terrace	State: Illinois	Zip Code: 60181
Telephone: 630-472-5934	Fax: 630-472-0495	E-mail: james.king@thekag.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 _____		
<i>Note: If DERC use is to comply with MECT then go to Section X</i>		
V. Use Period		
Use Start Date: <u>01/01/2015</u>		Use End Date: <u>12/31/2015</u>
VI. State and Federal Requirements		



Form DEC-3 (Page 2)
No. of Use of Discrete Emission Credit
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

Applicable State and Federal requirements that the DERCs will be used for compliance:

30 TAC 117.2010 (c)(1)(A)

VII. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate:

☐ Permit : _____ ☒ RACT : 0.036 lbs/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 Activity (units)	Actual Emissions Rate (units)	Actual Total Emissions (tons)	Regulated Activity (units)	Regulated Emissions Rate (units)	Regulated Total Emissions (tons)	DERCs Used (tons)
93-1	93-1	NOx	9,330.1 MMBtu/yr	0.052 lbs/MMBtu	0.243	9,330.1 MMBtu/yr	0.036 lbs/MMBtu	0.168	0.075
								Total:	0.1



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>0.1</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>0.011</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCS Used	CO: _____	NO _x : <u>0.11 or 0.2</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

XI. DERC INFORMATION

Name of the DERC Generator: _____
DERC Generator Regulated Entity Number: _____
Certificate number of the DERCS acquired or to be acquired: Currently Held by Transport Service Co.

Note: The certificate number is assigned by the TCEQ

XII. CERTIFICATION BY RESPONSIBLE OFFICIAL

I, James King, 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: James King Date: 02/25/2016
Title Director of Environmental and Properties

Name: Transport Service Co.
Facility: Transport Service - Baytown

2015 Actual DERC Use Calculations:

DERCs Used = ALA X (AER-RER)/ 2000 lb//ton + 10% environmental contribution

Where:

ALA = actual level of activity

AER = actual emission rate per unit activity

RER = regulatory emission rate per unit of activity

Boiler: 93-1

Assumption:

Actual Fuel Usage = 8,683.5 MCF/yr

Actual Fuel Usage = 9,330.1 MMBtu/yr

Actual Emis. Rate = 0.052 lb/MMBtu (stack test dated 03/31/05)

Regulatory Emis Rate= 0.036 lb/MMBtu

$$\begin{aligned}\text{DERCs Used} &= (9,330.1 \text{ MMBtu/yr} \times 0.052 \text{ lb/MMBtu}) - (9,330.1 \text{ MMBtu/yr} \times 0.036 \text{ lb/MMBtu}) / 2000 \text{ lb/ton} \\ &= 0.07 \text{ tons/year} \\ &= 0.10 \text{ tons/year} + 10\% \text{ environmental contribution} = 0.11 \text{ tons/year}\end{aligned}$$

Total DERCs Used = 0.20 tons
2015 DEC-2 NOI = 0.30 tons
DEC-2 Variance = 0.10 tons

Transport Service Co.
Transport Service - Baytown
2015 Annual Natural Gas Consumption Summary

Months	Heat Value MBtu/MMcf *	Total Monthly Natural Gas Consumption	
		MCF	MMBtu
January	1.0298	939	967.0
February	1.0282	781	803.0
March	1.0315	635	655.0
April	1.0282	639	657.0
May	1.0411	948	987.0
June	1.0578	865	915.0
July	1.0604	761	807.0
August	1.029	792	815.0
September	1.0354	632	654.4
October	1.0316	678	699.4
November	1.0251	695	712.4
December	1.0265	641	658.0
Total:		8,683.5	9,330.1

* - Values from gas utility company



Table 2: Summary of Tests

Run No.	1	2	3	Average
Date	03/29/05	03/29/05	03/29/05	
Time	0935-1035	1050-1150	1203-1303	
Stack Temperature (°F)	396	396	398	397
Stack Gas Moisture Content (%)	12.11	12.30	12.00	12.14
Oxygen Content (% Vol.)	10.2	10.1	10.0	10.1
Carbon Dioxide Content (% Vol.)	6.3	6.3	6.4	6.3
% Excess Air	85.5	83.8	82.3	83.9
Stack Gas Flow Rate (dscfm)	425	471	491	462
Oxides of Nitrogen Emissions				
- ppm	25.6	25.8	26.1	25.8
- ppm @ 3% O ₂	42.8	42.8	42.9	42.8
- lbs/million Btu	0.052	0.052	0.052	0.052
- lbs/hr	0.08	0.09	0.09	0.09
Allowable Oxides of Nitrogen Emissions				
- ppm @ 3% O ₂	30.0	30.0	30.0	30.0
Carbon Monoxide Emissions				
- ppm	10.0	9.1	7.0	8.7
- ppm @ 3% O ₂	16.7	15.1	11.5	14.4
- lbs/million Btu	0.012	0.011	0.008	0.010
- lbs/hr	0.02	0.02	0.01	0.02
Allowable Carbon Monoxide Emissions				
- ppm @ 3% O ₂	400.0	400.0	400.0	400.0
Unit Operating Level - Steam Pressure (psig)	88	86	86	87



The WCM Group, Inc.

March 1, 2016

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

UPS GROUND
TRACKING NUMBER
1Z07479R0392705626

Reference: Notice of Use of Discrete Emission Reduction Credits (DEC-3)
Transport Service Co.
Transport Service - Baytown Terminal
CN600313720; RN100885151

Dear Sir or Madam:

Transport Service Co. (TSC), is submitting the enclosed Notice of Use of Discrete Emission Credits (Form DEC-3) for the above referenced facility covering the compliance period beginning January 01, 2015 and ending December 31, 2015. A Notice of Intent to Use Discrete Emission Reduction Credits (Form DEC-2) was previously submitted specifying an anticipated total DERC requirement of 0.3 tons for the compliance period beginning January 01, 2015 and ending December 31, 2015.

The attached Form DEC-3 meets the notification requirements of 30 TAC 101.376(e) and includes the actual emissions of Nitrogen Oxides (NO_x) during the use period, the actual amount of DERCs used, and the required environmental contribution.

In addition to Form DEC-3, stack test results and calculations of the amount of DERCs used are attached.

Please do not hesitate to contact me at 281-446-7070 if you have questions or require further information regarding this matter.

Sincerely,

A handwritten signature in black ink that reads "Philip B. Evans". The signature is written in a cursive style with a large, looped "P" and "E".

Philip B. Evans
Vice President, Technical Services

PBE/lml
1456308829.2015 NOx Derc ltr.docx

Enclosure

cc: J. King - TSC
A. Goodridge - TCEQ Region 12

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

April 13, 2016

Mr. James King
Director of Environmental and Properties
Transport Service Co.
1 Tower Lane, Suite 2325
Oakbrook Terrace, Illinois 60181

Re: Notice of Use of Discrete Emission Reduction Credits
Transport Service Baytown
Baytown, Harris County
Regulated Entity Reference Number: RN100885151
Customer Reference Number: CN600313720

Dear Mr. King:

This letter is in response to Transport Service Co.'s Notice of Use of Discrete Emission Credits (Form DEC-3) received March 3, 2016 regarding the use of nitrogen oxides (NO_x) discrete emission reduction credits (DERC) for the purpose of compliance with 30 Texas Administrative Code (TAC) §117.2010(c)(1)(A) for the period of January 1, 2015 through December 31, 2015.

Upon review of the form, we agree that the use of 0.2 ton (including the 10% environmental contribution of 0.1 ton) of NO_x DERCs meets the requirements of 30 TAC §101.376 for compliance with §117.2010(c)(1)(A). Accordingly, a total of 0.2 ton of NO_x DERCs has been retired from certificate D-3046. Certificate D-3046 is cancelled and is no longer available for use.

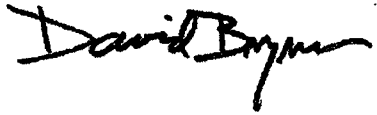
Retained certificate D-3231 holds the remaining 0.1 ton of NO_x DERCs from certificate D-3046. Certificate D-3231 has been deposited into the Texas Commission on Environmental Quality (TCEQ) Discrete Emission Credit Registry and may be transferred or sold to another owner for use per the requirements 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.

Mr. James King
Page 2
April 13, 2016

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/jm

cc: Air Section Manager, Region 12 – Houston
Mr. Bob Allen, Director, Harris County Pollution Control Services Department, Pasadena
Mr. Phillip B. Evans, Vice President, Technical Services, The WCM Group, Inc., Humble

Project Numbers: 410722

Marie Mercado

From: Marie Mercado
Sent: Wednesday, April 13, 2016 2:34 PM
To: 'james.king@thekag.com'
Cc: 'Air_Permits@pcs.hctx.net'
Subject: TCEQ EBT Documents - DERC Use - Transport Service Baytown
Attachments: 410722 DCUS Transport Service Co_ Transport Service Baytown_RN100885151_P3645 (2015 DERC Use).pdf

The Emissions Banking and Trading (EBT) program is transitioning to email correspondence and will not be mailing paper copies of these documents.

Please see the attached EBT document(s) for project number 410722. For additional information about this project, visit the [TCEQ EBT Database](#). If you have any questions, please see the contact information in the last paragraph of the attached letter.

Texas Commission on Environmental Quality

EBT Programs
(512) 239-4900
ebt@tceq.texas.gov

Sign up to receive e-mail updates on EBT programs. Select *Emissions Banking and Trading (EBT) Program* under the *Air Quality* heading.

Marie Mercado

From: Marie Mercado
Sent: Wednesday, April 13, 2016 2:41 PM
To: 'pevans@wcmgroup.com'
Subject: TCEQ EBT Documents - DERC Use - Transport Service Baytown
Attachments: 410722 DCUS Transport Service Co_ Transport Service Baytown_RN100885151_P3645 (2015 DERC Use).pdf

The Emissions Banking and Trading (EBT) program is transitioning to email correspondence and will not be mailing paper copies of these documents.

Please see the attached EBT document(s) for project number 410722. For additional information about this project, visit the [TCEQ EBT Database](#). If you have any questions, please see the contact information in the last paragraph of the attached letter.

Texas Commission on Environmental Quality

EBT Programs
(512) 239-4900
ebt@tceq.texas.gov

Sign up to receive e-mail updates on EBT programs. Select *Emissions Banking and Trading (EBT) Program* under the *Air Quality* heading.

Banking and Trading Route Slip

AIR QUALITY DIVISION Emissions Banking and Trading Program			
Company Name: Transport Service Co; Transport Service Baytown; RN100885151; P3645			
Project Number: 410722			
Type of Letter Correspondence: DCTR; DCUS			
Letter Document Number(s): 26483; 26482			
Certificate Number(s): D-3046; D-3230; D-3231			
Review and Approval	Initial and Date	Comments/Special Instructions	
Deric Patton, Work Lead EBTP	—	—	
Author/Creator Review	MM 4/13/16		
Peer Review Completed	JM 4/12/16		
Author/Creator	MM 4/13/16	Copies Made	Date
		MM	4/13
		E-Mailed	Date
		MM	4/13
Please return Routing Slip and Project Paperwork to Deric Patton, MC-206, Ext. 3159			

C
4/13/16
MM