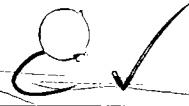


PROJECT#: 402105 STATUS: P
RECEIVED: 11/19/2007 PROJTYPE: BDIU

DISP CODE: 
ISSUED DT:
SUP-DISP DATE: 5/26/10

STAFF ASSIGNED TO PROJECT:
HUDDLESON, TODD

AIR DERC_100210350-402105_
USE_20100526_Use_D2222

PROJECT TRANSACTIONS**COMPANY DATA**

COMPANY NAME: OXID LP
CUSTOMER REGISTRY ID: CN600124747

PORTFOLIO DATA

NUMBER: P0503 NAME: OXID LP - RN100210350

SITE DATA

ACCOUNT:
HG0133T
REG ENTITY ID: RN100210350
SITE NAME: OXID LP
COUNTY: HARRIS
LOCATION: 101 CONCRETE STREET HOUSTON, TEXAS
77012

NEAREST CITY: HOUSTON

CONTACT DATA

NAME: WILLIAM RANKIN TITLE: VICE PRESIDENT
STREET: 1177 WEST LOOP SOUTH SUITE 1700 CITY/STATE, ZIP: HOUSTON, TX , 77027-0
FAX: 713-296-7599 ext 0
PHONE: 713-296-7500 ext 0

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN
DATE ENTERED: 2007-11-21 00:00:00.0
CONTAMINATE: NOX
ALLOWANCE0

DELETED DATE: EFFECTIVE YEAR:
TONS: 4.60 DOLLARS: 0
CERTIFICATE NO.: D2222 COUNTY : HARRIS

COMPANY DATA

COMPANY NAME: OXID LP
CUSTOMER REGISTRY ID: CN600124747

PORTFOLIO DATA

NUMBER: P0503 NAME: OXID LP - RN100210350

SITE DATA

ACCOUNT:
HG0133T
REG ENTITY ID: RN100210350
SITE NAME: OXID LP
COUNTY: HARRIS
LOCATION: 101 CONCRETE STREET HOUSTON, TEXAS
77012

NEAREST CITY: HOUSTON

CONTACT DATA**TRANSACTION DATA**

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2010-02-08 00:00:00.0
CONTAMINATE: NOX
ALLOWANCE0

DELETED DATE: EFFECTIVE YEAR:
TONS: 0.20 DOLLARS: 0
CERTIFICATE NO.: D2268 COUNTY : HARRIS

COMPANY DATA

COMPANY NAME: OXID LP
CUSTOMER REGISTRY ID: CN600124747

PORTFOLIO DATA

NUMBER: P0503 NAME: OXID LP - RN100210350

SITE DATA

ACCOUNT:
HG0133T
REG ENTITY ID: RN100210350
SITE NAME: OXID LP
COUNTY: HARRIS
LOCATION: 101 CONCRETE STREET HOUSTON, TEXAS
77012

NEAREST CITY: HOUSTON

CONTACT DATA**TRANSACTION DATA**

TRANSACTION TYPE: DERC_INTEN
DATE ENTERED: 2010-02-08 00:00:00.0
CONTAMINATE: NOX
ALLOWANCE0

DELETED DATE: EFFECTIVE YEAR:
TONS: 0.60 DOLLARS: 0
CERTIFICATE NO.: D2485 COUNTY : HARRIS

TRACKING ACTIVITES

TR - ENGINEER RECEIVE PROJECT :	01/02/2008	TR - PROJ TECH COMPLETE :	02/08/2010	TR - SUP/MANGR APP/RVW RQSTD :	02/09/2010
FA - PROJECT ISSUED :		TR - DATE SUP/MNGR REQ ADDL T			

DISCRETE EMISSION CREDITS/EMISSION CREDIT USE TECHNICAL REVIEW

Project No.:	402105	Customer Reference No.:	CN600124747
Project Type:	BDIU	Regulated Entity No.:	RN100210350
Company:	Oxid, L.P.	Facility Name:	Oxid, L.P.
City:	Houston	County:	Harris
Project Reviewer:	Mr. Todd Huddleson	Portfolio Name:	Oxid, L.P.-RN100210350

Project Overview

Oxid, L.P., has submitted a form DEC-2 (Notice of Intent to Use Discrete Emission Credits), dated November 19, 2007. Oxid, L.P., is requesting to use 5.4 tons (including the 10% environmental contribution) of NO_x DERCs from certificates D-2222, D-2268 and D-2485 to meet emission specifications from January 1, 2008, through December 31, 2008, at their Houston Facility near Houston, Texas located in Harris county. Certificate D-2222 originated from D-1208 and was generated by The Dow Chemical Company - Freeport (RN100225945) located in Brazoria County from January 1, 1993, through December 31, 1994, from the shutdown of FINs B-1, B-2, GO-32, & GO-33. Certificate D-2268 (0.2 ton) was generated from the use (Project No. 400612) as the remainder from Certificate D-2068. Certificate D-2485 (0.6 ton) was generated from the use (Project No. 402830) as the remainder from Certificate D-2080

Discrete Emission Credit / Emission Reduction Credit Use

Oxid, L.P., is intending to use these credits to comply with the ESADs in 30 TAC §117.2010(c)(1)(A) with an estimated amount of 5.4 tons during the time frame specified in their application.

Certificate(s) to be usedD-2222, D-2268, and D-2485
 Pollutant NO_x
 Amount 5.4 tons
 Regulation §117.2010(c)(1)(A)
 Use period/Use Date1/1/2008 – 12/31/2008

Credit Use Calculation Methods

Oxid, L.P., estimated a level of activity from 1/1 – 12/31 of 43,450 MMBtu for FIN B-001 and 121,660 MMBtu for FIN H-3003. An expected emission rate of 0.133 lbs/MMBtu and 0.082 lbs/MMBtu respectively based on previous emissions data, was given for the facility. The total emissions over the ESAD rate of 0.036 lbs/MMBtu comes to 0.788 ton and 2.208 tons. An environmental contribution of 0.491 ton is added to the total emissions for a total of 5.4 tons of DERCs. Compliance Margin (5%) does not apply.

DISCRETE EMISSION CREDITS/EMISSION CREDIT USE TECHNICAL REVIEW

Project Number: 402105

Page 2

According to 30 TAC §101.376(d)(2)(B):

$$\text{DERC} = (\text{ELA}) \times (\text{EER} - \text{RER})$$

DERCs Intended to be Used

B-001

$$((43,450.0 \text{ MMBtu/yr} \times 0.133 \text{ lb/MMBtu}) - (43,450.0 \text{ MMBtu/yr} - 0.036 \text{ lb/MMBtu})) \div 2000 \text{ lb/ton} = 2.107 \text{ tons.}$$

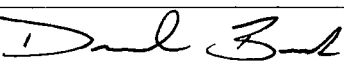
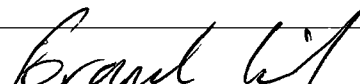
H-3003

$$((121,660.0 \text{ MMBtu/yr} \times 0.082 \text{ lb/MMBtu}) - (121,660.0 \text{ MMBtu/yr} - 0.036 \text{ lb/MMBtu})) \div 2000 \text{ lb/ton} = 2.798 \text{ tons.}$$

4.905 tons + 10% environmental contribution (0.491) = 5.39 tons rounded to 5.4 tons.

Conclusion:

Oxid, L.P., has submitted the required documentation to increase their allowed emission rates according to 30 TAC §101.376 and §117.2010(c)(1)(A). They will set aside 5.4 tons for their intent to use, from certificates D-2222, D-2268, and D-2485.

	4/28		5/26/10
Project Reviewer	Date	Team Leader/Section Manager/Backup	Date

The State of Texas
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



Certificate Number

Number of Credits

4.6 tons of NOx

USED
D-2222
PURPOSE: Project 403710 (U.S.)
DATE: 12/21/2005

Discrete Emission Reduction Credit Certificate

This certifies that
Oxid, L.P.
15855 Wood Drive
Houston, TX 77012

is the owner of 4.6 tons of nitrogen oxides (NOx) discrete emission reduction credits established under the laws of the State of Texas, transferable only on the books of the Texas Commission on Environmental Quality, by the holder hereof in person or by duly authorized Attorney, upon surrender of this certificate.

The owner of this certificate is entitled to utilize the discrete emission credits evidenced herein for all purpose authorized by the laws and regulations of the State of Texas and is subject to all limitations prescribed by the laws and regulations of the State of Texas.

Discrete Emission Reduction Generation Period: January 1, 1993-December 31, 1994

Generator Regulated Entity No.: RN100218130

Generator Certificate: D-1008

County of Generation: Brazoria

October 25, 2007

Date

For the

ion

Commiss



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

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I. Company Identifying Information		
A. Company Name: Oxid L.P.		
Mailing Address: 101 Concrete Street		
City: Houston	State: Texas	Zip Code: 77012-2443
Telephone: (800) 645-5378		Fax: (713) 924-6418
B. TCEQ Customer Number (CN): CN600124747		
C. Site Name: Oxid L.P.		
Street Address: (if no street address, give driving directions to site) 15855 Wood Drive		
Nearest City: Houston	Zip Code: 77012	County: Harris
D. TCEQ Regulated Entity Number (RN): RN10210350		
E. TCEQ Air Account Number: (if applicable): HG-0133-T		
F. Primary SIC: 2899		Air Permit Number:
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.) William Rankin		
Technical Contact Title: Vice President of Regulatory Affairs		
Mailing Address: 1177 West Loop South, Suite 1700		
City: Houston	State: Texas	Zip Code: 77027
Telephone: (713) 296-7500	Fax: (713) 296-7599	E-mail: Brankin@oxid.net
III. 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 IX</i>		
IV. Intended Use Period		
Intended Use Start Date <u>01/01/08</u>		Intended Use End Date <u>12/31/08</u>



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

VII. 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 (to)
B-001	B-001	NOx	43450 MMBtu	0.133 lb/MMbtu	2.913	43450 MMBtu	0.036 lb/MMbtu	0.788	2.107
H-3003	H-3003	NOx	121660 MMBtu/	0.082 lb/MMBtu	5.028	121660 MMBtu	0.036 lb/MMBtu	2.208	2.798
Total:								4.905	



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

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

Attached

IX. 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>4.905</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>0.491</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 required	CO: _____	NO _x : <u>5.40</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

X. 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: D2268, D2222, D2485

Note: The certificate number is assigned by the TCEQ



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

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V. State and Federal Requirements

Applicable State and Federal requirements that the DERCS will be used for compliance: 30 TAC 117.475(c)(1)(A)

VI. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate:

☐ Permit _____

☒ RACT 0.036 lb/MMBtu

☐ Other: _____

Notes:

Continue to Section VII (next page)



Form DEC-2 (Page 5)
Notice of Intent To Use Discrete Emission Reduction Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

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XI. Purchase Date and Price

Date on which the DERCs were acquired or will be acquired: N/A

Price or expected price of the DERCs: \$ N/A per ton (Required)

XII. Certification by Responsible Official

I William Rankin, hereby certify, that the emission reductions claimed on this notice meet the requirements of 30 TAC Chapter 101, Subchapter H, Division 4. 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.

Signature

[Signature]

Signature Date

11/14/07

Title

Vice President of Regulatory Affairs

Mail application to:
Emission Banking and Trading Program
TCEQ MC-206
PO BOX 13087
AUSTIN, TX 78711-3087

Bryan W. Shaw, Ph.D., *Chairman*
Buddy Garcia, *Commissioner*
Carlos Rubinstein, *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

May 28, 2010

Mr. Andy Adams
Vice President of Operations and Sales
Oxid, L.P.
101 Concrete Street
Houston, Texas 77027

Re: Notice of Intent to Use Discrete Emission Credits
Oxid, L.P.
Houston, Harris County
Regulated Entity Number: RN100210350
Customer Reference Number: CN600124747
Portfolio Number: P0503

Dear Mr. Adams:

This letter is in response to your Form DEC-2 (Notice of Intent to Use Discrete Emission Credits) dated November 19, 2007, for compliance with Title 30 Texas Administrative Code (TAC) Chapter 117. We understand you plan to use 5.4 tons of nitrogen oxides (NO_x) discrete emission credits for the purposes of complying with emissions specifications for attainment demonstration for boilers in 30 TAC §117.2010(c)(1)(A).

We have reviewed your application and have found that the intent to use and the credits set aside for use during the 2008 calendar year meet the requirements of 30 TAC §§101.370 - 101.379.

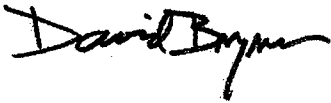
For the 2008 calendar year, a total of 5.4 tons of NO_x have been set aside from certificate numbers D-2222, D-2268, and D-2485. A Form DEC-3, entitled "Notice of Use of Discrete Emission Credits," must be submitted within 90 days of the end of the use period.

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 Mr. Brandon Greulich at (512) 239-4904, or write to the Texas Commission on Environmental Quality, Chief Engineer's Office, Air Quality Division (MC-206), P.O. Box 13087, Austin, Texas 78711-3087.

Mr. Andy Adams
Page 2
May 28, 2010

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
Texas Commission on Environmental Quality

DB/TH/aa

cc: Air Section Managers, Region 12 – Houston
Mr. Michael Schaffer, Director, Environmental Public Health Division, Harris County Public Health
& Environmental Services, Pasadena
Department, Pasadena
Mr. Arturo Blanco, Bureau Chief of Air Quality Control, Health and Human
Services Department, City of Houston

Project Number: 402105