

12/7/09

This project has not
closed. Please look into
THX
Daniel

12/07/2009 ----- EBTP IMS- PROJECT RECORD -----

PROJECT#: 401264
RECEIVED: 01/08/2007

STATUS: P
PROJTYPE: BDIU

DISP CODE: C
ISSUED DT:
SUP-DISP DATE: 12/16/09

STAFF ASSIGNED TO PROJECT:
HUDDLESON, TODD

AIR DERC_102205820-401264_
USE_20091216_Use_D2223

PROJECT TRANSACTIONS**COMPANY DATA**

COMPANY NAME: INDUSTRIAL METAL FINISHING COMPANY INC
CUSTOMER REGISTRY ID: CN600257018

PORTFOLIO DATA

NUMBER: P0365 NAME: INDUSTRIAL METAL FINISHERS HG0398E

SITE DATA

ACCOUNT:
HG0398E

REG ENTITY ID: RN102205820

SITE NAME: INDUSTRIAL METAL FINISHNG

COUNTY: HARRIS

NEAREST CITY: HOUSTON

LOCATION: 4200 PERRY STREET, HOUSTON, TX

CONTACT DATA

NAME: BRUCE LOESER

TITLE: VICE PRESIDENT

STREET: 4200 PERRY STREET CITY/STATE, ZIP: HOUSTON, TX , 77021-0

FAX: 713-747-7857 ext 0

PHONE: 713-747-6700 ext 0

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2007-01-10 00:00:00.0

CONTAMINATE: HAP

ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

TONS: 0.90

DOLLARS: 0

CERTIFICATE NO.: D2223 COUNTY : HARRIS

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET

DATE ENTERED: 2007-01-10 00:00:00.0

CONTAMINATE: HAP

ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

TONS: 1.60

DOLLARS: 0

CERTIFICATE NO.: D2224 COUNTY : HARRIS

TRACKING ACTIVITES

TR - ENGINEER RECEIVE
PROJECT :

04/09/2007

TR - PROJ TECH
COMPLETE :

08/30/2007 FA - PROJECT ISSUED :

TR - SUP/MANGR
APP/RVW RQSTD :

08/30/2007 ----- EBTP IMS- PROJECT RECORD -----PROJECT#: 401264
RECEIVED: 01/08/2007STATUS: P
PROJTYPE: BDIUDISP CODE: C
ISSUED DT:
SUP-DISP DATE: 12/16/09**STAFF ASSIGNED TO PROJECT:**
HUDDLESON, TODD**PROJECT TRANSACTIONS****COMPANY DATA**COMPANY NAME: INDUSTRIAL METAL FINISHING COMPANY INC
CUSTOMER REGISTRY ID: CN600257018**PORTFOLIO DATA**

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SITE DATAACCOUNT:
HG0398E

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NEAREST CITY: HOUSTON

LOCATION: 4200 PERRY STREET, HOUSTON, TX

CONTACT DATA

NAME: BRUCE LOESER

TITLE: VICE PRESIDENT

STREET: 4200 PERRY STREET CITY/STATE, ZIP: HOUSTON, TX , 77021-0

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ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

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CERTIFICATE NO.: D2223 COUNTY : HARRIS

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET

DATE ENTERED: 2007-01-10 00:00:00.0

CONTAMINATE: HAP

ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

TONS: 1.60

DOLLARS: 0

CERTIFICATE NO.: D2224 COUNTY : HARRIS

TRACKING ACTIVITIES

TR - ENGINEER RECEIVE PROJECT : 04/09/2007 TR - PROJ TECH COMPLETE :

08/30/2007 FA - PROJECT ISSUED :

TR - SUP/MANGR
APP/RVW RQSTD :

DISCRETE EMISSION CREDITS/EMISSION CREDIT USE TECHNICAL REVIEW

Project No.:	401264	Customer Reference No.:	CN600257018
Project Type:	BDIU	Regulated Entity No.:	RN102205820
Company:	Industrial Metal Finishing Company Inc	Facility Name:	Industrial Metal Finishing
City:	Houston	County:	Harris
Project Reviewer:	Todd Huddleson	Portfolio Name:	Industrial Metal Finishers HG0398E

Project Overview

Industrial Metal Finishing (IMF) Company has submitted a Form DEC-2, "Notice of Intent to Use Discrete Emission Credits," dated December 21, 2006. This intent is a continuation of DERC use at this site. IMF has on file DERC certificate number D-2223, valued at 2.5 tons of VOC-HAP, which has been identified to support this intent to use.

Discrete Emission Credit / Emission Reduction Credit Use

Discuss reason for use.

IMF uses coating products which exceed the VOC limits imposed in 30 TAC § 115.421(a)(9)(A)(iii), which refers to coatings used within the miscellaneous metal parts and products (MMPP) industry. In order to comply with this regulation, IMF has used DERCs to cover the difference between the VOC content to IMF's coatings and the regulatory VOC content.

For the year 2007, IMF intends to use 2,000 gallons of coatings with a VOC content of 3.5 lb/gal. When subtracted from the regulatory rate, IMF intends to use 0.8 ton of DERCs for compliance. An environmental contribution of 10%, or 0.08 tons, is also required for this intent. Therefore, a total of 0.9 ton of DERCs will be held under this intent.

IMF has submitted DERC certificate number D-2223, valued at 2.5 tons of VOC-HAP DERCs. A remainder of 1.6 tons of VOC-HAP DERCs will be reissued to IMF under DERC certificate number D-2224.

Certificate(s) to be used	D-2223
Pollutant	VOC-HAP
Amount	0.9 ton
Regulation	115.421(a)(9)(A)(iii)
Use period/Use Date	January 1, 2007 - December 31, 2007

Credit Use Calculation Methods

Discuss calculation method for use

The amount of DERCs required to meet compliance with a regulatory rate can be found in 30 TAC § 101.376(d)(2)(B), and is as follows:

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

**DISCRETE EMISSION CREDITS/EMISSION CREDIT USE
TECHNICAL REVIEW**

Regulated Entity Number: RN102205820
Page 2

where ELA is the expected level of activity, EER is the expected emission rate, and RER is the regulatory emission rate. In this case, the expected level of activity is 2,000 gallons, the expected emission rate is 4.3 lb/gal, and the regulatory emission rate from 30 TAC § 115.421(a)(9)(A)(iii) is 3.5 lb/gal. Therefore:


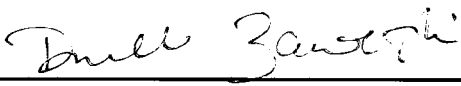
Industrial Metal Finishing submitted yearly usage, in gallons, and the emission rate, in lbs/gallon, for each coating. DERC use was calculated by taking the difference between the actual emissions and the regulatory limit emissions. 2000 gallons of coating were used, with a weighted emission rate of 4.3 lbs/gallon.

$$\begin{aligned}\text{DERC use} &= 2000 \text{ gal} \times (4.3 \text{ lb/gal} - 3.5 \text{ lb/gal}) \\ \text{DERC use} &= 1,600 \text{ lbs VOC} = 0.8 \text{ tons VOC}\end{aligned}$$

A 10% environmental contribution rounded up to 0.1 ton, bringing a total DERC use requirement of 0.9 ton.

Conclusion:

Industrial Metal Finishing Co. has accurately estimated the required DERCs for compliance with 30 TAC § 115.421 for the 2005 calendar year. The 0.9 ton of VOC-HAP DERCs will be held under this intent. The remainder of 1.6 tons will be retained by Industrial Metal Finishing, and reissued under DERC Certificate Number D-2224.

 _____ Project Reviewer	<u>12/9/09</u> Date	 _____ Team Leader/Section Manager/Backup	<u>12/16/09</u> Date
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AUG 30 2007

Form DEC-2 (Page 1)

Notice of Intent To Use Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379) **AIR QUALITY PLANNING**

I. Company Identifying Information			
A. Company Name: INDUSTRIAL METAL FINISHING CO., INC.			
Mailing Address: 4200 PERRY STREET			
City: HOUSTON	State: TEXAS	Zip Code: 77021	
Telephone: 713-747-6700	Fax: 713-747-7857		
B. TCEQ Customer Number (CN): 600257018			
C. Site Name: SAME			
Street Address: (if no street address, give driving directions to site) SAME			
Nearest City: SAME	Zip Code: SAME	County: HARRIS	
D. TCEQ Regulated Entity Number (RN): 102205820			
E. TCEQ Air Account Number: (if applicable) HG-0398-E			
F. Primary SIC: 3471		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.) BRUCE LOESER			
Technical Contact Title: VICE PRESIDENT			
Mailing Address: SAME			
City: SAME	State: SAME	Zip Code: SAME	
Telephone: SAME	Fax: SAME	E-mail: bruce@imf-co.com	
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 _____			
Note: If DERC use is to comply with MECT then go to Section IX			
IV. Intended Use Period			
Intended Use Start Date 1/1/07		Intended Use End Date 12/31/07	



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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AIR QUALITY
PLANNING

V. State and Federal Requirements

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

VI. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate:

☐ Permit _____ ☒ RACT §115 ☐ Other: _____

Notes:

Continue to Section VII (next page)



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 (tons)
PS-1	PS-1	VOC	2000 GAL	4.3#/GAL	4.3	2000 GAL	3.5#/GAL	3.5	.8
								Total:	

AUG 30 2007



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

**AIR QUALITY
PLANNING**

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 PRIOR YEAR

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 : _____	PM ₁₀ : _____	SO ₂ : _____	VOC: <u>.8</u>
Offset Ratio (if required)	CO: _____	NO _x : _____	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Environmental Contribution (+ 10%)	CO: _____	NO _x : _____	PM ₁₀ : _____	SO ₂ : _____	VOC: <u>.1</u>
Compliance Margin (+ 5%) (If DERC use requires > 10 tons)	CO: _____	NO _x : _____	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCs	CO: _____	NO_x: _____	PM₁₀: _____	SO₂: _____	VOC: <u>.9</u>

X. DERC Information

Name of the DERC Generator: INTERCONTINENTAL TERMINALS

DERC Generator Regulated Entity Number: _____

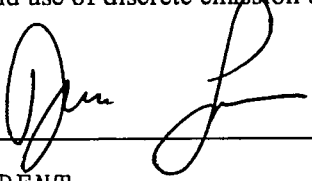
Certificate number of the DERCs acquired or to be acquired: 1-10

Note: The certificate number is assigned by the TCEQ

AUG 30 2007

AIR QUALITY
PLANNING

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

XI. Purchase Date and Price	
Date on which the DERs were acquired or will be acquired: <u>8 / 1 / 98</u>	
Price or expected price of the DERs: \$ <u>3000 .00</u> per ton (Required)	
XII. Certification by Responsible Official	
<p>I, <u>BRUCE LOESER</u>, 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.</p>	
Signature <u></u>	Signature Date <u>8/27/07</u>
Title <u>VICE PRESIDENT</u>	

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

December 17, 2009

Mr. Bruce Loeser
Vice President
Industrial Metal Finishing Company, Inc.
6620 Cypresswood Drive, Suite 200
Spring, Texas 77379

Re: Notice of Intent to Use Discrete Emission Credits
Industrial Metal Finishing
Houston, Harris County
Regulated Entity Number: RN102205820
Customer Reference Number: CN600257018
Account Number: HG-0398-E

Dear Mr. Loeser:

This letter is in response to your Form DEC-2 (Notice of Intent to Use Discrete Emission Credits), dated December 30, 2005, for compliance with Title 30 Texas Administrative Code Chapter 115 (30 TAC Chapter 115). We understand you plan to use 0.9 ton of hazardous air pollutant (HAP) discrete emission credits for the purposes of compliance with volatile organic compounds content limits of 30 TAC § 115.421(a)(9)(A)(iii).

We have reviewed your application and have found that the notice and the credits to be used meets the requirements of 30 TAC §§ 101.370 - 101.379. 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.

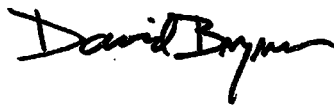
Enclosed is a copy of Discrete Emissions Reduction Credits (DERC) Certificate Number D-2223 issued to Industrial Metal Finishing, for the remaining 2.5 tons of HAP discrete emission credits from DERC Certificate Number D-1210. This certificate has been deposited into the Texas Commission on Environmental Quality (TCEQ) Discrete Emission Credits Registry. This certificate may be transferred or sold to another owner per the requirements of 30 TAC §§ 101.370 through 101.379.

Mr. Bruce Loeser
Page 2
December 17, 2009

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. Todd Huddleson at (512) 239-1105, 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.

This action is taken under authority delegated by the Executive Director of the TCEQ.

Sincerely,



David Brymer, Director
Air Quality Division
Texas Commission on Environmental Quality

DB/TH/rj

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

Project Number: 400431

The State of Texas

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Certificate Number

D-1210

Number of Credits

3.4 tons HAP



USED

PURPOSE:
DATE:

intent project 400431
12/16/09

Discrete Emission Reduction Credit Certificate

This certifies that
Industrial Metal Finishing Company Inc
6620 Cypresswood Dr Ste 200
Spring, TX 77379

is the owner of 3.4 tons of hazardous air pollutant (HAP) discrete emission reduction credits established under the laws of the State of Texas, transferable only on the books of the Texas Commission on Environmental Quality, by the holder hereof in person or by duly authorized Attorney, upon surrender of this certificate.

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

Discrete Emission Reduction Generation Period: January 31, 1995 - December 31, 1997

Generator Regulated Entity No.: RN100210806

Generator Certificate: D-1124

County of Generation: Harris

March 31, 2005

Date

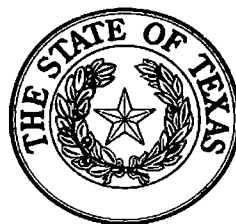
A handwritten signature in dark ink, appearing to read "D. W. White".

Executive Director

Texas Commission on Environmental Quality

The State of Texas

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



Certificate Number:

Number of Credits:

2.5 tons HAP

USED

PURPOSE: *Used for intent*
DATE: *12/16/09*
Project 2-401264

Discrete Emission Reduction Credit Certificate

This certifies that

*Industrial Metal Finishing Company, Inc.
6620 Cypresswood Dr., Ste 200
Spring, Texas 77379*

is the owner of 2.5 tons of hazardous air pollutant (HAP) discrete emission reduction credits established under the laws of the State of Texas, transferable only on the books of the Texas Commission on Environmental Quality, by the holder hereof in person or by duly authorized Attorney, upon surrender of this certificate.

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

Discrete Emission Reduction Generation Period: January 31, 1995 to December 31, 1997

Generator Regulated Entity No.: RN100210806

Generator Certificate: D-1124

County of Generation: Harris

December 17, 2009

Date

Ma F. Wiley

For the Commission