AIR DERC_100214428-402943_
USE_20101014_Use_D2577

09/23/2010 ---------- EBTP IMS- PROJECT RECORD ----------

PROJECT#: 402943 STATUS: P
RECEIVED: 06/02/2008 PROJTYPE: BUSE

DISP CODE: C
ISSUED DT:
SUP-DISP DATE: 10/14/2010

STAFF ASSIGNED TO PROJECT:
CHANG, XINLIAN

PROJECT NOTES:
PROJECT 405014 AND PROJECT 402943 WERE PROCESSED TOGETHER. ONE LETTER AND ONE TECHNICAL REVIEW FOR THESE TWO PROJECTS. PROJECT 405014 IS THE INTENT TO USE PROJECT; PROJECT 402943 IS THE DERC USE PROJECT.
GRPWISE DOCS: DCUA/DCUS 15651 DCTR 15652 DCCT2573 15653

PROJECT TRANSACTIONS

COMPANY DATA
COMPANY NAME: ~~TEMPLE-INLAND~~ TIN, Inc., d.b.a. Temple-Inland
CUSTOMER REGISTRY ID: CN602787053

PORTFOLIO DATA
NUMBER: P1854 NAME: TEMPLE INLAND - RN100214428

SITE DATA
ACCOUNT:
OC0019C
REG ENTITY ID: RN100214428
SITE NAME: ORANGE LINERBOARD MILL
COUNTY: ORANGE NEAREST CITY: ORANGE
LOCATION: APPROXIMATELY 10 MI N OF I-10 ON HWY 87

CONTACT DATA
NAME: JOHN MELANCON TITLE: ENVIRONMENTAL MANAGER
STREET: 1750 INLAND ROAD CITY/STATE,ZIP: ORANGE, TX , 77632-0
FAX: 409-746-7537 ext 0
PHONE: 409-746-7416 ext 0

TRANSACTION DATA
TRANSACTION TYPE: DERC_USE
DATE ENTERED: 2008-06-25 00:00:00.0 DELETED DATE: EFFECTIVE YEAR:
CONTAMINATE: **NOX** TONS: **0.90** DOLLARS: **0**
ALLOWANCE**0** CERTIFICATE NO.: **D2577** COUNTY : **ORANGE**

TRACKING ACTIVITES

TR - ENGINEER RECEIVE PROJECT :	07/28/2010	TR - PROJ TECH COMPLETE :		09/23/2010	TR - SUP/MANGR APP/RVW RQSTD : 10/07/2010
FA - PROJECT ISSUED :		TR - DATE SUP/MNGR REQ ADDL TR :			

DISCRETE EMISSION CREDITS INTENT TO USE TECHNICAL REVIEW

Project No.:	405014, 402943	Customer Reference No.:	CN602787053
Project Type:	BDIU / BUSE	Regulated Entity No.:	RN100214428
Company:	TIN, Inc., d.b.a. Temple-Inland	Facility Name:	Orange Linerboard Mill
City:	Orange	County:	Orange
Project Reviewer:	Dr. Xinlian Chang	Portfolio Name:	P1854 Temple Inland – RN100214428

Project Overview

TIN, Inc., d.b.a. Temple-Inland (Temple-Inland) submitted a Form DEC-2 (Notice of Intent to Use Discrete Emission Credits) and a Form DEC-3 (Notice of Use of Discrete Emission Credits) for the purpose of compliance with 30 Texas Administrative Code (TAC) §117.110(a)(1) for the period of May 1, 2007, through April 30, 2008 (previously 30 TAC §117.206(a)(1)).

Because the prior Form DEC-2 can not be located when the Form DEC-3 is to be processed, the company was informed of the situation and they submitted a new Form DEC-2. The intent to use project, project 405014, set aside 0.9 ton of nitrogen oxides (NO_X) Discrete Emission Credits (DERCs) from DERC Certificate D-2156. The remaining NO_X DERCs of 2.3 tons was issued back to Temple-Inland on Certificate D-2573.

The same amount of 0.9 ton was used by the site. The DERCs were used for complying with 30 Texas Administrative Code (TAC) Chapter 117 for the boiler, Facility Identification Number (FIN) P-PowB, at their Orange Linerboard Mill. The boiler is subject to Emission Specification for Attainment Demonstration (ESAD) of 0.10 pound nitrogen oxides emissions per million British thermal units (lb/MMBtu) for the period May 1, 2007, through April 30, 2008. Certificate D-2156 will be cancelled.

Discrete Emission Credit / Emission Reduction Credit Use

Temple-Inland is subject to the NO_X emission limit of 30 TAC §117.110(a)(1). FIN P-PowB does not meet the ESAD emission rate of 0.10 lb/MMBtu. In order to comply with this limit, Temple-Inland employed DERC use to cover the difference. The boiler's actual emissions were determined by using annual heat input data and emission rate provided by continuous emissions monitoring system (CEMS).

Certificate to be used.....D-2156
Pollutant.....NO_X
Amount.....0.9 ton
Regulation.....§117.110(a)(1)
Use period/Use Date.....5/1/2007 – 4/30/2008

Credit Use Calculation Methods

0.9 ton of NO_X DERCs was set aside to support the intent to use request and 0.9 ton was actually used. So only the DERC use calculation was elaborated below.

Temple-Inland submitted an actual level of activity from May 1, 2007, through April 30, 2008, of 38,011 million British thermal units (MMBtu) for boiler P-PowB. An actual emission rate of 0.141 lbs/MMBtu based on NO_X CEMS data was given for this facility. The total emissions over the ESAD rate of 0.10 lbs/MMBtu comes to 0.78 ton, which is rounded up to 0.8 ton. An environmental contribution of 0.08 ton is added for a rounded total of 0.9 ton of DERCs. According to 30 TAC §101.376(e)(2)(A):

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 activity

DERCs Used

38,011 MMBtu/yr × (0.141 lb/MMBtu - 0.10 lb/MMBtu) ÷ 2000 lb/ton = 0.78 ton

Rounded up to 0.8 ton

0.8 ton + 10% environmental contribution (0.08) = 0.88 ton rounded up to 0.9 ton.

Conclusion:

Temple-Inland has submitted all required documentation for DERCs use to be in compliance with 30 TAC §117.110(a)(1). Certificate D-2573 has been generated in order to retain the 2.3 tons that is available for future use. Certificate D-2156 will be stamped used and retired.

Xinlin Chang 10/7/10
Account Manager Date

Brand Lil 10/14/2010
Team Leader/Section Manager/Backup Date

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

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AIR QUALITY DIVISION

I.	**Company Identifying Information**		
A.	Company Name: TIN INC., d/b/a TEMPLE-INLAND		
	Mailing Address: 1750 INLAND ROAD		
	City: ORANGE	State: TX	Zip Code: 77632
	Telephone: (409) 746 7416		Fax: (409) 746 7537
B.	TCEQ Customer Number (CN): CN 602787053		
C.	Site Name: ORANGE MILL		
	Street Address: (if no street address, give driving directions to site) 1750 INLAND ROAD		
	Nearest City: ORANGE	Zip Code: 77632	County: ORANGE
D.	TCEQ Regulated Entity Number (RN): RN 100214428		
E.	TCEQ Account Number: (if applicable) OC-0019-C		
F.	Primary SIC: 2631		Air Permit Number: 9654A, PSD-TX-684M2

II.	**Technical Contact Identifying Information**		
A.	Technical Contact Name: (X Mr. __Mrs. __Ms. __Dr.)		
	Technical Contact Title: JOHN E. MELANCON		
	Mailing Address: 1750 INLAND ROAD		
	City: ORANGE	State: TX	Zip Code: 77632
	Telephone: 409 746 7416	Fax: 409 746 7537	E-mail: JOHNMELANCON@TEMPLEINLAND.COM

III. 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: N/A Year of use: N/A Ratio of DERC to Allowance: N/A to N/A

Note: If DERC use is to comply with MECT then go to Section IX

IV. Use Period

Use Start Date: 05/1/07 Use End Date: 05/1/08 (OR LONGER)

V. State and Federal Requirements

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

30 TAC 117.206(a)(1), 117.206(d)(1)(A)(ii), 117.206(f)(1)(C)
117.110(a) 117.110(b)(2) 117.110(b)(2)

VI. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate: ☐ Permit_____ ☐ RACT_____ ☒ Other: ESAD

Notes: 30 TAC 117.206(a)(1)
117.110(a) June 14 2007

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

VII. Tons of Dercs Used

Emission Point No.	FIN	Air Contaminant	Calculation of DERCs						
			Actual Activity (units)	Actual Emission Rate (units)	Actual Total Emissions (tons)	Regulated Activity (units)	Regulated Emission Rate (units)	Regulated Total Emissions (tons)	DERCs Used (tons) **
2A	P-POWB	NO_x	38,011 MMBTU/YEAR	0.141 lb/MMBTU	19.005	5,496 MMBTU/YEAR	0.10 lb/MMBTU	0.39	0.4
* 2B	P-PKGB	-	-	-	-	-	-	-	-
								Total:	0.4

* UNIT DECOMISSIONED.

** CALCULATION INCLUDES 2/3 FACTOR FROM 117.520 (a)(3)(A) → Not applicable any more
117.9000
replaced with full reduction as of May 1, 2005

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Form DEC-3 (Page 3)
Notice of Use of 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

* SPREADSHEET WITH CALCULATIONS ATTACHED

IX. Total DERCs Used (round up to the nearest tenth of a ton)

Tons of DERCs required (from Sect. VI.)	CO: —	NO_X: 0.39	PM_{10}: —	SO_2: —	VOC: —
Offset Ratio (if required)	CO: —	NO_X: 0.26 (2/3)	PM_{10}: —	SO_2: —	VOC: —
Environmental Contribution (+ 10%)	CO: —	NO_X: 0.1	PM_{10}: —	SO_2: —	VOC: —
Total DERCs Used	**CO:** —	**NO_X:** 0.4	**PM_{10}:** —	**SO_2:** —	**VOC:** —

X. DERC Information

Name of the DERC Generator: E.I. DU PONT DE NEMOURS COMPANY
DERC Generator Regulated Entity Number: JE-0033-C
Certificate number of the DERCs used: D-2156

Note: The certificate number is assigned by the TCEQ

XI. Purchase Dates and Prices

Date on which the DERCs were acquired or registered: 03/17/03

Price of the DERCs: $ 750.00 per ton (Required)

XII. CERTIFICATION BY RESPONSIBLE OFFICIAL

I, Thomas C. Sweetser, 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. I hereby also waive the Federal statute of limitations defense in regards to the generation and use of discrete emission credits

Signature Thomas C. Sweetser Signature Date 5/29/08

Title MILL MANAGER

ESAD Compliance for Beaumont - Porth Arthur Area (BPA)
Discrete Emission Reduction Credit (DERC) Calculations for Form DEC-3
Sources: PFI Boiler (EPN 2A)
Period: 05/01/07 to 05/01/08

PFI and Package Boiler Activity Summary

Description	Type	Value	Units
ESAD limit in 30 TAC 117.206(a)(1) for boilers in BPA:	Gas-fired industrial boilers	0.1	lb/MMBtu
Inland actual Emission Rate for period 05/01/07 to 05/01/08 (*)	PFI Boiler	0.141	lb/MMBtu
	Package Boiler	0	lb/MMBtu
Actual activity for period from 05/01/07 to 05/01/08 (*)	PFI Boiler	5,496	MMBtu/yr
	Package Boiler	0	MMBtu/yr

(*) Only when DERCs were needed

DERC Calculation Summary

Description	lb	Ton	2/3 offset
Excess NOx - PFI	773.52	0.39	0.26
Excess NOx - Package Boiler	0.00	0.00	0.00
Total Excess NOx			0.26
Total Excess NOx rounded-up			0.30
Plus Environmental Contribution of 10%			0.33
Rounded up			**0.4**

Therefore, for May 1, 2007 through May 1, 2008, Inland requiered a total of: 0.4 tons of NOx DERC

Temple-Inland

May 29, 2008

Delivery confirmation requested
Certified mail #70041350000460895288

Mr. Steven Sun
Texas Commission on Environmental Quality
Emissions Banking and Trading Program, MC 163
Building C
12100 Park 35 Circle
Austin, TX 78753

RE: ***Notice of Intent to Use Discrete Emission Credits (Form DEC-3)***
Temple-Inland
Orange Linerboard Facility
Account # OC-0019-C

Dear Mr. Sun:

Temple-Inland operates a linerboard facility in Orange, Texas. This facility operates one boiler (Package Boiler was decomisioned) subject to the Emission Specifications for Attainment Demonstration (ESADs) [see 30 TAC 117.206(a)] for the Beaumont/Port Arthur Area which were effective May 1, 2003. As allowed by 30 TAC 117.206(f)(1)(C) and 117.570(a), Temple-Inland is complying with the ESAD limitation for this boiler by purchasing and consuming NO_x discrete emission credits (DERCs). Temple-Inland submits today the completed DEC-3, which represents an accounting of the actual NOx DERCs used in the previous 12-month compliance period, May 1, 2007-May 1, 2008.

As we indicated in our original submittal in March, 2003, we have used actual boiler operating data and NOx CEMS data to calculate the tons of NOx consumed in the past compliance period.

If you have any further questions about Temple-Inland's use of DERCs or the information provided in this letter, please feel free to call me at (409) 746-7416.

Respectfully yours,

John E. Melancon
Environmental Manager

Enclosure

EMISSION SOURCES - MAXIMUM ALLOWABLE EMISSION RATES

Permit Numbers 9654A, PSD-TX-684M2, PSD-TX-833M2, and N-60M1

This table lists the maximum allowable emission rates and all sources of air contaminants on the applicant's property covered by this permit. The emission rates shown are those derived from information submitted as part of the application for permit and are the maximum rates allowed for these facilities. Any proposed increase in emission rates may require an application for a modification of the facilities covered by this permit.

AIR CONTAMINANTS DATA

Emission Point No. (1)	Source Name (2)	Air Contaminant Name (3)	Emission Rates * lb/hr	TPY
1A	No. 1 Recovery Furnace	PM/PM_{10}	56.00	247.00
		VOC	50.00	217.00
		NO_x	96.72	416.10
		SO_2	916.09	1372.00
		CO	1375.00	6023.00
		TRS	24.00	41.00
1B	No. 2 Recovery Furnace	PM/PM_{10}	56.00	247.00
		VOC	50.00	217.00
		NO_x	96.72	416.10
		SO_2	916.09	1372.00
		CO	1375.00	6023.00
		TRS	24.00	41.00
2	Bark Boiler	PM_{10}	37.42	163.90
		VOC***	9.09	39.81
		NO_x***	88.58	387.80
		SO_2	16.21	18.73
		CO***	213.86	936.70
		TRS	2.29	10.04
		NH_3	16.16	70.86
2A	No. 1 PFI Boiler	PM_{10}	3.00	13.00
		VOC	10.00	44.00
		NO_x	55.53	219.70
		SO_2	5.71	22.18
		CO	70.00	307.00

EMISSION SOURCES - MAXIMUM ALLOWABLE EMISSION RATES

AIR CONTAMINANTS DATA

Emission Point No. (1)	Source Name (2)	Air Contaminant Name (3)	Emission Rates * lb/hr	TPY
3	No. 1 Dissolving Tank	PM_{10}	6.90	30.00
		VOC	17.93	50.12
		SO_2	2.10	9.20
		TRS	0.60	2.50
4	No. 2 Dissolving Tank	PM_{10}	6.90	30.00
		VOC	17.93	50.12
		SO_2	2.10	9.20
		TRS	0.60	2.50
10	No. 1 Slaker	PM_{10}	2.00	8.60
		VOC	0.48	1.33
11	Lime Kiln	PM_{10}	30.00	131.00
		VOC	4.78	21.03
		NO_x	42.00	182.00
		SO_2	57.95	84.33
		CO	337.00	1,474.00
		TRS	6.41	11.21
13	No. 2 Slaker	PM_{10}	2.00	8.60
		VOC	0.48	1.33
16	Brown Stock Washer A	VOC	55.59	16.68
		TRS	0.47	0.14
17	Brown Stock Washer B	VOC	55.59	188.60
		TRS	0.47	1.59
32	Turpentine Storage Tank	VOC	<0.01	0.02
36	No. 5 White Liquor Tank Vent	TRS	<0.01	0.02

EMISSION SOURCES - MAXIMUM ALLOWABLE EMISSION RATES

		AIR CONTAMINANTS DATA		
Emission Point No. (1)	Source Name (2)	Air Contaminant Name (3)	Emission Rates * lb/hr	TPY
39	South Mud Tank	VOC	0.02	0.06
40	North Mud Tank	VOC	0.02	0.06
41	Weak Wash Storage Tank	VOC	0.22	0.96
42	Hot Water Storage Tank	VOC	0.00	0.00
43	New White Liquor Storage Tank	VOC	0.57	1.59
44	Scrubber Water Clarifier	VOC	0.09	0.24
45	No. 1 White Liquor Storage Tank	VOC	0.57	1.59
46	No. 2 White Liquor Storage Tank	VOC	0.57	1.59
47	No. 1 Green Liquor Clarifier	VOC	0.02	0.05
48	No. 1 Green Liquor Storage Tank	VOC TRS	0.96 0.01	4.02 0.03
49	No. 2 Green Liquor Storage Tank	VOC TRS	0.02 0.01	0.05 0.05
50	Green Liquor Equalization Tank	VOC	0.03	0.09
51	No. 2 Green Liquor Clarifier	VOC	1.84	8.04
63	No. 1 Weak Black Liquor Storage Tank	VOC TRS	0.38 1.30	1.34 5.60

EMISSION SOURCES - MAXIMUM ALLOWABLE EMISSION RATES

Emission Point No. (1)	Source Name (2)	Air Contaminant Name (3)	Emission Rates * lb/hr	TPY
		AIR CONTAMINANTS DATA		
64	No. 2 Weak Black Liquor Storage Tank	VOC	0.38	1.34
		TRS	1.30	5.60
65	Weak Black Liquor Swing Tank	VOC	0.11	0.40
		TRS	1.30	5.60
66	No. 1 Heavy Black Liquor Storage Tank	VOC	0.32	1.38
		TRS	0.13	0.58
67	No. 2 Heavy Black Liquor Storage Tank	VOC	0.31	1.38
		TRS	0.13	0.58
68	Boilout Tank	VOC	0.31	1.34
		TRS	0.50	2.20
72	Gasoline Tank	VOC	-	0.20
73	No. 2 Fuel Oil Tank	VOC	-	0.20
74	Black Liquor Pond	TRS	-	3.20
80	Wood Yard (4)	PM_{10}	-	3.80
81	Truck Traffic Fugitives	PM_{10}	-	130.00
99	No. 3 Power Boiler	PM_{10}	3.13	13.71
		VOC	2.26	9.92
		NO_x	26.81	93.55
		SO_2	1.67	1.47
		CO	37.80	165.56
100	Chemi-Washer (4)	VOC	0.09	0.40
		TRS	<0.01	<0.01

EMISSION SOURCES - MAXIMUM ALLOWABLE EMISSION RATES

Emission Point No. (1)	Source Name (2)	Air Contaminant Name (3)	AIR CONTAMINANTS DATA Emission Rates * lb/hr	TPY
101-130	No. 1 Linerboard Machine	VOC	91.32	399.98
		TRS	0.80	3.48
132-158	No. 2 Linerboard Machine	VOC	53.21	233.06
		TRS	0.47	2.03
159-166	Secondary Fiber System	VOC	0.44	1.92
192	Lime Kiln Precoat Filter	VOC	0.83	3.63
		TRS	0.02	0.07
193	Precoat Filter Vacuum Pump West	VOC	0.33	1.46
		TRS	0.02	0.08
194	Precoat Filter Vacuum Pump East	VOC	0.33	1.46
		TRS	0.02	0.08
205	No. 4 White Liquor Storage Tank	VOC	0.57	1.59
210	Black Liquor Storage East	VOC	0.38	1.34
211	Black Liquor Storage West	VOC	0.38	1.34
212	Black Liquor Storage Center	VOC	0.38	1.34
58**	Reject Tank	VOC	0.62	2.73
		TRS	0.01	0.53
235	Liquor Loading	VOC	1.49	1.62
		TRS	0.13	0.21
93	Primary Sludge Pond (4)	VOC	0.14	0.50
		TRS	0.08	0.27

EMISSION SOURCES - MAXIMUM ALLOWABLE EMISSION RATES

Emission Point No. (1)	Source Name (2)	AIR CONTAMINANTS DATA Air Contaminant Name (3)	Emission Rates * lb/hr	TPY
94	Primary Sludge Landfill (4)	VOC	0.14	0.50
		TRS	0.08	0.27
95	Primary Clarifier (4)	VOC	0.62	2.72
		TRS	0.34	1.48
96	Strong Waste Pond (4)	VOC	32.76	5.98
		TRS	17.74	3.24
97	Aeration Pond (4)	VOC	5.37	15.68
		TRS	2.91	8.49
98	Holding Pond (4)	VOC	3.55	9.72
		TRS	1.92	5.26
232	Green Liquor Dregs Filter and Vacuum Pump (4)	VOC	1.84	8.04
		TRS	0.01	0.05
NCG-FUG 1	Switching LVHC and HVLC NCG Venting for Bypass and Preventive Maintenance (4) (5)	VOC	145.00	0.25
		Acetone	2.40	0.02
		TRS	0.06	<0.01
P-VBURNER	Propane Vaporizer Burner	PM_{10}	0.12	0.03
		VOC	0.06	0.02
		NO_x	3.73	0.97
		SO_2	0.10	0.03
		CO	0.63	0.16

EMISSION SOURCES - MAXIMUM ALLOWABLE EMISSION RATES

(1) Emission point identification - either specific equipment designation or emission point number from a plot plan.
(2) Specific point source names. For fugitive sources use area name or fugitive source name.
(3) PM - particulate matter, suspended in the atmosphere, include PM_{10}
PM_{10} - particulate matter equal to or less than 10 microns in diameter. Where PM is not listed, it shall be assumed that no particulate matter greater than 10 microns is emitted.
VOC - volatile organic compounds as defined in Title 30 Texas Administrative Code § 101.1
NO_x total oxides of nitrogen
SO_2 sulfur dioxide
CO - carbon monoxide
TRS total reduced sulfur
NH_3 ammonia
(4) Fugitive emissions are an estimate only.
(5) Emissions resulting from re-routing non-condensible gases between combustion sources (Lime Kiln and Bark Boiler).

* Emission rates are based on and the facilities are limited by the following maximum operating schedule:

24 Hrs/day 7 Days/week 52 Weeks/year 8,760 Hrs/year

** Emissions based on the following:

See Special Condition Nos. 1 and 22.

All annual emissions are based on a rolling 12-month period and a maximum annual averaged throughput of 2,340 tons per day of air dry pulp. All hourly emissions, unless otherwise noted, are derived from the maximum annual average throughput of 2,340 tons per day of air dry pulp or other related throughput limits represented in the permit.

*** Emission limits for these pollutants from the Bark Boiler based on a 30-day rolling average.

Dated May 1, 2007

	INLAND PAPERBOARD AND PACKAGING INC													ORANGE MILL	
400426	TEMPLE INLAND	CN602787053	BTSF	02/09/2006	06/16/2006	C	SSUN	OC0019C	RN100214428	NOX	ERC_BUY	2114	P1854	TEMPLE INLAND - RN100214428	ORANGE
400528	TEMPLE INLAND	CN602787053	BDIU	03/21/2006	01/31/2007	C	JETHERID	OC0019C	RN100214428	NOX	DERC_INTEN	D1260	P1854	TEMPLE INLAND - RN100214428	ORANGE
400528	TEMPLE INLAND	CN602787053	BDIU	03/21/2006	01/31/2007	C	JETHERID	OC0019C	RN100214428	NOX	DERC_RET	D2156	P1854	TEMPLE INLAND - RN100214428	ORANGE
401175	TEMPLE INLAND	CN602787053	BUSE	08/09/2006	12/21/2006	C	THUDDLES	OC0019C	RN100214428	NOX	DERC_RET	D2148	P1854	TEMPLE INLAND - RN100214428	ORANGE
402005	TEMPLE INLAND	CN602787053	BUSE	08/07/2007		P	LBAINE	OC0019C	RN100214428	NOX	DERC_USE	D2256	P1854	TEMPLE INLAND - RN100214428	ORANGE
402005	TEMPLE INLAND	CN602787053	BUSE	08/07/2007		P	LBAINE	OC0019C	RN100214428	NOX	DERC_RET	D2259	P1854	TEMPLE INLAND - RN100214428	ORANGE
402943	TEMPLE INLAND	CN602787053	BUSE	06/02/2008		P	TJOHNSON	OC0019C	RN100214428	NOX	DERC_USE	0	P1854	TEMPLE INLAND - RN100214428	ORANGE
403078	TEMPLE INLAND	CN602787053	BTSF	10/29/2008	11/24/2008	C	BGREULIC	OC0019C	RN100214428	VOC	ERC_SELL	2371	P1854	TEMPLE INLAND - RN100214428	ORANGE
403123	INLAND PAPERBOARD AND PACKAGING INC	CN600127484	BTSF	11/04/2008	11/04/2008	C	MTRIMBLE	OC0019C	RN100214428	VOC	ERC_SELL	1699	P0366	ORANGE MILL	ORANGE
403123	TEMPLE INLAND	CN602787053	BTSF	11/04/2008	11/04/2008	C	MTRIMBLE	OC0019C	RN100214428	VOC	ERC_BUY	2371	P1854	TEMPLE INLAND - RN100214428	ORANGE
403166	TEMPLE INLAND	CN602787053	BTSF	12/12/2008	01/05/2009	C	MTRIMBLE	OC0019C	RN100214428	NOX	ERC_BUY	2391	P1854	TEMPLE INLAND - RN100214428	ORANGE
403167	TEMPLE INLAND	CN602787053	BEIU	12/12/2008	07/20/2009	C	TJOHNSON	OC0019C	RN100214428	NOX	ERC_INTEN	2419	P1854	TEMPLE INLAND - RN100214428	ORANGE
403167	TEMPLE INLAND	CN602787053	BEIU	12/12/2008	07/20/2009	C	TJOHNSON	OC0019C	RN100214428	NOX	ERC_USE	2430	P1854	TEMPLE INLAND - RN100214428	ORANGE
403167	TEMPLE INLAND	CN602787053	BEIU	12/12/2008	07/20/2009	C	TJOHNSON	OC0019C	RN100214428	NOX	ERC_RET	2434	P1854	TEMPLE INLAND - RN100214428	ORANGE
403167	TEMPLE INLAND	CN602787053	BEIU	12/12/2008	07/20/2009	C	TJOHNSON	OC0019C	RN100214428	NOX	ERC_INTEN	2391	P1854	TEMPLE INLAND - RN100214428	ORANGE
403167	TEMPLE INLAND	CN602787053	BEIU	12/12/2008	07/20/2009	C	TJOHNSON	OC0019C	RN100214428	NOX	ERC_USE	2391	P1854	TEMPLE INLAND -	ORANGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 19, 2010

Mr. John E. Melancon
Environmental Manager
TIN, Inc., d.b.a. Temple-Inland
1750 Inland Road
Orange, Texas 77632

Re: Notice of Intent to Use and Use of Discrete Emission Credits
Orange Linerboard Mill
Orange, Orange County
Regulated Entity Number: RN100214428
Customer Reference Number: CN602787053
Portfolio Number: P1854
DERC Certificate Numbers: D-2156, D-2573

Dear Mr. Melancon:

This letter is in response to TIN, Inc., d.b.a. Temple-Inland's (Temple-Inland) Form DEC-2, Notice of Intent to Use Discrete Emission Credits, and Form DEC-3, Notice of Use of Discrete Emission Credits, for the purpose of compliance with 30 Texas Administrative Code (TAC) §117.110(a)(1) for the period of May 1, 2007 through April 30, 2008 (previously 30 TAC §117.206(a)(1)).

We have reviewed your applications and have found that the notice and the credits to be used meet the requirements of 30 TAC §§101.370 through 101.379. Please refer to the summaries and table below for details.

The Form DEC-2 states that Temple-Inland requested to use 0.9 ton of NO_X discrete emission credits (DERCs) for the purpose of complying with NO_X emission specifications under 30 TAC §117.110(a)(1) for the period of May 1, 2007 through May 1, 2008. A total of 0.9 ton of NO_X DERCs will be set aside from certificate number D-2156. Because D-2156 was not completely set aside, 2.3 tons of NO_X DERCs will be retained on D-2573. Enclosed is a copy of D-2573 issued to Temple-Inland, in the amount of 2.3 tons of NO_X DERCs. This certificate has been deposited in the Texas Commission on Environmental Quality (TCEQ) Discrete Emissions Credit Registry. The certificate may be transferred or sold to another owner for use per the requirements of Title 30 Texas Administrative Code §§101.370 through 101.379.

The Form DEC-3 states that Temple-Inland used 0.9 ton of NO_X DERCs for the purpose of compliance with 30 TAC §117.110(a)(1) for the period of May 1, 2007, through April 30, 2008. Certificate D-2156 will be stamped used and retired.

PROJECT #	RECEIVE DATE	PROJECT TYPE	USE PERIOD	TOTAL TONS REQUIRED/USED	CERTIFICATES HELD/RETAINED/USED
405014	9/13/2010	Intent	5/1/07 - 4/30/08	0.9	D2156, D2573
402943	6/2/2008	Use		0.9	D2156

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 Dr. Xinlian Chang at (512) 239-4635, 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/XC/aa

cc: Air Section Manager, Region 10 - Beaumont

Project Numbers: 405014, 402943

The State of Texas

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Certificate Number:

D-2573

Number of Credits:

2.3 tons NO_X

Discrete Emission Reduction Credit Certificate

This certifies that

TIN, Inc., d.b.a. Temple-Inland
1750 Inland Road
Orange, Texas 77632

is the owner of 2.3 tons of nitrogen oxides (NO_X) 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, 1998 - December 31, 1998

Generator Regulated Entity No.: RN100216035

Generator Serial Numbers: 20700 - 20729

County of Generation: Orange

October 8, 2010

Date

David Brymer

For the Commission

10/19

Banking and Trading Route Slip

Company: TIN, Inc., d.b.a. Temple-Inland Orange Linerboard Mill

Project Number: 405014 402943

Type of Letter Correspondence: DCHA/DCAS DCTR DCCT

Letter Doc No: 15651 15652 15653

Certificate No: D-2156 D-2573

	Initials:	Date
Author/Creator	XLL	9/23
Peer Review Completed	[illegible]	10/7
Author/Creator Review	XLL	10/7
Review and Approval By:	**Initials:**	**Date**
WL Review: Brandon Greulich	[illegible]	10/14
Management Review Chance Goodin	cgood	10/15
Copies made	[illegible]	10/18
Mailed	[illegible]	10/19

Comments/Special Instructions:

Please change the "Company Name" to one TIN, Inc., d.b.a. Temple-Inland (Confirmed in CR)

Please return **Routing Slip** and **Project Paperwork** to Brandon Greulich, MC-206, Ext. 4904

Only 402943 needs to be closed