

**DISCRETE EMISSION CREDITS/EMISSION
TECHNICAL REVIEW**

AIR DERC_102344454-400289_
USE_20060427_Supplemental_D2082

Project No.:	400289	Customer Reference No.:	CN600315147
Project Type:	BDIU	Regulated Entity No.:	RN102344454
Company:	Enterprise Transportation Company	Facility Name:	Enterprise Transportation - Freeport Facility
City:	Freeport	County:	Brazoria
Project Reviewer:	Todd Huddleson	Portfolio Name:	Enterprise Transportation - RN102344454

Project Overview

Enterprise Transportation has submitted a Form DEC-2, "Notice of Intent to Use Discrete Emission Credits", dated November 11, 2005. They are intending to use DERCs to help meet the requirements of 30 TAC §117.475(c)(1)(A) on a gas fired boiler with an ESAD of 0.036 lb-NOx/MMBtu. They will use 0.6 ton for boiler FIN 91-1 from certificate D-2064 which is valued at 7.9 tons of NOx. The remainder will be sent back as another certificate.

Discrete Emission Credit / Emission Reduction Credit Use

Enterprise Transportation is subject to the ESADs listed in 30 TAC §117.475(c)(1)(A). The company wants to use discrete emission credits for the difference between the NOx emission rate defined in 30 TAC §117.475(c)(1)(A) and the current NOx emission rate of the facility. The intent to use period is from January 1, 2006 through December 31, 2006. The basis for the emission factor was based on a March 2005 stack test.

The DERCs to be used are from certificate D-2064, owned by Enterprise Transportation, and valued at 7.9 tons of NOx. This certificate was generated from original certificate D-1028. The quantity of DERCs Enterprise Transportation intends to use is less than the value of D-2064, therefore the remaining DERCs will be transferred to a new certificate. Certificate D-2082 will be issued to Enterprise Transportation with a value of 7.3 tons NOx.

Certificate(s) to be used	D-2064
Pollutant	Nitrogen Oxides
Amount	0.6
Regulation	30 TAC § 117.475(c)(1)(A)
Use period/Use Date	01/01/06 - 12/31/06

Credit Use Calculation Methods

Discuss calculation method for use

DERCs Needed = $ELA \times (EER - RER) \div 2000 \text{ lb/ton} + 10\% \text{ environmental contribution}$.

Where:

ELA = expected level of activity

EER = expected emission rate per unit activity

RER = regulatory emission rate per unit activity

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

Regulated Entity Number: RN102344454
Page 2

Assumptions: 3.5 MMBtu/hr (max firing)
Maximum Runtime: 8760 hr/yr

DERCs Needed = $3.5 \text{ MMBtu/hr} \times 8760 \text{ hr} \times (0.067 \text{ lb/MMBtu} - 0.036 \text{ lb/MMBtu}) \div 2000 \text{ lb/ton} = 0.48 \text{ ton/yr.}$

$0.48 \text{ ton/year} + 10\% \text{ environmental contribution} = 0.53 \text{ ton/year rounded to } 0.6 \text{ ton/year.}$

Conclusion:

Enterprise Transportation has submitted all required documentation for DERC use as compliance with 30 TAC §117.475(c)(1)(A). A total of 0.6 ton of NOx credits will be retired from the certificate D-2064 and that certificate will be cancelled. The remainder of 7.3 tons will be sent back as a new certificate, D-2082.

Project Reviewer

Date

Team Leader/Section Manager/Backup

Date

Mr. Mike Stark
President
Enterprise Transportation
P.O. Box 4324
Houston, Texas 77210

Re: Notice of Intent to Use Discrete Emission Credits
Enterprise Transportation - Freeport Facility
Freeport, Brazoria County
Regulated Entity Number: RN102344454
Customer Reference Number: CN600315147

Dear Mr. Stark:

This letter is in response to your Form DEC-2 (Notice of Intent to Use Discrete Emission Credits), dated November 11, 2005, for compliance with 30 Texas Administrative Code Chapter 117 (30 TAC Chapter 117) for the period of January 1, 2006, through December 31, 2006. We understand you plan to use 0.6 ton of nitrogen oxides (NO_x) discrete emission credits for the purpose of complying with emission specifications for attainment demonstrations for boilers in 30 TAC §117.475(c)(1)(A).

We have reviewed your application and have found that the notice and the credits to be used meet the requirements of 30 TAC §§ 101.370 - 101.379. A Form DEC-3, (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-2082, issued to Enterprise Transportation, for the remainder of 7.3 tons of certified NO_x discrete emission credits from DERC Certificate Number D-2064. This certificate has been deposited into the Texas Commission on Environmental Quality (TCEQ) DERC Registry. This certificate may be transferred or sold to another owner per the requirements of 30 TAC §§ 101.370 through 101.379.

Mr. Mike Stark
Page 2

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, Office of Permitting, Remediation, and Registration, Air Permits Division (MC-163), P.O. Box 13087, Austin, Texas 78711-3087.

This action is authorized on behalf of the TCEQ Executive Director.

Sincerely,

Richard A. Hyde, P.E., Director
Air Permits Division
Office of Permitting, Remediation, and Registration
Texas Commission on Environmental Quality

RAH/TH/bob

cc: Air Section Managers, Region 12 - Houston

Project Number: 400289

The State of Texas

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Certificate Number

D-2082

CANCELLED

FUTURE USE:

0.2 tons used in # 423489
DATE: 1/29/2013



Number of Credits

7.3 tons NOx

Discrete Emission Reduction Credit Certificate

This certifies that
Enterprise Transportation
PO Box 4324
Houston, TX 77210

is the owner of 7.3 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: May 6, 1999 - May 6, 2000

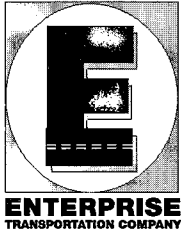
Generator Account No.: RN102534278

Generator Certificate: D-1028

County of Generation: Montgomery

Date

Executive Director
Texas Commission on Environmental Quality



ROBERT D

2707 NORTH LOOP WEST
HOUSTON, TX 77008-1051
P.O. BOX 4735
HOUSTON, TX 77210-4735
713/880-6500

A Division of EPCO, Inc.

CERTIFIED MAIL

7002-0860-0005-4777-2683

November 10, 2005

1/1/06 -
12/31/06

RECEIVED

NOV 17 2005

AIR & WASTE
APPLICATIONS TEAM

Emission Banking and Trading Program
Texas Commission on Environmental Quality (MC 163)
P.O. Box 13087
Austin, Texas 78711-3087

**Subject: Notice of Intent to Use DERCS (Form DEC-2)
Enterprise Transportation Company – Freeport Facility
920 South Gulf Blvd., Freeport, Brazoria County
RN102344454**

Pursuant to 30 TAC 117.570(a), Enterprise Transportation 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 117.475(b) and (c)(1)(A). A completed Form DEC-2 is enclosed for the above referenced facility covering the compliance period from 01/01/06 through 12/31/06.

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

Sincerely,

Enterprise Transportation Company

Mike Stark
President

RECEIVED

NOV 16 2005

AIR PERMITS DIVISION

Cc: Donald Findley, Terminal Manager – ETC
Karen Saucier, Environmental Coordinator – ETC
Philip Evans – The WCM Group, Inc.



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

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 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)
91-1	91-1	NOx	3.5 MMBtu/hr	0.164 lb/MMBtu	2.51	3.5 MMBtu/hr	0.036 lb/MMBtu	0.552	1.96
Total:								1.96	



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>1.96</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>0.196</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>2.16</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: D-1222 (Currently held by Enterprise Transportation Company)
D-2064

Note: The certificate number is assigned by the TCEQ



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 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 Mike Stark, 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 Mike Stark Signature Date 11/11/05

Title President

Mail application to:
Emission Banking and Trading Program
TCEQ MC 163
PO BOX 13087
AUSTIN, TX 78711-3087

The State of Texas
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Certificate Number

D-2064



Number of Credits

7.9 tons NOx

Discrete Emission Reduction Credit Certificate

This certifies that
Enterprise Transportation
P.O. box 4324
Houston, Texas 77210

is the owner of 7.9 tons of nitrogen oxide 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: May 6, 1999 through November 14, 1999

Generator Regulated Entity No.: RN102534278

Generator Certificate: Serial numbers

County of Generation: Montgomery

January 20, 2006

Date

A handwritten signature in dark ink, appearing to read "D. White", written over a horizontal line.

Executive Director
Texas Commission on Environmental Quality

Facility:

Name: Enterprise Transportation Company (Freeport)

2006 DERC Use Calculations:

DERCs Needed = $ELA \times (EER - RER) / 2000 \text{ lb/ton} + 10\% \text{ environmental contribution}$

Where:

ELA = expected level of activity

EER = expected emission rate per unit activity

RER = regulatory emission rate per unit of activity

Boiler: 91-1

Assumption:

Maximum heat input = 3.5 MMBtu/hr

Maximum runtime = 8760 hr/yr

Expected Emis. Rate = 0.164 lb/MMBtu

Regulatory Emis Rate = 0.036 lb/MMBtu

stack test March 2005

DERCs Needed = $((3.5 \text{ MMBtu/hr} \times 0.164 \text{ lb/MMBtu}) - (3.5 \text{ MMBtu/hr} \times 0.036 \text{ lb/MMBtu})) \times (8760 \text{ hr/yr} / 2000 \text{ lb/ton})$

= 1.96 tons/year

0.98 tons/year + 10% environmental contribution = 2.16 tons/year

Total DERCs Needed =	2.16 tons/year
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*D - 2079
New certificate
3.4 tons*



Phil Evens

Duplicate?

2707 NORTH LOOP WEST
HOUSTON, TX 77008-1051
P.O. BOX 4735
HOUSTON, TX 77210-4735
713/880-6500

A Division of EPCO, Inc.

CERTIFIED RETURN RECEIPT
7002-0860-0005-4777-3383

April 4, 2006

Mr. Todd Huddleson
Emissions Banking and Trading Program
Texas Commission on Environmental Quality (MC 163)
P.O. Box 13087
Austin, Texas 78711-3087

Subject: Notice of Intent to Use DERCs (Form DEC-2)
Enterprise Transportation Company – Freeport Facility
920 South Gulf Blvd., Freeport, Brazoria County
RN102344454

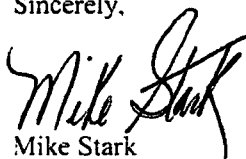
Dear Mr. Huddleson:

Enclosed is a revised Notice of Intent to Use Discrete Emission Reduction Credits (Form DEC-2) for the above referenced facility covering the compliance period from 01/01/06 through 12/31/06. The Form DEC-2 previously submitted in November 2005 used an incorrect NOx emission factor for estimating the expected DERC usage. Also enclosed is a revised DERC usage calculation page and a copy of the March 31, 2005 stack test summary table showing the correct NOx emission factor. As shown, the expected DERC usage for 2006 is lower than previously represented.

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

Revised
DERC Intent
1/1/06 - 12/31/06

Sincerely,


Mike Stark
President



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

I. Company Identifying Information		
A. Company Name: Enterprise Transportation		
Mailing Address: 920 South Gulf Blvd. (Formerly referred to as Gulf Street)		
City: Freeport	State: Texas	Zip Code: 77541
Telephone: (979) 233-5440		Fax: (979) 239-2241
B. TCEQ Customer Number (CN): CN600315147		
C. Site Name: Enterprise Transportation (Freeport)		
Street Address: (if no street address, give driving directions to site)		
Nearest City: Freeport	Zip Code: 77541	County: Brazoria
D. TCEQ Regulated Entity Number (RN): RN102344454		
E. Primary SIC: 4213		Air Permit Number: 21053
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.) Mike Stark		
Technical Contact Title: President		
Mailing Address: P.O. Box 4735		
City: Houston	State: Texas	Zip Code: 77210-4735
Telephone: 713-880-6696	Fax: 713-880-6631	E-mail: mstark@epcoetc.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 _____		
<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>01/01/06</u>		Intended Use End Date <u>12/31/06</u>



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

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 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)
91-1	91-1	NOx	3.5 MMBtu/hr	0.067 lb/MMBtu	1.027	3.5 MMBtu/hr	0.036 lb/MMBtu	0.552	0.475
								Total:	0.475



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>0.475</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>0.047</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>0.52</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: D-1222 (Currently held by Enterprise Transportation Company)

Note: The certificate number is assigned by the TCEQ



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 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 Mike Stark, 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 Date

April 6th, 2006

Title President

Mail application to:
Emission Banking and Trading Program
TCEQ MC 163
PO BOX 13087
AUSTIN, TX 78711-3087

Facility:

Name: Enterprise Transportation Company (Freeport)

2006 DERC Use Calculations:

DERCs Needed = $ELA \times (EER - RER) / 2000 \text{ lb/ton} + 10\% \text{ environmental contribution}$

Where:

ELA = expected level of activity

EER = expected emission rate per unit activity

RER = regulatory emission rate per unit of activity

Boiler: 91-1

Assumption:

Maximum heat input = 3.5 MMBtu/hr

Maximum runtime = 8760 hr/yr

Expected Emis. Rate = 0.067 lb/MMBtu (From stack test dated 3/31/05)

Regulatory Emis Rate = 0.036 lb/MMBtu

DERCs Needed = $((3.5 \text{ MMBtu/hr} \times 0.067 \text{ lb/MMBtu}) - (3.5 \text{ MMBtu/hr} \times 0.036 \text{ lb/MMBtu})) \times (8760 \text{ hr/yr} / 2000 \text{ lb/ton})$

= 0.48 tons/year

0.48 tons/year + 10% environmental contribution = 0.52 tons/year

Total DERCs Needed = 0.52 tons/year
--



Table 2: Summary of Tests

Run No.	1	2	3	Average
Date	03/31/05	03/31/05	03/31/05	
Time	0826-0926	1035-1135	1149-1249	
Stack Temperature (°F)	286	212	210	236
Stack Gas Moisture Content (%)	19.34	19.54	19.38	19.42
Oxygen Content (% Vol.)	2.8	4.0	3.4	3.4
Carbon Dioxide Content (% Vol.)	10.4	9.7	10.2	10.1
% Excess Air	13.9	21.2	17.4	17.5
Stack Gas Flow Rate (dscfm)	265	230	223	239
Oxides of Nitrogen Emissions				
- ppm	57.2	51.1	53.0	53.8
- ppm @ 3% O ₂	56.6	54.1	54.2	55.0
- lbs/million Btu	0.069	0.066	0.066	0.067
- lbs/hr	0.11	0.09	0.08	0.09
Allowable Oxides of Nitrogen Emissions				
- ppm @ 3% O ₂	30.0	30.0	30.0	30.0
Carbon Monoxide Emissions				
- ppm	150.6	227.3	271.1	216.3
- ppm @ 3% O ₂	148.9	240.7	277.3	222.3
- lbs/million Btu	0.110	0.178	0.205	0.164
- lbs/hr	0.17	0.23	0.26	0.22
Allowable Carbon Monoxide Emissions				
- ppm @ 3% O ₂	400.0	400.0	400.0	400.0
Unit Operating Level				
- Steam Pressure (psig)	82	45	40	56

✓

X