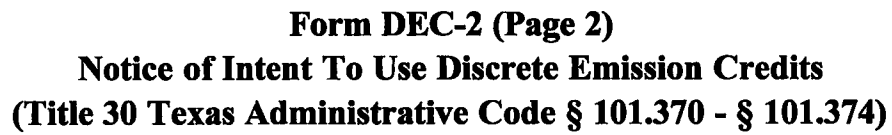




Form DEC-2 (Page 1)
Notice of Intent To Use Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.374)

A notice of intent to use must be submitted to the Texas Commission on Environmental Quality (TCEQ) DERC Registry in accordance with the following requirements:

I. COMPANY IDENTIFYING INFORMATION		
A. Company Name: Ethyl Corporation		
B. Owner or Operator of User Source: Ethyl corporation		
C. Plant/Site Name: Ethyl Corporation - Lube Additives Plant		
D. Street Address: 1000 N. South Avenue		
E. Nearest City: Pasadena	F. Zip Code: 77503	
G. County: Harris	H. Primary SIC: 2869	
I. Regulated Entity Number: RN101613230	J. Air Permit No.: 18161	
K. Telephone: 713-740-8315	L. Fax: 713-740-8310	
M. Mailing Address: P. O. Box 472		
City: Pasadena	State: Texas	Zip Code: 77501-0472
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.) James Yu		
B. Technical Contact Title: Sr. Environmental Engineer		
C. Telephone: 713-740-8320	D. Fax: 713-740-8310	E. E-Mail: james.yu@ethyl.com
F. Mailing Address: P. O. Box 472		
G. City: Pasadena	State: Texas	Zip Code: 77501-0472
III. CONTACT FOR PURCHASE OF CREDIT		
A. Contact Name: (<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) James Yu		
B. Sale Contact Title: Sr. Environmental Engineer		
C. Telephone: 713-740-8320	D. Fax: 713-740-8310	E. E-Mail: james.yu@ethyl.com
E. Mailing Address: P. O. Box 472		
F. City: Pasadena	State: Texas	Zip Code: 77501-0472
IV. STATE AND FEDERAL REQUIREMENTS		
Applicable State and Federal requirements that the DERCs will be used for compliance: <u>30 TAC 117.475(c)(1)(A), 30 TAC 117.570(a),</u> <u>30 TAC 117.534(2)(D)</u>		
V. INTENDED USE PERIOD		
Intended Use Start Date <u>03/16/05</u>		Intended Use End Date <u>03/15/06</u>

[illegible]

Page 2 of 4



Form DEC-2 (Page 3)
Notice of Intent To Use Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.374)

VII. MOST STRINGENT EMISSION RATE

Describe basis for most stringent allowable emission rate: G Permit _____ G RACT _____ G Other: 117.475(c)(1)(A) Notes:

maximum regulatory NOx emission from gas-fired heater - 0.036 lb/MMBtu heat input

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

1. 37 million natural gas with 1,000 Btu/scf heat capacity is estimated to be fed to the hot oil furnace from 3/16/05 to 3/15/06.
2. Emission factor of NOx, 0.076 lb/MMBtu, from Metco's report of the test conducted on September 14, 2004 is used to calculate expected emission rate.
3. Emission factor of NOx, 0.036 lb/MMBtu, from 117.475(c)(1)(A) is used to calculate the most stringent emission rate.
4. DERC required is the difference between expected emission rate and most stringent emission rate.

IX. TOTAL DERCs REQUIRED FOR USE (round up to the nearest ton)

Tons of DERCs required (from Sect. VI.)	CO: _____	NO _x : <u>0.74</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Environmental Contribution (+ 10%)	CO: _____	NO _x : <u>0.07</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Compliance Margin (+ 5%) <i>(if DERCs requires >10 tons)</i>	CO: _____	NO _x : _____	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Offset Ratio (if required)	CO: _____	NO _x : _____	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCs required	CO: _____	NO _x : <u>1</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

X. DERC INFORMATION

Name of the DERC Generator: Multifuels LP

DERC Generator Account Number: RN100225945

Serial numbers of the DERCs acquired or to be acquired: D-1196

Note: The serial numbers are assigned by the TCEQ

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JAN 24 2005

Page 3 of 4

AIR PERMITS DIVISION



Form DEC-2 (Page 4)
Notice of Intent To Use Discrete Emission Reduction Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.374)


XI. PURCHASE DATES AND PRICES

Date on which the DERCs were acquired or will be acquired: 1 / 3 / 2005

Price of the DERCs acquired or the expected price of the DERCs to be acquired: \$ 450 . 00 per ton (Required)

XII. CERTIFICATION BY RESPONSIBLE OFFICIAL

I, Azfar Choudhury, hereby certify, to the best of my knowledge and belief, that this application is correct and the proposed use claimed on this notice meets the requirements of all applicable state and federal rules and regulations. I further understand that the discrete emission reduction credits listed in this notice for use may devalue upon review of their creditability.

Signature  Signature Date 1-18-05

Title Plant Manager

Mail application to:

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

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Page 4 of 4

AIR PERMITS DIVISION

Estimation of DERC

Expected Activity	Emission Factor	Expected emission rate	Regulatory emission factor	Most stringent emission rate	Nox DERC needed
<u>MMBtu</u>	<u>lb/MMBtu</u>	<u>tons</u>	<u>lb/MMBtu</u>	<u>tons</u>	<u>tons</u>
37000	0.076 (note 1)	1.406 (note 3)	0.036 (note 2)	0.666 (note3)	0.74 (note 4)

Notes

1. From the performance evaluation test conducted on September 14, 2004.
2. From 30 TAC 117.475(c)(1)(A).
3. $\text{tons} = \text{MMBtu} \times \text{lb/MMBtu} \times 1 \text{ ton} / 2000 \text{ lb}$
4. $\text{DERC needed} = \text{expected emission rate} - \text{most stringent emission rate}$

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JAN 24 2005
AIR PERMITS DIVISION

PROJECT#: 300820 STATUS: P DISP CODE: C
RECEIVED: PROJTYPE: BDIU ISSUED DT: 6/21/06
01/24/2005
SUP-DISP DATE: ~~12/30/1999~~
6/20/06

WOODALL, JAMES

COMPANY DATA

CUSTOMER REGISTRY ID: CN600127740

NUMBER: P1807 NAME: LUBE AND FUEL PLANT

ACCOUNT: BK00000

REG ENTITY ID: RN101613230

SITE NAME: LUBE AND FUEL ADDITIVES PLANT

COUNTY: HARRIS

LOCATION: DEFAULT DESC TXT

NAME: JAMES YU

TITLE: ENVIRONMENTAL MANAGER

STREET: PO BOX 472 CITY/STATE: ZIP: PASADENA, TX , 77501-0472

PHONE: 713-740-8320 ext 0

FAX: 713-740-8310 ext 0

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN

DATE ENTERED: 2006-04-27 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

TONS: 0.90

DOLLARS: 0

CERTIFICATE NO.: D1196 COUNTY : HARRIS

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET

DATE ENTERED: 2006-04-27 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE0

DELETED DATE:

EFFECTIVE YEAR:

TONS: 19.10

DOLLARS: 0

CERTIFICATE NO.: D2097 COUNTY : HARRIS

TRACKING ACTIVITES

TR -

ENGINEER

RECEIVE

PROJECT :

01/24/2005 TR - PROJ TECH
COMPLETE :

04/28/2006 TR - SUP/MANGR
APP/RVW RQSTD : 06/01/2006

10/10/2006 ----- EBTP IMS- PROJECT RECORD -----

PROJECT#: 300820 STATUS: P DISP CODE: _____
RECEIVED: 01/24/2005 PROJTYPE: BDIU ISSUED DT: _____
SUP-DISP DATE: 12/30/1899

STAFF ASSIGNED TO PROJECT:
WOODALL, JAMES

PROJECT TRANSACTIONS**COMPANY DATA**

COMPANY NAME: ETHYL CORPORATION
CUSTOMER REGISTRY ID: CN600127740

PORTFOLIO DATA

NUMBER: P1807 NAME: LUBE AND FUEL PLANT

SITE DATA

ACCOUNT:
REG ENTITY ID: RN101613230
SITE NAME: LUBE AND FUEL ADDITIVES PLANT
COUNTY: HARRIS
LOCATION: DEFAULT DESC TXT

*Still
pending*

CONTACT DATA

NAME: JAMES YU TITLE: ENVIRONMENTAL MANAGER
STREET: PO BOX 472 CITY/STATE, ZIP: PASADENA, TX , 77501-0472
PHONE: 713-740-8320 ext 0
FAX: 713-740-8310 ext 0

TRANSACTION DATA

TRANSACTION TYPE: DERC_INTEN
DATE ENTERED: 2006-04-27 00:00:00.0 DELETED DATE: EFFECTIVE YEAR:
CONTAMINATE: NOX TONS: 0.90 DOLLARS: 0
ALLOWANCE0 CERTIFICATE NO.: D1196 COUNTY : HARRIS

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET
DATE ENTERED: 2006-04-27 00:00:00.0 DELETED DATE: EFFECTIVE YEAR:
CONTAMINATE: NOX TONS: 19.10 DOLLARS: 0
ALLOWANCE0 CERTIFICATE NO.: D2097 COUNTY : HARRIS

TRACKING ACTIVITES

TR - ENGINEER RECEIVE PROJECT : 01/24/2005 TR - PROJ TECH COMPLETE :
04/28/2006 TR - SUP/MANGR APP/RVW RQSTD : 06/01/2006

DISCRETE EMISSION CREDITS/EMISSION CREDIT USE TECHNICAL REVIEW

Project No.: 300820
 Project Type: BDIU
 Company: Ethyl Corporation
 City: Pasadena
 Project Reviewer: Mr. James G. Woodall

Customer Reference No.: CN600127740
 Regulated Entity No.: RN101613230
 Facility Name: Lube And Fuel Additives Plant
 County: Harris
 Portfolio Name: Lube And Fuel Plant

Project Overview

Ethyl Corporation has submitted a form DEC-2 (Notice of Intent to Use Discrete Emission Credits), dated January 18, 2005. They are submitting this form to request a temporary increase in their emission limits for their gas-fired heater (X-C-1). This unit has an ESAD of 0.036 lb/MMBtu, which can be found in 117.475(c)(1)(A). Their expected emission limits come from a Metco stack test conducted on September 14, 2004. A total of 37 million standard cubic feet of gas with a heat capacity of 1,000 Btu/scf is estimated to be fed to the unit during the time frame.

Discrete Emission Credit / Emission Reduction Credit Use

Discuss reason for use.

Ethyl Corporation is using these credits to allow an increase in emissions above their ESADs in 117.475(c)(1)(A) with an estimated increase of 0.9 tons during the time frame specified in their application.

Certificate(s) to be used	D-1196
Pollutant	NOx
Amount	0.9
Regulation	117.475(c)(1)(A)
Use period/Use Date	03/16/2005 - 03/15/2006

Credit Use Calculation Methods

Discuss calculation method for use

Emission credit use was calculated using 30 TAC §101.306 guidelines. Under §101.306(b)(2), the number of emission credits needed to maintain compliance with Chapter 117 is determined according to the following equation plus an additional 10% to be retired as an environmental contribution.

$$DERCs = A \times (E_{fp} - E_{fr})$$

Where:

A = maximum projected annual activity level during use period
 E_{fp} = projected emission rate per unit of activity during use period
 E_{fr} = emission rate per unit of activity required by chapter 117

The State of Texas
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Certificate Number

D-2097



Number of Credits

19.1 tons NOx

Discrete Emission Reduction Credit Certificate

This certifies that
Ethyl Corporation
1000 N. South Avenue
Pasadena, TX 77503

is the owner of 19.1 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.: RN100225945
County of Generation: Brazoria

Generator Certificate: D-1004

*Original submitted
with project 400478*

June 21, 2006

Date

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

Executive Director
Texas Commission on Environmental Quality

Kathleen Hartnett White, *Chairman*
Larry R. Soward, *Commissioner*
Glenn Shankle, *Executive Director*



JW

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 21, 2006

Mr. James Yu
Environmental Manager
Ethyl Corporation
P.O. Box 472
Pasadena, Texas 77501

Re: Notice of Intent to Use Discrete Emission Credits
Lube and Fuel Additives Plant
Pasadena, Harris County
Regulated Entity Number: RN101613230
Customer Reference Number: CN600127740

Dear Mr. Yu:

This letter is in response to your Form DEC-2 (Notice of Intent to Use Discrete Emission Credits), dated January 18, 2005, for compliance with Title 30 Texas Administrative Code (30 TAC) Chapter 117. We understand you plan to use 0.9 tons of nitrogen oxides (NO_x) discrete emission credits for the purposes of complying with emissions specifications for attainment demonstration for heaters 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 through 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.

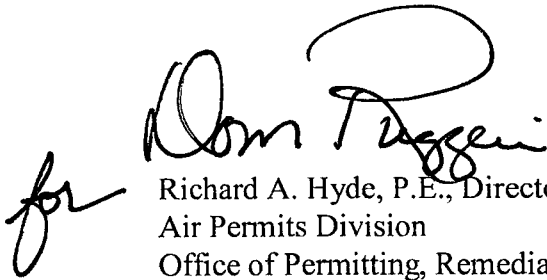
Enclosed is a copy of Discrete Emissions Reduction Credits (DERC) Certificate Number D-2097, issued to Ethyl Corporation, for the remainder of 19.1 tons of certified discrete emission credits from DERC Certificate Number D-1196. This certificate has been deposited into the Texas Commission on Environmental 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. James Yu
Page 2
June 21, 2006

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. James G. Woodall at (512) 239-5856 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,

for

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

RAH/JW/pl

cc: Mr. Bob Allen, Director, Harris County Public Health and Environmental Services, Pollution
Control Department, Pasadena
Air Section Managers, Region 12 - Houston

Project Number: 300820

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

Project No.:	300820	Customer Reference No.:	CN600127740
Project Type:	BDIU	Regulated Entity No.:	RN101613230
Company:	Ethyl Corporation	Facility Name:	Lube And Fuel Additives Plant
City:	Pasadena	County:	Harris
Project Reviewer:	Mr. James G. Woodall	Portfolio Name:	Lube And Fuel Plant

Project Overview

Ethyl Corporation has submitted a form DEC-2 (Notice of Intent to Use Discrete Emission Credits), dated January 18, 2005. They are submitting this form to request a temporary increase in their emission limits for their gas-fired heater (X-C-1). This unit has an ESAD of 0.036 lb/MMbtu, which can be found in 117.475(c)(1)(A). Their expected emission limits come from a Metco stack test conducted on September 14, 2004. A total of 37 million standard cubic feet of gas with a heat capacity of 1,000 Btu/scf is estimated to be fed to the unit during the time frame.

Discrete Emission Credit / Emission Reduction Credit Use

Discuss reason for use.

Ethyl Corporation is using these credits to allow an increase in emissions above their ESADs in 117.475(c)(1)(A) with an estimated increase of 0.9 tons during the time frame specified in their application.

Certificate(s) to be used	D-1196
Pollutant	NOx
Amount	0.9
Regulation	117.475(c)(1)(A)
Use period/Use Date	03/16/2005 - 03/15/2006

Credit Use Calculation Methods

Discuss calculation method for use

Emission credit use was calculated using 30 TAC §101.306 guidelines. Under §101.306(b)(2), the number of emission credits needed to maintain compliance with Chapter 117 is determined according to the following equation plus an additional 10% to be retired as an environmental contribution.

$$\text{DERCs} = A \times (\text{Efp} - \text{Efr})$$

Where:

A = maximum projected annual activity level during use period
Efp = projected emission rate per unit of activity during use period
Efr = emission rate per unit of activity required by chapter 117

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

Regulated Entity Number:

Page 2

Heater (X-C-1) Discrete Emission Reduction Credit Use:

$E_{fp} = 0.076 \text{ lbs/MMbtu}$ [Measured emission rate during stack test]

$E_{fr} = 0.036 \text{ lbs/MMbtu}$ [30 TAC 117.475(c)(1)(A)]

$A = \text{annual activity level} = 37,000 \text{ MMBtu/yr}$

$DERCs = A \times (E_{fp} - E_{fr})$

$DERCs = 37,000 \text{ MMBtu} \times (0.076 - 0.036) \text{ lbs/MMbtu}$


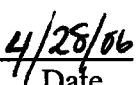
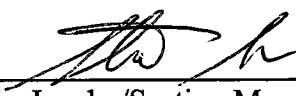

$DERCs = 0.74 \text{ tons}$

$DERCs + 10\% \text{ environmental contribution} = 0.74 + 0.074 = 0.814 \sim 0.9 \text{ tons when rounded up to nearest tenth.}$

Total DERCs needed = 0.9 tons.

Conclusion:

Ethyl Corporation has submitted the required documentation to increase their allowed emission rates according to 101.306 and 117.475(c)(1)(A). They will set aside 0.9 tons of certificate D-1196 for their intent to use, and the remaining 19.1 tons will be retained by them on certificate D-2097.

 _____ Project Reviewer	 _____ Date	 _____ Team Leader/Section Manager/Backup	 _____ Date
--	--	---	--

Ethyl Corporation
Houston Plant

Please Address Reply To:
P.O. Box 472
Pasadena, TX 77501-0472

January 20, 2005

CERTIFIED MAIL - RETURN RECEIPT REQUESTED
Article No. 7002 0460 0002 0631 7716

Emission Banking and Trading Program
TCEQ MC 163
P. O. Box 13087
Austin, TX 78711-3087

Re: Form DEC-2
Ethyl Corp., Pasadena, Harris County
Regulated Entity Number: RN101613230
Customer Reference Number: CN600127740

Dear Sir or Madam:

Pursuant to the regulation under 30 TAC §101.376(d), Ethyl Corp. submits a completed DEC-2 Form, Notice of Intent to Use Discrete Emission Credits, for the period from March 16, 2005 to March 15, 2006. The actual calculation to determine the amounts of DERC needed is also attached.

If you have any questions or need additional information, please contact me at (713) 740-8320.

Sincerely yours,



James Yu
Sr. Environmental Engineer

RECEIVED

JAN 24 2005

AIR PERMITS DIVISION