

Robert J. Huston, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
John M. Baker, *Commissioner*
Jeffrey A. Saitas, *Executive Director*



RCC
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TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

April 27, 2001

Mr. Richard Haar
Senior Environmental Engineer
DuPont Chemical Solutions Enterprise
P.O. Box 3269
Beaumont, Texas 77704-3269

Re: Generation of Discrete Emission Reduction Credits
DuPont Beaumont Site
Beaumont, Jefferson County
Account ID No. JE-0033-C

Dear Mr. Haar:

This will acknowledge receipt of your letter dated March 27, 2001 regarding the generation of Discrete Emission Reduction Credits (DERCs) for calendar year 2000. Generation of credit by this reduction strategy does not meet the requirements of 30 Texas Administrative Code (TAC) Chapter 101, Subchapter H, Division 4, *Discrete Emission Credit Banking and Trading*, for the following reason:

The DERCs may not be generated by any strategy that curtails an activity at a source.

Please note that, if made permanently enforceable through a permit alteration, the reductions associated with this strategy may qualify as emission reduction credits under 30 TAC Chapter 101, Subchapter H, Division 1, *Emission Credit Banking and Trading*.

Thank you for your cooperation in this matter. If you have questions concerning the review or this notice, call Mr. Cory Chism at (512) 239-0539 or write to him at the Texas Natural Resource Conservation Commission, Office of Permitting, Remediation, and Registration, Air Permits Division (MC-162), P.O. Box 13087, Austin, Texas 78711-3087. If you need further assistance regarding the banking program or future transactions, please call me at (512) 239-1091.

Sincerely,

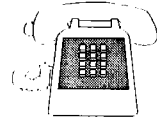
A handwritten signature in dark ink, appearing to read "M. Baker", followed by a horizontal line.

Matthew R. Baker
Emission Credit Trading Coordinator
Air Permits Division

MB/RC/jr

cc: Mr. Arturo Blanco, Air Program Manager, Region 12 - Houston

RECORD OF TELEPHONE CALL



DATE: April 23, 2001
TIME: 10:00am

CC

Staff Contact: **Cory Chism**
Phone: **239-0539**
Division: **Air Permits**
City: **Austin**

Company Contact: **Rich Haar**
Phone: **409/727-9128**
Company: **DuPont Chemical**
City: **Beaumont**

SUBJECT: Generation of DERCs at the Beaumont Site

SUMMARY:

Mr. Haar phoned in response to a deficiency letter he received from this office, sent on April 11, 2001. Mr. Haar wanted to inquire as to which equation from Chapter 101, Subchapter H, Division 4 he should use for the strategy implemented at the site since the strategic emission rate was actually higher than the baseline emission rate. He also indicated that the reduction strategy they had made application for was due to a decrease in the throughput of natural gas, therefore, they had decreased the strategic activity level below the baseline activity level. I informed Mr. Haar that this reduction strategy would be considered a curtailment in activity under the DERC rules and would not be permissible. I also discussed the option of making the reduction strategy permanently enforceable by altering the permit for the unit and then applying for Emission Reduction Credits. Mr Haar agreed to denial of the DERC application and indicated that they might reapply under the ERC program.

RCC

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TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

April 11, 2001

Mr. Richard Haar
Senior Environmental Engineer
DuPont Chemical Solutions Enterprise
P.O. Box 3269
Beaumont, Texas 77704-3269

4/26/01

Re: Review of Discrete Emission Reduction Credits
DuPont Beaumont Site
Beaumont, Jefferson County
Account ID No. JE-0033-C

Dear Mr. Haar:

This will acknowledge receipt of your letter dated March 27, 2001 regarding the generation of Discrete Emission Reduction Credits (DERCs). We have determined that the information contained in your registration is incomplete and additional information is needed to enable us to continue with our review. Please furnish the information indicated as follows:

1. Please submit Form DEC-1, *Notice of Generation of DERCs* with the appropriate signature.
2. Provide baseline emissions information, including the baseline activity and the baseline emission rate, for any two consecutive calendar years which precede the reduction strategy including or subsequent to the most recent Emissions Inventory (EI) year used in State Implementation Plan (SIP) determination. For Beaumont/Port Arthur the most recent EI year used in SIP determinations was 1993.
3. Substantiate with back-up documentation the baseline emission rate, baseline activity rate, strategic emission rate, and strategic activity rate.
4. EI data proving the generating unit's annual emissions were reported or represented in the most recent EI used for SIP determinations and EI data for the two consecutive calendar year baseline period.
5. Please give a complete description of how the thermal oxidizer is used in your process, the process control adjustments made to produce the claimed reduction, and identify any federal or state emission requirements applicable to this unit.
6. Please provide the actual calculations performed in determining the amount of credit generated from this reduction strategy.

Mr. Richard Haar

Page 2

April 11, 2001

Re: Review of Discrete Emission Reduction Credits

After receipt of all the additional information, we will continue the review of your request. If the information furnished in response to this notice results in the need for further clarification or additional information, we will communicate that need as soon as possible.

Failure to submit all the requested information within 15 days of the date of this letter will result in the voidance of your application. Once voided, submittal of a new Form DEC-1 and all the information requested above will be required.

Thank you for your cooperation in this matter. If you have questions concerning the review or this notice, please contact me at (512) 239-0539 or write to me at Texas Natural Resource Conservation Commission, Office of Permitting, Air Permits Division (MC-162), P.O. Box 13087, Austin, Texas 7811-3087. If you need further assistance regarding the banking program or future transactions, please call Mr. Matthew R. Baker at (512) 239-1091.

Sincerely,



Cory Chism
Emissions Banking and Trading Team
Air Permits Division
Texas Natural Resource Conservation Commission

RC/bw

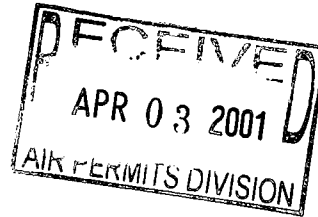
bcc: Mr. Marion Everhart, Air Program Manager, Region 10, Beaumont

DuPont Chemical Solutions Enterprise
P.O. Box 3269
Beaumont, TX 77704-3269



DuPont Chemical Solutions Enterprise

Rec'd



March 27, 2001

Certified Mail (Z 186 004 334)
Return Receipt Requested

Mr. Matthew Baker
Texas Natural Resource Conservation Commission
Core Section, New Source Review Permits
Office of Air Quality, MC-162
P.O. Box 13087
Austin, TX 78711-3087

DuPont Beaumont Works
Beaumont, Jefferson County, TX
Account I.D. No. JE-0033-C

Re: Application for Year 2000 Discrete Emission Reduction Credits (DERC's)

Dear Mr. Baker:

In response to 30 TAC 101.29, DuPont Beaumont Site submits documentation for Discrete Emission Reduction Credits (DERC's) generated in calendar year 2000 ending on December 31, 2000 and encompassing the months of November and December, 2000. Enclosed is documentation requesting 22 tons of NOx DERC's.

The accumulation of DERC's began November 4, 2000, when process control adjustments were implemented for the Acrylonitrile Thermal Oxidizer (EPN ACR-TOU51) which resulted in a net 30 pph NOx emission reduction during Thermal Oxidizer process operation.

If you have any questions, please call me at (409) 727-9128 or Glenn Harrison at (409) 727-9480.

Sincerely,

Richard H. Haar
Senior Environmental Engineer

RHH/sn
Enclosures

Overview

Creation of Discrete Emission Reduction Credits for the DuPont Beaumont Site, Beaumont Texas:

DuPont Beaumont Site, Beaumont, TX requests to be credited with Discrete Emission Reduction Credits (DERC's) that were created when process control changes were implemented for the Acrylonitrile Plant Thermal Oxidizer (EPN ACR-TOU51).

On November 4, 2000 DuPont implemented process control adjustments for the Thermal Oxidizer which resulted in a 30 pph reduction of NOx emissions. The reduction in NOx emissions is quantified using the TOU's TNRCC approved CEMS analyzers and their historical data. Historical CEMS data for October 1998 through October 2000 demonstrates a calculated mean baseline emission rate of 100 pph NOx averaged hourly. CEMS data for November and December 2000 demonstrate a calculated mean emission rate of 70 pph NOx averaged hourly. The result is a 22 ton reduction in Thermal Oxidizer NOx stack emissions for November and December, 2000 versus a 2 year historical NOx emissions baseline comparison. (See supporting data and calculations.)

The NOx reduction was achieved by process control changes for the waste gas distribution to the plenum rings, intermediate zone primary controller, and steam purge program for the off gas Preheater. The process control changes are the result of a comprehensive study to reduce Thermal Oxidizer NOx emissions while maintaining complete off gas combustion and destruction.

The application, along with the necessary documentation and calculations is enclosed. If you would like additional information, please call me at (409) 727-9480, or Rich Haar at (409) 727-9128.

Glenn E. Harrison
ACRN Production/Project Manager

ACRN Thermal Oxidizer NOx DERCS

(EPN ACR-TOU51)

Summary of Calculations

Base line NOx (2 year average)

10/98 to 10/99 106.942 pph (Mean) Attach. A

10/99 to 10/00 93.1932 pph (Mean) Attach. B

Avg. = 100.07 pph

Post change NOx (2 months)

11/00 and 12/00 69.8763 pph (Mean) Attach. C

Difference 100 pph NOx
 -70 pph NOx
 30 pph NOx

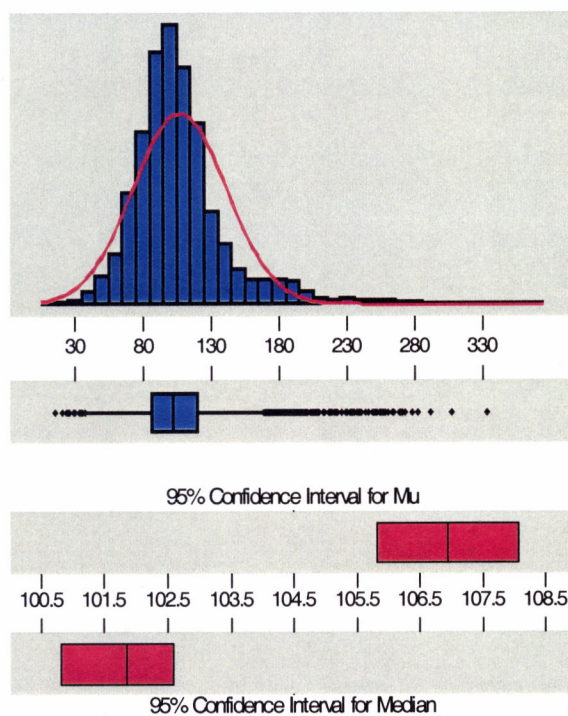
30 lbs./hr. NOx X 61 days X 24 hours/day = 43920 pounds or

21.96 tons NOx DERCS

Attachment A

ACRN Thermal Oxidizer Nox Values: October 1998 thru October 1999

Descriptive Statistics



NOx 10/98 Thru 10/99

Anderson-Darling Normality Test

A-Squared: 85.069
P-Value: 0.000

Mean 106.942
StDev 34.297
Variance 1176.32
Skewness 1.52282
Kurtosis 4.38731
N 3592

Minimum 15.436
1st Quartile 86.745
Median 101.853
3rd Quartile 119.332
Maximum 333.217

95% Confidence Interval for Mu
105.820 108.064

95% Confidence Interval for Sigma
33.522 35.110

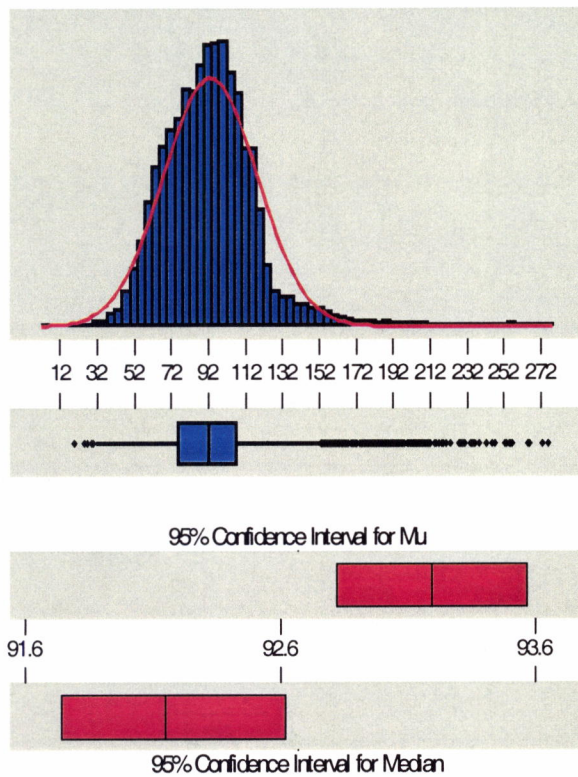
95% Confidence Interval for Median
100.838 102.594

Attachment B

October 1999 thru October 2000:

Descriptive Statistics

NOx 10/99 thru 10/00



Anderson-Darling Normality Test

A-Squared 120.774
P-Value: 0.000

Mean 93.1932
StDev 25.2630
Variance 638.217
Skewness 1.23573
Kurtosis 4.65397
N 17542

Minimum 20.323
1st Quartile 76.273
Median 92.149
3rd Quartile 106.729
Maximum 275.704

95% Confidence Interval for Mu
92.819 93.567

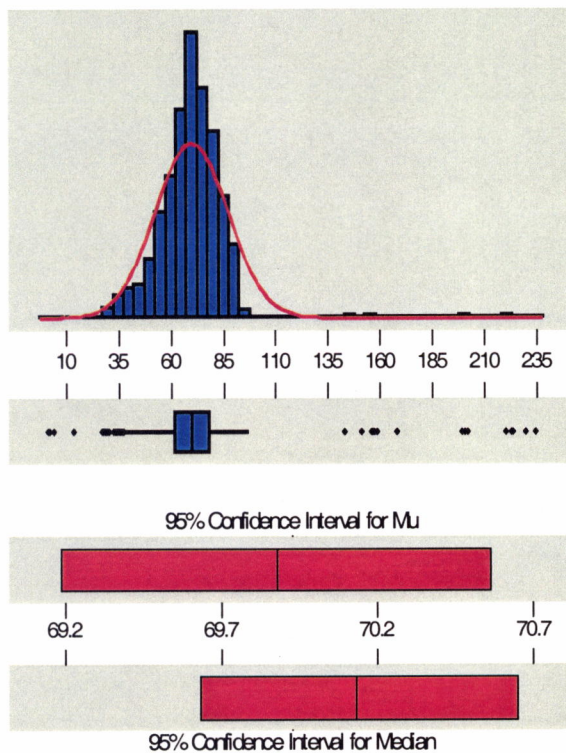
95% Confidence Interval for Sigma
25.001 25.530

95% Confidence Interval for Median
91.746 92.615

Attachment C

November 4, 2000 thru December 28, 2000

Descriptive Statistics



Variable: NOx 11/00 th

Anderson-Darling Normality Test

A-Squared	61.502
P-Value	0.000

Mean	69.8763
StDev	17.4047
Variance	302.922
Skewness	3.01590
Kurtosis	26.6143
N	2457

Minimum	1.556
1st Quartile	61.769
Median	70.133
3rd Quartile	78.088
Maximum	233.855

95% Confidence Interval for Mu	
69.188	70.565

95% Confidence Interval for Sigma	
16.931	17.905

95% Confidence Interval for Median	
69.634	70.660