

AIR DERC_102004892-405595_
USE_20110503_Use_D2354

04/19/2011 ----- EBTP IMS- PROJECT RECORD -----

PROJECT#: 405595 STATUS: P
RECEIVED: 03/17/2011 PROJTYPE: BUSE

DISP CODE: C ✓
ISSUED DT:
SUP-DISP DATE: 5/3/2011

STAFF ASSIGNED TO PROJECT:
THOMAS, JOE

PROJECT NOTES:

INTENT PERIOD CHANGED TO 1/1 TO 9/8/10 BECAUSE D-2354 EXPIRED ON 9/9/10 (GENERATED FROM SHUTDOWN).

PROJECTS 405595, 405596, AND 405705 PROCESSED TOGETHER (SINGLE TECH REVIEW AND DCUS).
CERTIFICATE D-2762 (RETURN FROM 405705) SENT WITH DCUS.

GROUPWISE DOCUMENTS: DCTR - 16769; DCUS - 16771; DCCT - 16772.

PROJECT TRANSACTIONS**COMPANY DATA**

COMPANY NAME: MILLER TRANSPORTERS INC
CUSTOMER REGISTRY ID: CN600369508

PORTFOLIO DATA

NUMBER: P3007 NAME: MILLER TRANSPORTERS - RN102004892

SITE DATA

ACCOUNT:
HG1266P

REG ENTITY ID: RN102004892

SITE NAME: MILLER TRANSPORTERS

COUNTY: HARRIS

NEAREST CITY: CHANNELVIEW

LOCATION: 15855 WOOD AVE, CHANNELVIEW, TX

CONTACT DATA

NAME: PHILIP EVANS

TITLE: SENIOR DIRECTOR, TECHNICAL SERVICES

STREET: 110 BENDER AVE CITY/STATE, ZIP: HUMBLE, TX , 77338-0

FAX: 281-446-3348 ext 0

PHONE: 281-446-7070 ext 0

Email: pevans@wcmgroup.com

NAME: ED MATLAGE

TITLE: DIRECTOR OF ENVIRONMENTAL AFFAIRS

STREET: P.O. BOX 1123 CITY/STATE, ZIP: JACKSON, MI , 39205-1123

FAX: 601-923-2595 ext 0

PHONE: 800-645-5378 ext 0

Email: ematlage@millert.com

TRANSACTION DATA

TRANSACTION TYPE: DERC_USE

DATE ENTERED: 2011-03-25 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE0

DELETED DATE:

TONS: 0.20

CERTIFICATE NO.: D2760 COUNTY : HARRIS

EFFECTIVE YEAR:

DOLLARS: 0

TRANSACTION DATA

TRANSACTION TYPE: DERC_RET

DATE ENTERED: 2011-03-25 00:00:00.0

CONTAMINATE: NOX

ALLOWANCE

DELETED DATE:

EFFECTIVE YEAR:

TONS: 0.30

DOLLARS: 0

CERTIFICATE NO.: D2763 COUNTY : HARRIS

TRACKING ACTIVITESTR - ENGINEER RECEIVE
PROJECT :

03/28/2011

TR - PROJ TECH
COMPLETE :

04/15/2011

TR - SUP/MANGR
APP/RWW RQSTD :

04/19/2011

FA - PROJECT ISSUED :

TR - DATE SUP/MNGR
REQ ADDL TR :

DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Project Nos.:	405595, 405596, 405705	Customer Reference No.:	CN600369508
Project Type:	BUSE/BUSE/BDIV	Regulated Entity No.:	RN102004892
Company:	Miller Transporters, Inc.	Facility Name:	Miller Transporters
City:	Channelview	County:	Harris
Project Reviewer:	Mr. Joseph Thomas	Portfolio Name:	P3007

Projects Overview

Miller Transporters, Inc., (Miller) submitted two Forms DEC-3 (Notice of Use of Discrete Emission Credits) for the purpose of compliance with 30 Texas Administrative Code (TAC) §101.376 for the Miller Transporters facility in Harris County. Each form DEC-3 was processed in a separate use project. Project 405595 covered the first part of the use period - January 1, 2010, through September 8, 2010. Project 405596 covered the second part of the use period - September 9, 2010, through December 31, 2010. In project 404221, Miller set aside nitrogen oxide (NO_x) Discrete Emission Reduction Credits (DERCs) to comply with the requirement in 30 TAC §101.376 to have DERCs available for the use period of January 1, 2010, through December 31, 2010. However, because the DERCs set aside were generated from a shutdown, they expired on September 9, 2010. Therefore, Miller submitted the second Form DEC-3 to clarify that different DERCs were needed for the second part of the use period. Additionally, an in-house intent to use project 405705 was processed to set aside for the second part of the use period an additional 0.1 ton of DERCs from another certificate (D-2736) that had not expired. This technical review covers projects 405595, 405596, and 405705.

Miller sent the two Forms DEC-3 to the TCEQ Banking team on March 17, 2010, which is within 90 days of the end of the use period established in project 404221. Since Miller submitted the forms in time based on the use period established by the TCEQ Banking Team, Miller is in compliance although the form for the first part of the use period was received more than 90 days after the end of that part of the established use period (January 1, 2010, to December 31, 2010). There were two associated intent projects: 404221 set aside 0.5 ton of NO_x DERCs (including the 10% environmental contribution of 0.1 ton) from DERC certificate D-2354 for the use period of January 1, 2010, to December 31, 2010. Because the DERCs from D-2354 expired on September 9, 2010, in-house intent project 405705 was processed to set aside an additional 0.1 ton of NO_x DERCs from certificate D-2736. As part of the intent project, certificate D-2762 will be issued to Miller for the 1.4 tons of NO_x DERCs remaining from D-2736. Miller has reported that 0.2 tons of NO_x DERCs (including the 10% environmental contribution of 0.1 ton) were used during the first part of the use period and 0.1 ton in the second part of the use period. Since the amounts set aside expired and were used, respectively, no certificates are returned from either use project.

Discrete Emission Credit Use

Miller is subject to the Emission Specification for Attainment Demonstration (ESAD) listed in 30 TAC §117.2010(c)(1)(A). The site has two boilers: Facility Identification Numbers (FINs) BLR-1 and 95-1, whose actual emission rates are 0.043 lb-NO_x/MMBtu and 0.072 lb NO_x/MMBtu, respectively. The emission rates were determined during stack tests conducted on August 5, 2005. Because these emission rates are higher than the ESAD, the company used DERCs to account for the difference.

Certificate used in first part of use period
Pollutant
Amount
Regulation
Use period

D-2354
Nitrogen Oxides
0.2 ton
30 TAC § 117.2010(c)(1)(A)
January 1 through September 8, 2010

Discrete Emission Credit Use Cont.

Certificate used in second part of use period

Pollutant

Amount

Regulation

Use period

D-2736

Nitrogen Oxides

0.1 ton

30 TAC § 117.2010(c)(1)(A)

September 9 through December 31, 2010

Credit Use Calculation Methods:

Miller submitted actual levels of activity from January 1, 2010, to September 8, 2010, of 2,429.9 million British thermal units (MMBtu) for FIN BLR-1 and 1,427.1 MMBtu for FIN 95-1 and from September 9, 2010, to December 31, 2010, of 1,179.7 MMBtu for FIN BLR-1 and 692.8 MMBtu for FIN 95-1. The emission rates (for the entire use period) were 0.043 lb-NO_x/MMBtu for FIN BLR-1 and 0.072 lb-NO_x/MMBtu, based on the stack test for each boiler on August 5, 2005.

Per 30 TAC §101.376(e)(2)(A), the calculation for the first part of the use period for FIN BLR-1 (shown as an example) is the following:

DERCs Used = ALA x (AER - RER) ÷ 2000 lb/ton + 10% environmental contribution.

Where:

ALA = actual level of activity = 2,429.9 MMBtu

AER = actual emission rate per unit activity = 0.043 lb/MMBtu

RER = regulatory emission rate per unit activity = 0.036 lb/MMBtu

DERCs Used = 2,429.9 MMBtu × (0.043 lb/MMBtu - 0.036 lb/MMBtu) ÷ 2000 lb/ton]*

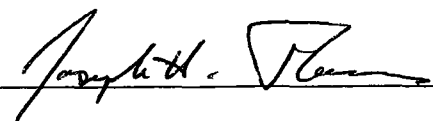
*The 10% environmental contribution is not included in this calculation because it was computed from the aggregate DERC usage for both boilers for the entire use period.


DERCs Used = 0.0085 ton

For the first part of the use period, the excess emissions from FIN BLR1 were 0.0085 ton, and the those from FIN 95-1 were 0.0256 ton. For the second part of the use period, the excess emissions from FIN BLR1 were 0.0041 ton, and those from FIN 95-1 were 0.0125 ton. In both cases, the total excess emissions are 0.1 ton when rounded up to the nearest 1/10 ton. Because the intended use period for the facility was calendar year 2010, the 10% environmental contribution is only incurred once, so this factor is 0.1 ton when rounded up to the nearest 1/10 ton. Therefore, the total DERCs used for compliance in Calendar Year 2010 is 0.3 ton.

Conclusion:

Miller has submitted all required documentation for the use of NO_x DERCs to be in compliance with 30 TAC §117.2010(c)(1)(A). For the first part of the use period, an amount of 0.2 ton of NO_x DERCs (including the 10% environmental contribution) will be used from DERC certificate D-2354; the remaining DERCs from this certificate and on D-2496 (certificate returned with the remaining allowances from D-2276) expired on September 9, 2010, so the certificates will be stamped used/retired. For the second part of the use period, an amount of 0.1 ton of NO_x DERCs will be used from DERC certificate D-2736, which will be stamped used/retired. Under the in-house intent to use project (405705), certificate D-2762 will be issued to Miller for the 1.4 tons of NO_x credits that remained from certificate D-2730. Certificate D-2730 (previously D-1028) has been retired.

 4/19/2011
Account Manager Date

 5/3/2011
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)

405 595 - Revised

I. COMPANY IDENTIFYING INFORMATION			
A. Company Name: Miller Transporters, Inc.			
Mailing Address: P.O. Box 1123			
City: Jackson	State: Mississippi	Zip Code: 39205-1123	
Telephone: (800) 645-5378		Fax: (601) 923-2595	
B. TCEQ Customer Number (CN): CN600369508			
C. Site Name: Miller Transporters (Channelview)			
Street Address (If no street address, give driving directions to site) 15855 Wood Drive			
Nearest City: Channelview	Zip Code: 77530	County: Harris	
D. TCEQ Regulated Entity Number (RN): RN102004892			
E. TCEQ Air Account Number: (if applicable) HG-1266-P			
F. Primary SIC: 4231 (NAICS 788999)		Air Permit Number: 19802	
II. TECHNICAL CONTACT IDENTIFYING INFORMATION			
A. Company Contact Name: (<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) : Phil Evans			
Technical Contact Title: Senior Director, Technical Services			
Mailing Address: 110 Bender Ave.			
City: Humble	State: Texas	Zip Code: 77338	
Telephone: 281-446-7070	Fax: 281-446-3348	E-mail: pevans@wcmgroup.com	
III. COMPANY CONTACT IDENTIFYING INFORMATION			
A. Company Contact Name: (<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) : Ed Matlage			
Company Contact Title: : Director of Environmental Affairs			
Mailing Address: : P.O. Box 1123			
City: Jackson	State: Mississippi	Zip Code: 39205-1123	
Telephone: (800) 645-5378	Fax: (601) 923-2595	E-mail: ematlage@millert.com	
IV. 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 X			
V. Use Period			
Use Start Date: 01/01/2010		Use End Date: 09/08/2010	
VI. State and Federal Requirements			
Applicable State and Federal requirements that the DERCs will be used for compliance:			



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

VII. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate:

☐ Permit : _____ ☒ RACT : 0.036 lb/MMBtu ☐ Other: _____

Notes:

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

Continue to Section VII (next page)



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

IX. Tons of DERCs Used									
Emission Point No.	FIN	Air Contaminant	Calculation of DERCs						
			Actual Activity (units)	Actual Emissions Rate (units)	Actual Total Emissions (tons)	Regulated Activity (units)	Regulated Emissions Rate (units)	Regulated Total Emissions (tons)	DERCs Used (tons)
BLR-1	BLR-1	NOx	2,429.9 MMBtu/yr	0.043 lb/MMBtu	0.052	2,429.9 MMBtu/yr	0.036 lb/MMBtu	0.044	0.00850
95-1	95-1	NOx	1,427.1 MMBtu/yr	0.072 lb/MMBtu	0.051	1,427.1 MMBtu/yr	0.036 lb/MMBtu	0.025	0.026 0.02569
								Total:	0.034



Form DEC-3 (Page 4)
Notice of Use of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

X. TOTAL DERCs REQUIRED FOR USE (round up to the nearest tenth of a ton)

Tons of DERCs required (from Sect. VI.)	CO: _____	NO _x : <u>0.1</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Offset Ratio (if required)	CO: _____	NO _x : _____	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Environmental Contribution (+ 10%)	CO: _____	NO _x : <u>0.01</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCs Used	CO: _____	NO _x : <u>0.11 or 0.2</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

XI. DERC INFORMATION

Name of the DERC Generator: NA
DERC Generator Regulated Entity Number: NA
Certificate number of the DERCs acquired or to be acquired: D2354
Note: The certificate number is assigned by the TCEQ

XII. CERTIFICATION BY RESPONSIBLE OFFICIAL

I, Ed Matlage, 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.

Signature: _____ Date: _____

Title Director of Environmental Affairs

Name: Miller Transporters, Inc.

Facility: Channelview Terminal

2010 DERC Use Calculations:

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

Compliance Period: January 01, 2010 - September 08, 2010)

Where:

ELA = expected level of activity

EER = expected emission rate per unit activity

RER = regulatory emission rate per unit of activity

Boiler: BLR-1

Assumption:

Actual Fuel Usage =	2,382.3 MCF/yr
Actual Fuel Usage =	2,429.9 MMBtu/yr
Expected Emis. Rate =	0.043 lb/MMBtu
Regulatory Emis Rate=	0.036 lb/MMBtu

DERCs Used = $((2,429.9 \text{ MMBtu/yr} \times 0.043 \text{ lb/MMBtu}) - (2,429.9 \text{ MMBtu/yr} \times 0.036 \text{ lb/MMBtu})) / 2000 \text{ lb/ton}$
= 0.009 tons/year

Boiler: 95-1

Assumption:

Actual Fuel Usage =	1,399.1 MCF/yr
Actual Fuel Usage =	1,427.1 MMBtu/yr
Expected Emis. Rate =	0.072 lb/MMBtu
Regulatory Emis Rate=	0.036 lb/MMBtu

DERCs Used = $((1,427.1 \text{ MMBtu/yr} \times 0.072 \text{ lb/MMBtu}) - (1,427.1 \text{ MMBtu/yr} \times 0.036 \text{ lb/MMBtu})) / 2000 \text{ lb/ton}$
= 0.026 tons/year

2010 Total Actual Facility Emissions = 0.034 tons/year
= 0.10 tons/year

Total DERCs Used = 2010 Actual tons/year + 10% environmental contribution = 0.11 tons/year
= 0.2 tons/year

2010 Total DERCs Used = 0.2 tons/year

Name: Miller Transporters, Inc.

Facility: Channelview Terminal

2010 DERC Use Calculations:

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

Compliance Period: September 09, 2010 - December 31, 2010)

Where:

ELA = expected level of activity

EER = expected emission rate per unit activity

RER = regulatory emission rate per unit of activity

Boiler: BLR-1

Assumption:

Actual Fuel Usage = 1,156.53 MCF/yr

Actual Fuel Usage = 1,179.66 MMBtu/yr

Expected Emis. Rate = 0.043 lb/MMBtu

Regulatory Emis Rate = 0.036 lb/MMBtu

DERCs Used = $((1,179.7 \text{ MMBtu/yr} \times 0.043 \text{ lb/MMBtu}) - (1,179.7 \text{ MMBtu/yr} \times 0.036 \text{ lb/MMBtu})) / 2000 \text{ lb/ton}$
= 0.004 tons/year

Boiler: 95-1

Assumption:

Actual Fuel Usage = 679.2 MCF/yr

Actual Fuel Usage = 692.8 MMBtu/yr

Expected Emis. Rate = 0.072 lb/MMBtu

Regulatory Emis Rate = 0.036 lb/MMBtu

DERCs Used = $((692.8 \text{ MMBtu/yr} \times 0.072 \text{ lb/MMBtu}) - (692.8 \text{ MMBtu/yr} \times 0.036 \text{ lb/MMBtu})) / 2000 \text{ lb/ton}$
= 0.012 tons/year

2010 Total Actual Facility Emissions = 0.017 tons/year
= 0.10 tons/year

Total DERCs Used = 2010 Actual tons/year + 10% environmental contribution = 0.11 tons/year
= 0.2 tons/year

2010 Total DERCs Used = 0.2 tons/year

From: Joe Thomas
To: Evans, Philip
CC: Roberts, Evelyn
Date: 4/13/2011 12:29 PM
Subject: Re: Miller Transporters, Inc. - RN102004892 - 2010 DERC Reports - Revised

Mr. Evans,

In reviewing the actual calculations of emissions, I am unsure of the source of the data on the actual emission rates in the two Forms DEC-3. On the original and revised versions of both reports for both boilers, the actual emission rates are shown as 0.098 lb/MMBtu. However, the stack test summary sheets sent with the original forms show an emission rate of 0.043 lb/MMBtu for BLR-1 and 0.072 lb/MMBtu for 95-1. How were the 0.098 lb/MMBtu values obtained? Is there documentation of the 0.098 lb/MMBtu values?

Please let me know as soon as possible.

Thanks

+++++

Joe Thomas
TCEQ Air Quality Division, Stationary Sources Team
(512) 239-0012
joe.thomas@tceq.texas.gov

How is our customer service? Fill out our online customer satisfaction survey at www.tceq.state.tx.us/goto/customersurvey.

>>> Philip Evans <pevans@wcmgroup.com> 4/12/2011 10:03 AM >>>
Mr. Thomas,

Per our recent discussion, attached are the revised DEC-3 reports from the referenced facility covering the periods January 1, 2010 to September 8, 2010 and September 9, 2010 to December 31, 2010. As requested, the DERC usage in each report was rounded up to the nearest tenth of a ton prior to calculating the 10% environmental contribution. The total usage plus contribution were then rounded up to the nearest tenth of a ton again.

Please be aware that this approach results in a consumption of DERCs far in excess of the actual NOx emission. Recall that the two reports were filed for the periods Jan 1 - Sept 8 and Sept 9 - Dec 31 to address the use of shutdown and non-shutdown DERCs from two separate certificates. Rounding up the NOx emissions before and after the 10% environmental contribution in each report results in a total DERC consumption of 0.5 tons, while the actual NOx emission was only 0.18 tons (or 0.2 tons rounded up to the nearest tenth decimal place). Is there a way to calculate the 10% environmental contribution once on the total NOx emissions from both reports instead of calculating it twice (once for each report) as shown in the revised reports attached? This would change the total DERC consumption from 0.5 tons to 0.3 tons. We would appreciate your assistance in this matter.

Thanks,
Phil Evans
The WCM Group, Inc.
281-446-7070

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From: Evelyn Roberts <eroberts@wcmgroup.com>
To: "Joe.Thomas@tceq.texas.gov" <Joe.Thomas@tceq.texas.gov>
CC: Philip Evans <pevans@wcmgroup.com>
Date: 4/13/2011 10:55 PM
Subject: Re: Miller Transporters, Inc. - RN102004892 - 2010 DERC Reports - Revised
Attachments: MTICHV NOx 2010_DEC-3 Jan-Sept rev2.pdf; MTICHV NOx 2010 DEC-3 Sept-Dec rev 2.pdf; mti_annual DERCs2010 Jan-Sept calc rev2.pdf; mti_annual DERCs2010 Sept-Dec calc rev2.pdf

Joe,

The 0.098 lb/MMBtu actual emission rate shown for both boilers in the original and revised report is incorrect. This rate had been inadvertently left in the Miller calculations from a previous calculation for another client's facility. The 0.098 lb/MMBtu actual emission rate represents the AP-42 boiler emission rate for NOx. Millers revised DEC-3 forms and revised NOx emission calculations have been revised based on an emission rate of 0.043 lbs/MMBtu for BLR-1 and 0.072 lbs/MMBtu for 95-1.

The corrected DEC-3 documentation for both reports is attached. Should you have questions or need additional information, please don't hesitate to contact me or Philip Evans at 281-446-7070.

Thanks,
Evelyn Roberts

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405595

DERC USAGE.

$$\text{BLR-1} \left(\frac{2429.9 \text{ MMBtu}}{\text{yr}} \right) \left(\frac{0.043 \text{ LB}}{\text{MMBtu}} \right) \left(\frac{\text{TON}}{2000 \text{ LB}} \right) = 0.05224 \text{ TON/yr}$$

$$\left(\frac{2429.9 \text{ MMBtu}}{\text{yr}} \right) \left(\frac{0.036 \text{ LB}}{\text{MMBtu}} \right) \left(\frac{\text{TON}}{2000 \text{ LB}} \right) = 0.04374 \text{ TON/yr}$$

$$0.05224 - 0.04374 = 0.00850 \text{ TON/yr}$$

$$95-1 \left(\frac{1427.1 \text{ MMBtu}}{\text{yr}} \right) \left(\frac{0.072 \text{ LB}}{\text{MMBtu}} \right) \left(\frac{\text{TON}}{2000 \text{ LB}} \right) = 0.05138 \text{ TON/yr}$$

$$\left(\frac{1427.1 \text{ MMBtu}}{\text{yr}} \right) \left(\frac{0.036 \text{ LB}}{\text{MMBtu}} \right) \left(\frac{\text{TON}}{2000 \text{ LB}} \right) = 0.02569 \text{ TON/yr}$$

$$0.05138 - 0.02569 = 0.02569 \text{ TON/yr}$$

$$\text{TOTAL } 0.00850 + 0.02569 = 0.03419 \text{ TON/yr}$$

ROUNDED UP TO 0.1 TON/yr

10% ENVIRON CONTRIB = 0.1 TON/yr



Received

MAR 17 2011

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

Air Quality Division

JT 405595

I. COMPANY IDENTIFYING INFORMATION			
A. Company Name: Miller Transporters, Inc.			
Mailing Address: P.O. Box 1123			
City: Jackson	State: Mississippi	Zip Code: 39205-1123	
Telephone: (800) 645-5378		Fax: (601) 923-2595	
B. TCEQ Customer Number (CN): CN600369508			
C. Site Name: Miller Transporters (Channelview)			
Street Address (If no street address, give driving directions to site) 15855 Wood Drive			
Nearest City: Channelview	Zip Code: 77530	County: Harris	
D. TCEQ Regulated Entity Number (RN): RN102004892 P3007			
E. TCEQ Air Account Number: (if applicable) HG-1266-P			
F. Primary SIC: 4231 (NAICS 788999)		Air Permit Number: 19802	
II. TECHNICAL CONTACT IDENTIFYING INFORMATION			
A. Company Contact Name: (<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) : Phil Evans			
Technical Contact Title: Senior Director, Technical Services			
Mailing Address: 110 Bender Ave.			
City: Humble	State: Texas	Zip Code: 77338	
Telephone: 281-446-7070	Fax: 281-446-3348	E-mail: pevans@wcmgroup.com	
III. COMPANY CONTACT IDENTIFYING INFORMATION			
A. Company Contact Name: (<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.) : Ed Matlage			
Company Contact Title: : Director of Environmental Affairs			
Mailing Address: : P.O. Box 1123			
City: Jackson	State: Mississippi	Zip Code: 39205-1123	
Telephone: (800) 645-5378	Fax: (601) 923-2595	E-mail: ematlage@millert.com	
IV. 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 X			
V. Use Period			
Use Start Date: 01/01/2010		Use End Date: 09/08/2010	
VI. State and Federal Requirements			
Applicable State and Federal requirements that the DERCs will be used for compliance:			



Form DEC-3 (Page 4)
Notice of Use of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

VII. Most Stringent Emission Rate

Describe basis for most stringent allowable emission rate:

☐ Permit : _____ ☒ RACT : 0.036 lb/MMBtu ☐ Other: _____

Notes:

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

Continue to Section VII (next page)



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

IX. Tons of DERCs Used									
Emission Point No.	FIN	Air Contaminant	Calculation of DERCs						
			Actual Activity (units)	Actual Emissions Rate (units)	Actual Total Emissions (tons)	Regulated Activity (units)	Regulated Emissions Rate (units)	Regulated Total Emissions (tons)	DERCs Used (tons)
BLR-1	BLR-1	NOx	2,429.9 MMBtu/yr	0.098 lb/MMBtu	0.119	2,429.9 MMBtu/yr	0.036 lb/MMBtu	0.044	0.075
95-1	95-1	NOx	1,427.1 MMBtu/yr	0.098 lb/MMBtu	0.070	1,427.1 MMBtu/yr	0.036 lb/MMBtu	0.025	0.045
								Total:	0.120



Form DEC-3 (Page 4)
Notice of Use of Discrete Emission Credits
(Title 30 Texas Administrative Code § 101.370 - § 101.379)

X. TOTAL DERCS REQUIRED FOR USE (round up to the nearest tenth of a ton)


Tons of DERCS required (from Sect. VI.)	CO: _____	NO _x : <u>0.120</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Offset Ratio (if required)	CO: _____	NO _x : _____	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Environmental Contribution (+ 10%)	CO: _____	NO _x : <u>0.012</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____
Total DERCS Used	CO: _____	NO _x : <u>0.132 or 0.2</u>	PM ₁₀ : _____	SO ₂ : _____	VOC: _____

XI. DERC INFORMATION

Name of the DERC Generator: NA
DERC Generator Regulated Entity Number: NA
Certificate number of the DERCS acquired or to be acquired: D2354
Note: The certificate number is assigned by the TCEQ

XII. CERTIFICATION BY RESPONSIBLE OFFICIAL

I, Ed Matlage, 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.

Signature:  Date: 3-15-11
Title Director of Environmental Affairs

Name: Miller Transporters, Inc.
Facility: Channelview Terminal

2010 DERC Use Calculations:

DERCs Used = ELA X (EER-RER)/ 2000 lb/ton + 10% environmental contribution

Compliance Period: January 01, 2010 - September 08, 2010)

Where:

ELA = expected level of activity

EER = expected emission rate per unit activity

RER = regulatory emission rate per unit of activity

Boiler: BLR-1

Assumption:

Actual Fuel Usage = 2,382.3 MCF/yr
Actual Fuel Usage = 2,429.9 MMBtu/yr
Expected Emis. Rate = 0.098 lb/MMBtu
Regulatory Emis Rate= 0.036 lb/MMBtu

DERCs Used = $((2,438.7 \text{ MMBtu/yr} \times 0.098 \text{ lb/MMBtu}) - (2,438.7 \text{ MMBtu/yr} \times 0.036 \text{ lb/MMBtu})) / 2000 \text{ lb/ton}$
= 0.075 tons/year
0.075 tons/year + 10% environmental contribution = 0.083 tons/year

Boiler: 95-1

Assumption:

Actual Fuel Usage = 1,399.1 MCF/yr
Actual Fuel Usage = 1,427.1 MMBtu/yr
Expected Emis. Rate = 0.098 lb/MMBtu
Regulatory Emis Rate= 0.036 lb/MMBtu

DERCs Used = $((1,432.2 \text{ MMBtu/yr} \times 0.098 \text{ lb/MMBtu}) - (1,432.2 \text{ MMBtu/yr} \times 0.036 \text{ lb/MMBtu})) / 2000 \text{ lb/ton}$
= 0.044 tons/year
0.044 tons/year + 10% environmental contribution = 0.049 tons/year

Total DERCs: 0.132

Total DERCs Used =	0.2 tons
Total DERCs Held =	0.60 tons
Total DERCs Remaining =	0.4 tons

Round up to the nearest tenth

Location:	Miller Transports, Inc. 15855 Wood Drive Channelview, TX	
Date:	8/5/2005	
Boiler Unit:	Superior	EPN: BLR-1
Model No.:	5-5625L	
Test Method:	COSA Combustion Analyzer	
Fuel:	Natural Gas	
Firing Rate:	5.2 MMBtu/hr	
Ambient Temp:	93.3 Deg. F	
Stack Gas		
Temp:	314.4 Deg. F	
O2	7.4 %	
CO2	7.6 %	
Efficiency	88 %	
CO	1 ppm	
CO	1 ppm / 0% O2	
CO	1.3 ppm / 3% O2	
NO	27 ppm	
NOx	43 ppm / 0% O2	
NOx	35.8 ppm / 3% O2	
NOx	0.043 lb/MMBtu	
Ex. Air	53	

Location:	Miller Transports, Inc. 15855 Wood Drive Channelview, TX	
Date:	8/5/2005	
Boiler Unit:	KELCO	EPN: 95-1
Model No.:	560	
Test Method:	COSA Combustion Analyzer	
Fuel:	Natural Gas	
Firing Rate:	3.8 MMBtu/hr	
Ambient Temp:	87.6 Deg. F	
Stack Gas		
Temp:	438.2 Deg. F	
O2	14.9 %	
CO2	3.4 %	
Efficiency	68.3 %	
CO	6 ppm	
CO	20 ppm / 0% O2	
CO	17.9 ppm / 3% O2	
NO	20 ppm	
NOx	71 ppm / 0% O2	
NOx	59.67 ppm / 3% O2	
NOx	0.072 lb/MMBtu	
Ex. Air	244	

Received

MAR 17 2011

MILLER TRANSPORTERS, INC.

Air Quality Division

SPECIALIST
IN TRANSPORTING BULK
COMMODITIES

P. O. BOX 1123
JACKSON, MISSISSIPPI
39215-1123
601/922-8331

March 15, 2011

Texas Commission on Environmental Quality
Emission Banking and Trading Program (MC-206)
P.O. Box 13087
Austin, TX 78711-3087

Reference: Notice of Use of Discrete Emission Reduction Credits (Form DEC-3)
Miller Transporters, Inc; Channelview Facility
CN600369508; RN102004892

Dear Sir or Madam:

Miller Transporters, Inc. is submitting the enclosed Notice of Use of Discrete Emission Credits (Form DEC-3) for the above-referenced facility covering the compliance period beginning January 1, 2010 and ending September 08, 2010. A Notice of Intent to Use Discrete Emission Reduction Credits (Form DEC-2) was previously submitted to TCEQ.

The attached Form DEC-3 meets the notification requirements of 30 TAC 101.376(e) and includes the actual emissions of Nitrogen Oxides (NO_x) during the use period, the actual amount of DERCs used, and the required environmental contribution.

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

Sincerely,



Ed Matlage
Director of Environmental Affairs

Attachments

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

May 5, 2011

Mr. Ed Matlage
Director of Environmental Affairs
Miller Transporters, Inc.
P.O. Box 1123
Jackson, Mississippi 39205-1123

Re: Use of Discrete Emission Reduction Credits
Miller Transporters
Channelview, Harris County
Regulated Entity Number: RN102004892
Customer Reference Number: CN600369508
Portfolio Number: P3007

Dear Mr. Matlage:

This letter is in response to two Forms DEC-3 (Notice of Use of Discrete Emission Credits) received on March 17, 2011, from Miller Transporters, Inc., regarding the use of 0.3 ton (including the 10% environmental contribution of 0.1 ton) of nitrogen oxides (NO_x) Discrete Emission Reduction Credits (DERCs) for the purpose of compliance with 30 Texas Administrative Code (TAC) §117.2010 for the use period of January 1, 2010, through December 31, 2010, established in project 404221. The two forms reflect the division of the use period to facilitate the use of DERCs with an expiration date of September 9, 2010.

Upon review, we agree that the use of 0.3 ton of NO_x DERCs will meet the requirements of 30 TAC §117.2010. A total of 0.3 ton of NO_x DERCs have been retired from certificate D-2354 and D-2736. Per 30 TAC §101.378(b)(1), any unused credits associated with certificate D-2354 expired on September 9, 2010. Hence, certificates D-2760 and D-2496 have expired and are no longer available for use. The remaining 1.4 tons of NO_x DERCs from certificate D-2736 are being returned to Miller Transporters, Inc., via certificate D-2762, which is enclosed with this letter.

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. Joseph Thomas at (512) 239-0012, 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.

Mr. Ed Matlage

Page 2

May 5, 2011

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

Sincerely,

A handwritten signature in black ink, appearing to read "David Brymer".

David Brymer, Director

Air Quality Division

Texas Commission on Environmental Quality

DB/JT/sd

Enclosure: Certificate D-2762

cc: Air Section Manager, Region 12 – Houston
Mr. Phil Evans, Senior Director, Technical Services, The WCM Group, Inc., Humble
Mr. Michael Schaffer, Director, Environmental Public Health Division, Harris County
Public Health and Environmental Services, Pasadena

Project Numbers: 405595, 405596, 405705

The State of Texas

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Certificate Number:

D-2762



Number of Credits:

1.4 tons NO_x

Discrete Emission Reduction Credit Certificate

This certifies that

Miller Transporters, Inc.

15855 Wood Drive

Channelview, Texas 77530

is the owner of 1.4 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: May 6, 1999 – May 6, 2000

Generator Regulated Entity No.: RN102534278

County of Generation:
Montgomery

Generator Certificate: D-1028

April 27, 2011

Date

David Byrnes

5/5 BG

Banking and Trading Route Slip**Company:**

MILLER TRANSPORTS INC

**Project
Number:**

405595 405596 405705

**Type of Letter
Correspondence:**DCUS DCCT DCTR
(D-2762)**Letter Doc No:**

16771 16772 16769

**Certificate No:
RN#:**

D-2762

RN 102004892

	Initials:	Date
Author/Creator	JBT	4/15/2011
Peer Review Completed	SD	4/19/11
Author/Creator Review	JBT	4/19/11
Review and Approval By:	Initials:	Date
WL Review: Brandon Greulich	BG	5/3
Management Review Chance Goodin	BG for CG	edfs 5/3
Copies made	JBT	5/5/11
Mailed	JBT	5/5/11

Comments/Special Instructions:SEE NOTES ON MICKEY SHEET
FOR 405705Please return **Routing Slip** and **Project Paperwork**
to Brandon Greulich, MC-206, Ext. 4904