

AIR DERC\_102041282-406185\_  
USE\_20111220\_Use\_D2738**12/07/2011 ----- EBTP IMS- PROJECT RECORD -----**PROJECT#: 406185      STATUS: P  
RECEIVED: 11/18/2011      PROJTYPE: BUSEDISP CODE: C ✓  
ISSUED DT:  
SUP-DISP DATE: 12/20/2011**STAFF ASSIGNED TO PROJECT:**  
BANDA, DANIEL**PROJECT NOTES:**

USE: 5/1/2011-8/31/2011. CORRESPONDING INTENT PROJECT: 405590

NOTE THAT THE 30-DAY ROLLING AVERAGE SYSTEM CAP LIMIT (218.9 LBS NOX/DAY) ESTABLISHED BY \$117.320, FOR THE 3RD QUARTER MONTHS (JULY, AUGUST, SEPTEMBER), IS THE SAME FOR THE 1ST, 2ND AND 4TH QUARTER MONTHS.

GROUPWISE DOCUMENTS: DCUS-17786 / DCTR-17787 / DCCT-17788

**PROJECT TRANSACTIONS****COMPANY DATA**COMPANY NAME: AIR PRODUCTS LLC  
CUSTOMER REGISTRY ID: CN602299257**PORTFOLIO DATA**

NUMBER: P0026 NAME: LA PORTE TEXAS FACILITY - RN102041282

**SITE DATA**ACCOUNT:  
HG0010N  
REG ENTITY ID: RN102041282  
SITE NAME: AIR PRODUCTS LA PORTE PLANT  
COUNTY: HARRIS  
LOCATION: 10202 STRANG RD, LA PORTE, TX

NEAREST CITY: LA PORTE

File with:

D2839

D2841

D2794

**CONTACT DATA**NAME: PAUL MORRIS      TITLE: ENVIRONMENTAL ENGINEER  
STREET: PO BOX 3326 CITY/STATE, ZIP: PASADENA, TX , 77501-0  
PHONE: 713-920-7296 ext 0  
FAX: 713-920-7445 ext 0  
Email: morrispj@airproducts.com**TRANSACTION DATA**TRANSACTION TYPE: DERC\_USE  
DATE ENTERED: 2011-11-21 00:00:00.0  
CONTAMINATE: NOX  
ALLOWANCE0DELETED DATE:      EFFECTIVE YEAR:  
TONS: 1.10      DOLLARS: 0  
CERTIFICATE NO.: D2839 COUNTY : HARRIS**TRANSACTION DATA**TRANSACTION TYPE: DERC\_USE  
DATE ENTERED: 2011-11-21 00:00:00.0  
CONTAMINATE: NOX  
ALLOWANCE0DELETED DATE:      EFFECTIVE YEAR:  
TONS: 0.60      DOLLARS: 0  
CERTIFICATE NO.: D2840 COUNTY : HARRIS

**TRANSACTION DATA**

TRANSACTION TYPE: DERC\_RET

DATE ENTERED: 2011-11-21 00:00:00.0

DELETED DATE:

EFFECTIVE YEAR:

CONTAMINATE: NOX

TONS: 43.80

DOLLARS: 0

ALLOWANCE

CERTIFICATE NO.: D2841 COUNTY : HARRIS

---

**TRACKING ACTIVITES**TR - ENGINEER RECEIVE  
PROJECT :

12/06/2011

TR - PROJ TECH  
COMPLETE :

12/07/2011

TR - SUP/MANGR  
APP/RVW RQSTD :

12/12/11

FA - PROJECT ISSUED :

TR - DATE SUP/MNGR  
REQ ADDL TR :

**The State of Texas**  
**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

Certificate Number:

D-2841



Number of Credits:

43.8 tons NO<sub>x</sub>

**Discrete Emission Reduction Credit Certificate**

This certifies that  
***Air Products, LLC***  
***10202 Strang Road***  
***La Porte, TX 77571***

is the owner of 43.8 tons of nitrogen oxides (NO<sub>x</sub>) 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: March 20, 1999 - November 15, 1999

Generator Regulated Entity No.: RN100225945

County of Generation: Brazoria

Generator Certificate: D-1148

December 21, 2011

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

For the Commission

## DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Project No.:	406185	Customer Reference No.:	CN602299257
Project Type:	BUSE	Regulated Entity No.:	RN102041282
Company:	Air Products, LLC	Facility Name:	Air Products La Porte Plant
City:	La Porte	County:	Harris
Project Reviewer:	Mr. Daniel Banda	Portfolio Name:	P0026 – La Porte Texas Facility - RN102041282

### Project Overview

Air Products, LLC, submitted a Form DEC-3, Notice of Use of Discrete Emission Credits, received November 18, 2011, for the purpose of compliance with the 30-day rolling average nitrogen oxides (NO<sub>x</sub>) system cap under 30 Texas Administrative Code (TAC) §117.320 (previously §117.210), at the Air Products La Porte Plant. The corresponding intent to use project is 405590. The site is located in Harris County within the Houston-Galveston-Brazoria (HGB) 8-hour ozone nonattainment area. Air Products, LLC, reported the use of 1.7 tons of NO<sub>x</sub> Discrete Emission Reduction Credits (DERCs) to cover excess emissions from Facility Identification Numbers (FINs) GT-1 through GT-4. This amount includes the 10% environmental contribution of 0.2 ton. The use period is from May 1, 2011, through August 31, 2011. A total of 1.1 tons and 0.6 ton of DERCs will be used from DERC certificates D-2839 and D-2794, respectively.

Intent project 405590 set aside 45.5 tons of NO<sub>x</sub> DERCs from DERC certificates D-2839 and D-2794. All credits on DERC certificate D-2839 have been retired for this use. A total amount of 43.8 tons of NO<sub>x</sub> DERCs will be issued on DERC certificate D-2841 for the remaining DERCs from certificate D-2794. DERC certificates D-2839 and D-2794 are cancelled and no longer available for use.

### Discrete Emission Credit Use

Certificates used ..... D-2839, D-2840  
 Pollutant ..... NO<sub>x</sub>  
 Amount ..... 1.7 tons  
 Regulation ..... §117.320  
 Use period/Use Date ..... 05/1/11 – 08/31/11

### Credit Use Calculation Methods

The 30-day rolling average system cap limit (218.9 lbs NO<sub>x</sub>/day) established under §117.320(c)(1), for the 3rd quarter months (July, August, September), is the same for the 1st, 2nd and 4th quarter months. Air Products, LLC, calculated DERC usage by using a Continuous Emission Monitoring System to determine the difference between the actual 30-day rolling average emissions and the 30-day rolling average limit for each day of the use period to identify days the cap was exceeded. The company provided data for each day the emissions exceeded the 30-day rolling average including heat input, megawatts generated and total DERC usage for the use period. The example calculation below outlines the method used to determine the excess emissions for days the 30-day rolling cap was exceeded.

30-day rolling average emissions for 05/16/11:

$$= 384.1 \text{ lb NO}_x / \text{day}$$

30-day rolling average system cap limit per 30 TAC §117.320:

$$= 218.9 \text{ lb NO}_x / \text{day}$$

Difference:

$$= 384.1 \text{ lb NO}_x / \text{day} - 218.9 \text{ lb NO}_x / \text{day}$$

$$= 165.2 \text{ lb NO}_x / \text{day}$$

DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Page 2

Project Number: 406185

*Credit Use Calculation Methods Cont.*

The 30-day rolling average system cap was exceeded 32 times during the use period. For this use period, the total NO<sub>x</sub> emissions exceeding the 30-day rolling average were 1.5 tons. The additional 10% environmental contribution of 0.2 ton requires 1.7 tons of NO<sub>x</sub> DERCs to be retired.

**Conclusion**

Air Products, LLC, submitted the required documentation to use DERCs for the purpose of compliance with §117.320. A total of 1.7 tons of NO<sub>x</sub> DERCs will be retired from DERC certificates D-2839 and D-2794. The remaining credits from DERC certificate D-2794 will be issued to DERC Certificate D-2841. DERC certificates D-2839 and D-2794 are now cancelled and no longer available for use.

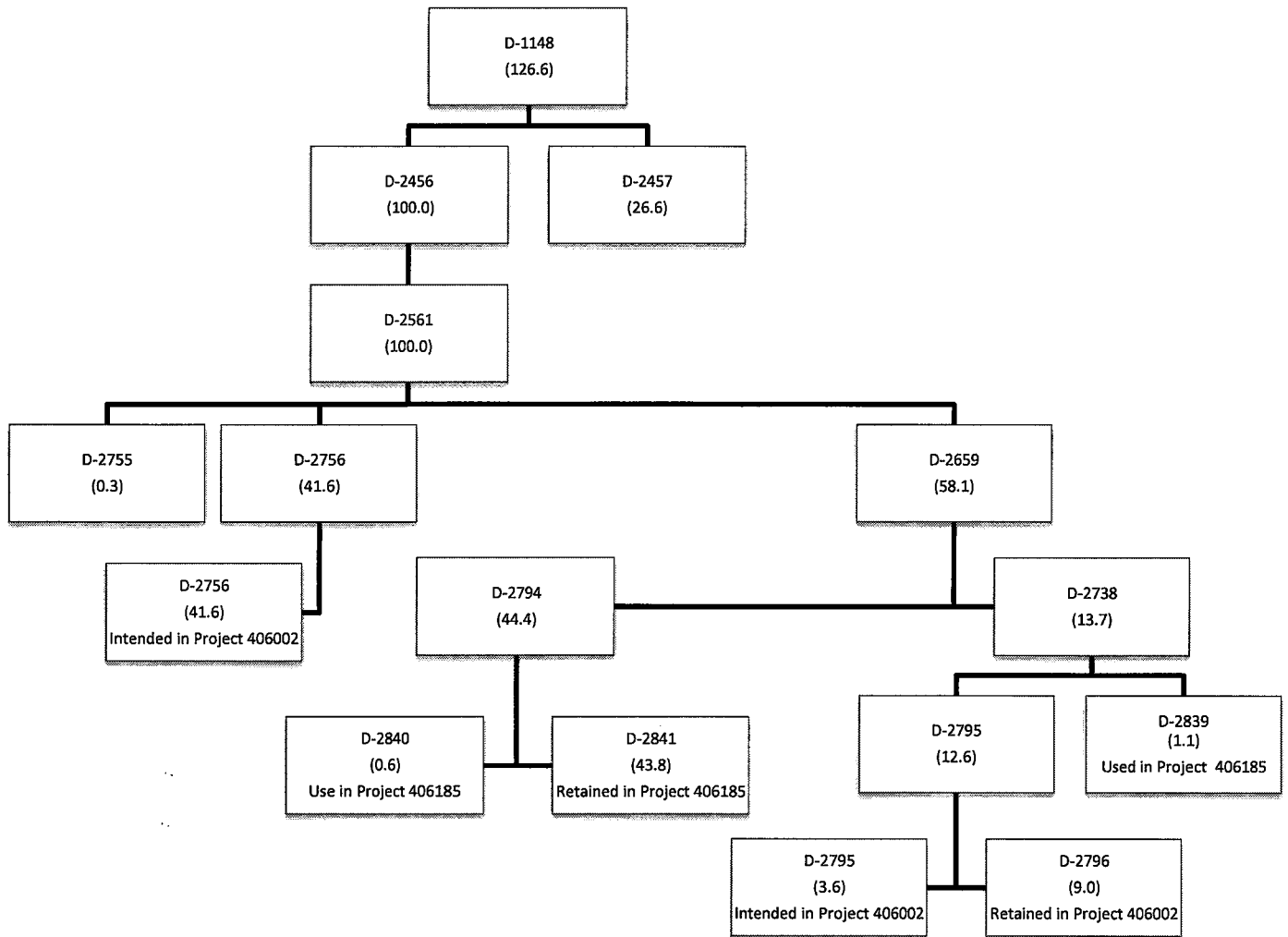
D. Q. L. 12/12/11  
Project Reviewer Date

Brand L. 12/20/2011  
Team Leader/Section Manager/Backup Date

DISCRETE EMISSION CREDITS USE TECHNICAL REVIEW

Page 3

Project Number: 406185





Form DEC-3 (Page 1)  
No. 405590 of Use of Discrete Emission Credits  
(Title 30 Texas Administrative Code § 101.370 - § 101.379)  
406195 DB Air Quality

**RECEIVED**  
NOV 18 2011  
**AIR QUALITY**  
**DIVISION**

**I. COMPANY IDENTIFYING INFORMATION**

A. Company Name: Air Products LLC ✓

Mailing Address: 10202 Strang Road

City: La Porte

State: TX

Zip Code: 77571

Telephone: 281-478-5901

Fax:

B. TCEQ Customer Number (CN): CN602299257 ✓

C. Site Name: Air Products La Porte Facility

Street Address (If no street address, give driving directions to site) 10202 Strang Rd.

Nearest City: La Porte

Zip Code: 77571

County: Harris

D. TCEQ Regulated Entity Number (RN): RN102041282 ✓

E. TCEQ Air Account Number: (if applicable) HG-0010-N ✓

Pic 26

F. Primary SIC: 2813

Air Permit Number: 21878

**II. TECHNICAL CONTACT IDENTIFYING INFORMATION**

A. Technical Contact Name: ( ☒ Mr. ☐ Mrs. ☐ Ms. ☐ Dr. ) : Paul J. Morris

Technical Contact Title: Senior Principal Environmental Engineer

Mailing Address: PO Box 3326

City: Pasadena

State: TX

Zip Code: 77501

Telephone: 713-920-7296

Fax: 713-920-7445

E-mail: morrispj@airproducts.com

**III. COMPANY CONTACT IDENTIFYING INFORMATION**

A. Company Contact Name: ( ☒ Mr. ☐ Mrs. ☐ Ms. ☐ Dr. ) : David C. Hefeledc

Company Contact Title: West Gulf Coast Region Manager

Mailing Address: P.O. Box 3326

City: Pasadena

State: TX

Zip Code: 77501

Telephone: 713-920-7284

Fax: 281-478-3042

E-mail: hefeledc@airproducts.com

**IV. 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: \_\_\_\_\_ 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: 05 / 01 / 2011

Use End Date: 08 / 31 / 2011



**Form DEC-3 (Page 2)**  
**No.        of Use of Discrete Emission Credits**  
**(Title 30 Texas Administrative Code § 101.370 - § 101.379)**

**VI. State and Federal Requirements**

Applicable State and Federal requirements that the DERCs will be used for compliance:  
30 TAC §117.310(a)(10)(A)

**VII. Most Stringent Emission Rate**

Describe basis for most stringent allowable emission rate:

☐ Permit : \_\_\_\_\_ ☒ RACT : 0.032 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						DERCs Used (tons)
			Actual Emissions Rate (units)	Actual Emissions Rate (units)	Actual Total Emissions (tons)	Regulated Activity (units)	Regulated Emissions Rate (units)	Regulated Total Emissions (tons)	
			See Attachment for calculations						
								<b>Total:</b>	



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 <sub>x</sub> : <u>1.5</u>	PM <sub>10</sub> : _____	SO <sub>2</sub> : _____	VOC: _____
Offset Ratio (if required)	CO: _____	NO <sub>x</sub> : <u>0.0</u>	PM <sub>10</sub> : _____	SO <sub>2</sub> : _____	VOC: _____
Environmental Contribution (+ 10%)	CO: _____	NO <sub>x</sub> : <u>0.2</u>	PM <sub>10</sub> : _____	SO <sub>2</sub> : _____	VOC: _____
<b>Total DERCS Used</b>	CO: _____	NO <sub>x</sub> : <u>1.7</u>	PM <sub>10</sub> : _____	SO <sub>2</sub> : _____	VOC: _____

**XI. DERC INFORMATION**

Name of the DERC Generator: National Offsets  
DERC Generator Regulated Entity Number: P1149 Broker Account  
Certificate number of the DERCS acquired or to be acquired: D2135

*Note: The certificate number is assigned by the TCEQ*

**XII. CERTIFICATION BY RESPONSIBLE OFFICIAL**

I, David C. Hefe, 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: 11-16-11  
Title West Gulf Coast Region Manager

Air Products, LLC  
LaPorte Facility  
10202 Strang Road  
LaPorte, TX 77571

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

Calculation of Discrete Emission Reduction Credits (DERCs)

Use Period Start: 5/1/2011

Use Period End: 8/31/2011

Date	MWhts Generation (MWhts)	Heat Input (MMBtu)	NO <sub>x</sub> Emissions (lbs/day)	Expected Emission Rate (lb/MMBtu)	Regulatory Limit System Cap per 117.320 (Lbs NO <sub>x</sub> /day)	Difference (lbs NO <sub>x</sub> )	DERCs (tons)	Environmental Contribution - 10% (tons)	Compliance Margin - 5% (tons)	Total DERCs Required (tons)
5/16/2011	915	11,180	384.1	0.029	218.9	165.2	0.08	0.01	0.00	0.09
5/22/2011	653	7,980	220.7	0.029	218.9	1.8	0.00	0.00	0.00	0.00
6/1/2011	768	9,386	258.4	0.029	218.9	39.5	0.02	0.00	0.00	0.02
6/14/2011	710	8,674	236.7	0.029	218.9	17.8	0.01	0.00	0.00	0.01
6/21/2011	856	10,462	266.5	0.029	218.9	47.6	0.02	0.00	0.00	0.03
6/27/2011	934	11,419	291.4	0.029	218.9	72.5	0.04	0.00	0.00	0.04
7/13/2011	1,041	12,716	331.7	0.029	218.9	112.8	0.06	0.01	0.00	0.06
7/14/2011	712	8,702	219.3	0.029	218.9	0.4	0.00	0.00	0.00	0.00
7/17/2011	864	10,558	281.8	0.029	218.9	62.9	0.03	0.00	0.00	0.04
7/18/2011	909	11,113	284.2	0.029	218.9	65.3	0.03	0.00	0.00	0.04
7/20/2011	844	10,309	270.9	0.029	218.9	52.0	0.03	0.00	0.00	0.03
7/21/2011	708	8,646	220.0	0.029	218.9	1.1	0.00	0.00	0.00	0.00
7/31/2011	629	7,688	219.6	0.029	218.9	0.7	0.00	0.00	0.00	0.00
8/1/2011	1,020	12,459	305.7	0.029	218.9	86.8	0.04	0.00	0.00	0.05
8/2/2011	906	11,067	269.0	0.029	218.9	50.1	0.03	0.00	0.00	0.03
8/3/2011	1,170	14,294	346.9	0.029	218.9	128.0	0.06	0.01	0.00	0.07
8/4/2011	1,204	14,707	358.7	0.029	218.9	139.8	0.07	0.01	0.00	0.08
8/5/2011	1,242	15,180	370.9	0.029	218.9	152.0	0.08	0.01	0.00	0.09
8/15/2011	884	10,809	270.4	0.029	218.9	51.5	0.03	0.00	0.00	0.03
8/17/2011	1,106	13,514	346.8	0.029	218.9	127.9	0.06	0.01	0.00	0.07
8/18/2011	885	10,819	266.8	0.029	218.9	47.9	0.02	0.00	0.00	0.03
8/19/2011	751	9,179	227.9	0.029	218.9	9.0	0.00	0.00	0.00	0.01
8/20/2011	1,224	14,959	379.5	0.029	218.9	160.6	0.08	0.01	0.00	0.09
8/21/2011	1,259	15,386	382.2	0.029	218.9	163.3	0.08	0.01	0.00	0.09
8/22/2011	1,459	17,823	442.3	0.029	218.9	223.4	0.11	0.01	0.01	0.13
8/23/2011	1,354	16,542	404.7	0.029	218.9	185.8	0.09	0.01	0.00	0.11
8/24/2011	1,256	15,346	391.5	0.029	218.9	172.6	0.09	0.01	0.00	0.10

Air Products, LLC  
LaPorte Facility  
10202 Strang Road  
LaPorte, TX 77571

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

Calculation of Discrete Emission Reduction Credits (DERCs)

Use Period Start: 5/1/2011

Use Period End: 8/31/2011

Date	MWhts Generation (MWhts)	Heat Input (MMBtu)	NO <sub>x</sub> Emissions (lbs/day)	Expected Emission Rate (lb/MMBtu)	Regulatory Limit System Cap per 117.320 (Lbs NO <sub>x</sub> /day)	Difference (lbs NO <sub>x</sub> )	DERCs (tons)	Environmental Contribution - 10% (tons)	Compliance Margin - 5% (tons)	Total DERCs Required (tons)
8/26/2011	873	10,670	272.3	0.029	218.9	53.4	0.03	0.00	0.00	0.03
8/27/2011	1,041	12,723	321.0	0.029	218.9	102.1	0.05	0.01	0.00	0.06
8/28/2011	892	10,897	300.4	0.029	218.9	81.5	0.04	0.00	0.00	0.05
8/29/2011	1,038	12,687	337.1	0.029	218.9	118.2	0.06	0.01	0.00	0.07
8/31/2011	1,043	12,741	335.8	0.029	218.9	116.9	0.06	0.01	0.00	0.07

Total for Use Period:

✓ 1.5

✓ 0.2

0.1

1.8

Heat Rate: 12,220 Btu/kwh

Calculation based upon the DERC calculation in 101.376(e)(2)

Dates only include days where emissions exceeded 30 day rolling average (218.9 lbs NO<sub>x</sub>/day)

MWhts Generation is total for all 4 emission units

Established system cap of 218.9 lbs Nox/day established per 117.320

1.7

Bryan W. Shaw, Ph.D., *Chairman*  
Buddy Garcia, *Commissioner*  
Carlos Rubenstein, *Commissioner*  
Mark R. Vickery, P.G., *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

January 4, 2012

Mr. Paul J. Morris  
Senior Principal Environmental Engineer  
Air Products, LLC  
P.O. Box 3326  
Pasadena, Texas 77501

Re: Notice of Use of Discrete Emission Credits  
Air Products La Porte Plant  
La Porte, Harris County  
Regulated Entity Reference Number: RN102041282  
Customer Reference Number: CN602299257  
Portfolio Number: P0026

Dear Mr. Morris:

This letter is in response to a Form DEC-3 (Notice of Use of Discrete Emission Credits) received on November 18, 2011, regarding the use of nitrogen oxides (NO<sub>x</sub>) Discrete Emission Reduction Credits (DERCs) for the purpose of complying with the 30-day rolling average NO<sub>x</sub> system cap under 30 Texas Administrative Code (TAC) §117.320 (previously §117.210), for the period of May 1, 2011, through August 31, 2011.

We have reviewed your application and found that 1.7 tons of NO<sub>x</sub> DERCs (including the 10% environmental contribution) meet the requirements of 30 TAC §§101.370 through 101.379. A total of 1.7 tons of NO<sub>x</sub> DERCs have been retired from DERC certificates D-2839 and D-2794.

All credits on DERC certificate D-2389 have been retired for this use. The remaining 43.8 tons of credits from DERC certificate D-2794 have been retained on certificate D-2841. A portion of the credits on DERC certificate D-2841 have been set aside for use in project number 406184. Any unused credits from project number 406184 will be issued to Air Products, LLC, and deposited into the Texas Commission on Environmental Quality (TCEQ) Discrete Emission Credit Registry.

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. Daniel Banda at (512) 239-4701 or write to the Texas Commission on Environmental Quality, Chief Engineer's Office, Air Quality Division (MC-206), PO Box 13087, Austin, Texas 78711-3087.

Mr. Paul J. Morris

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January 4, 2012

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". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Brymer".

David Brymer, Director  
Air Quality Division

DB/DB/jm

cc: Air Section Manager, Region 12 – Houston

Mr. Michael Schaffer, Director, Environmental Public Health Division, Harris County  
Public Health and Environmental Services, Pasadena

Project Number: 406185

Obsd 1/4 66

## Banking and Trading Route Slip

Company:

Air Products, LLC  
- La Porte

Project  
Number:

406185

Type of Letter  
Correspondence:

DEUS DETK DET

Letter Doc No:

17786 17787 17788

Certificate No:

D-2841

	Initials:	Date
Author/Creator	DB	12/7
Peer Review Completed	Minor edits JM	12/8/11
Author/Creator Review	DB	12/12
<b>Review and Approval By:</b>	<b>Initials:</b>	<b>Date</b>
WL Review: Brandon Greulich	BG	12/20
Management Review: Chance Goodin	BG for Ch	12/20 <sup>edits</sup>
<del>Donna Huff</del>		
<del>David Brymer</del>		
Copies made	DB	1/4/12
Mailed	DB	1/4/12

### Comments/Special Instructions

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Please return **Routing Slip** and **Project Paperwork**  
to Norma Blakely, MC-206, Ext. 3618