

**Form DEC-3**  
**Notice of Use of Discrete Emission Credits**  
**Form and Instructions**  
**Texas Commission On Environmental Quality**

**General:**

In accordance with Title 30 Texas Administrative Code § 101.376 Part (e) [30 TAC § 101.376(e)], an owner or an operator of a facility which has used discrete emission reduction credits (DERCs) must submit a completed Form DEC-3 entitled, "Notice of Use of Discrete Emission Credits." Form DEC-3 must be submitted within 90 days after the end of the use period. The applicant must have previously submitted Form DEC-2 and a certificate for a quantity of DERCs equal to the total DERC requirement for the use period. The owner or operator of the facility which has used DERCs is responsible for completing Form DEC-3 and mailing it to the **TCEQ, Office of Air, Air Permits Division, MC-163, P.O. Box 13087, Austin, Texas 78711-3087**. All information regarding the nature of the DERC use, the amount of DERCs used, and the amount of remaining DERCs will be immediately made available to the public.

For questions on this form, contact the Emissions Banking and Trading Programs via email at [ebt@tceq.texas.gov](mailto:ebt@tceq.texas.gov).

**Specific:**

**I. Company Identifying Information**

- A. **Company Name:**  
Enter the legal name of the company or corporation and mailing address, telephone number, and fax number of the owner or operator of the site. The company name on this form and the Texas Commission on Environmental Quality (TCEQ) Core Data Form should match.
- B. **TCEQ Customer Number (CN):**  
Enter the TCEQ assigned number of the owner or operator of the site. The CN is a unique number assigned to the company or corporation and applies to all facilities and sites owned or operated by this company or corporation. A typical example of a CN is CN600123456.
- C. **Site Name:**  
Provide the site name and street address for the facility which has used DERCs. If no street address is available, provide driving directions in writing. Identify the location by distance and direction from well-known landmarks such as highway intersections. Enter the city or town where the site is located. If the address is not located in a city or town, enter the city or town closest to the site even if it not located in the same county as the site. Enter the county where the site is physically located. Also include the ZIP Code for the physical location of the site and not the ZIP Code of the mailing address.
- D. **TCEQ Regulated Entity Number (RN):**  
Enter the TCEQ assigned number of the site identified in Section C. The RN replaces the former TCEQ account number for the facility or site. A typical example of a RN is RN100123456.
- E. **TCEQ Air Account Number (if available):**  
The TCEQ issued Air Quality Account Number prior to the RN identification system. A typical example of an Air Account Number is XX-0000-X. The first two letters of this number alphabetically identifies the location of each site.
- F. **Other Site Information:**  
Enter the primary Standard Industry Classification (SIC) for the site as well as the current air permit under which the facility or facilities which have used DERCs are operating.

**II. Technical Contact Information**

**A. Technical Contact Name and Title:**

Provide the name, title, address, telephone number, fax number and e-mail address of the person the TCEQ should contact for technical questions and who has the authority to make binding agreements and representations on behalf of the applicant. This technical contact maybe a consultant.

**III. Company Contact Information**

**A. Company Contact Name and Title:**

Provide the name, title, address, telephone number, fax number, and email address of the company representative if different from the technical contact. This representative must be a company official (owner, plant manager, president, vice president, etc). This person cannot be an outside consultant.

**IV. Mass Emission Cap and Trade Program (MECT)**

Please indicate on the first line whether the DERCs were used for compliance with the Mass Emission Cap and Trade Program (MECT). If DERCs were used for the MECT program, please complete the rest of Section III indicating how the DERCs are to be credited to the MECT account. Title 30 TAC 101.356(h) defines how DERCs may be converted into allowances for the MECT program. If DERCs were used for the MECT program, please proceed to Section IX after completing Section III. Note that the 10 percent environmental contribution does not apply for MECT allowance conversions.

**V. Use Period**

Enter the start and end dates for the completed use period. This period should match the intended use period provided on Form DEC-2.

**VI. State and Federal Requirements**

Enter any state or federal regulations or permit requirements for which DERCs will be used for compliance. Please provide the specific regulation which must be met (i.e., 30 TAC 117.206(c)(1)(A) or maximum yearly NO<sub>x</sub> output for FIN AA-1 on permit number 0001.)

**VII. Most Stringent Emission Rate**

Enter the emission rate or other regulated emission level from the requirement listed in Section V which the facility or facilities using DERCs must meet.

**VIII. Protocol**

Please indicate the method used to determine emission rates, level of activity, and total emissions. Examples of emission rate protocols include CEMS, stack testing, AP-42, or other approved methods. Examples of the level of activity protocols include CEMS, monthly fuel meter readings, operating hours, or other approved methods. All generators or users of emission credits must use a protocol which has been approved by the EPA and is appropriate to the emission reduction, as identified in 30 TAC chapters 115, 116, or 117. Please attach all calculations used to determine the amount of DERCs generated during the generation period.

**IX. Tons of DERCS Required**

List emissions activity for each specific facility which used DERCS for compliance purposes. Use a separate row for ozone and non-ozone season emissions, if applicable to the use area. Please enter the information in each column as described below:

Emission Point Number (EPN) and Facility Identification Number (FIN):

Enter the Emission Point Number (EPN) and Facility Identification Number (FIN) for each facility. This information should match previous information submitted to the TCEQ Air Quality Division regarding emissions inventory or a permit application.

Air Contaminant:

Indicate which contaminant the DERCS were used for. Note that the DERC must be used for the same contaminant and region as the DERC was issued for, as defined in 30 TAC §101.372(f).

Actual Activity:

Enter the actual activity level during the use period for each facility. Include the applicable units and the numerical value (e.g., 30000 MMBtu/yr; 7000 hrs/yr; etc.).

Actual Emission Rate:

Enter the actual emission rate of the facility during the use period. Include the applicable units and the numerical value (e.g. 0.35 lbs/MMBtu, 1.0 g/hp-hr, 0.7 lbs/hr, etc.).

Actual Total Emissions:

Enter the actual emissions, in tons, for the facility during the use period. Total emissions are calculated by multiplying the actual activity by the actual emission rate then converting the result into tons/year.

Regulated Activity:

Enter the regulated activity level, if any, during the use period for each facility. Include the applicable units and the numerical value (e.g., 30000 MMBtu/yr; 7000 hrs/yr; etc.).

Regulated Emission Rate:

Enter the regulated emission rate, if any, of the facility during the use period. Include the applicable units and the numerical value (e.g., 0.35 lbs/MMBtu; 1.0 g/hp-hr; 0.7 lbs/hr; etc.).

Regulated Total Emissions

Enter the regulated total emissions, in tons, for the facility during the use period.

DERCS:

Enter the amount of DERCS required for compliance with the regulated activity, rate, or emissions. The amount of DERCS required may be calculated using the equations found in 30 TAC §101.376.

**X. Total DERCS Used**

From the data provided in Section VII and the attached calculations from Section VIII, please enter the amount of DERCS used for each contaminant, rounded up to the nearest tenth of a ton. Enter the environmental contribution, which is 10 percent of the used DERCS, rounded up to the nearest tenth of a ton. If required, enter the offset ratio, rounding up to the nearest tenth of a ton. Sum the three lines and enter the total DERCS used for each contaminant.

Note: if using DERCS for offsets or compliance with the MECT program, the environmental contribution is not required.

**XI. DERC information**

This section provides the background information of the DERC certificate used in the use period. Please enter the name of the company, which was initially issued the DERC certificate, the Regulated Entity Number (RN) of the site which was initially issued the DERC certificate, and the certificate number used for this application.

**XII. Purchase Date and Price**

Enter the date of purchase or date of generation of the DERC certificate used in this application. Enter the price of the DERCs used in this application. If the applicant is the generator of the DERCs, enter "generator" for the price.

**XIII. Certification by Responsible Official**

Please print or type the name and title of the representative of the company which owns or operates the site. This representative must have the authority to make binding agreements and representations on behalf of the applicant. Form DEC-3 must be submitted to the TCEQ with an original signature and date, in ink, by the representative identified in this section.

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

***Mail application to:***

**Texas Commission on Environmental Quality  
Emission Banking and Trading Program MC-163  
PO BOX 13087  
AUSTIN, TX 78711-3087**

<b>I. Company Identifying Information</b>
A. Company Name:
Mailing Address:
City:
State:
ZIP Code:
Telephone Number:
Fax Number:
B. TCEQ Customer Number (CN):
C. Site Name:
Street Address: (If no street address, give driving directions to site)
Nearest City:
ZIP Code:
County:
D. TCEQ Regulated Entity Number (RN):
E. TCEQ Air Account Number: <i>(if applicable)</i>
F. Primary SIC:
Air Permit Number:

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

<b>II. Technical Contact Identifying Information</b>
A. Technical Contact Name: (Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr. <input type="checkbox"/> )
Full Name:
Technical Contact Title:
Mailing Address:
City:
State:
ZIP Code:
Telephone Number:
Fax Number:
Email Address:
<b>III. Company Contact Identifying Information (If different from Technical Contact)</b>
A. Company Contact Name: (Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr. <input type="checkbox"/> )
Full Name:
Company Contact Title:
Mailing Address:
City:
State:
ZIP Code:
Telephone Number:
Fax Number:
Email Address:
<b>IV. Mass Emission Cap and Trade Program (MECT)</b>
Is the DERC use for compliance with 30 TAC Chapter 101 Subchapter H, Division 3? <span style="float: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span>
Year DERC Generated:
Year of Use:
Ratio of DERC to Allowance:
<i>Note: If DERC use is to comply with MECT then go to Section IX</i>

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

<b>V. Intended Use Period</b>
Intended Use Start Date:
Intended Use End Date:
<b>VI. State and Federal Requirements</b>
Applicable State and Federal requirements that the DERCs will be used for compliance:
<b>VII. Most Stringent Emission Rate</b>
Describe basis for most stringent allowable emission rate:
<input type="checkbox"/> Permit:
<input type="checkbox"/> RACT:
<input type="checkbox"/> Other:
<i>Notes:</i>
<b>VIII. Protocol</b>
Protocol used to calculate DERC:
Note: Attach the actual calculations that were used to determine the amounts of DERCs needed to this form.

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

**IX. Tons of DERCS Required**

**Calculation of DERCs**

<b>Emission Point No.</b>	<b>FIN</b>	<b>Air Contaminant</b>	<b>Expected Activity (units)</b>	<b>Expected Emission Rate (units)</b>	<b>Expected Total Emissions (tons)</b>	<b>Regulated Activity (units)</b>	<b>Regulated Emission Rate (units)</b>	<b>Regulated Total Emissions (tons)</b>	<b>DERCs (tons)</b>
									<b>Total:</b>



**Form DEC-3 (Page 5)**  
**Notice of Use of Discrete Emission Credits**  
**(Title 30 Texas Administrative Code § 101.370 - § 101.379)**  
**Texas Commission On Environmental Quality**

<b>X. Total DERCS Required for Use (round up to the nearest tenth of a ton)</b>
Tons of DERCS required (from Section VII.)
CO:
NO <sub>x</sub> :
PM <sub>10</sub> :
SO <sub>2</sub> :
VOC:
Offset Ratio (if required)
CO:
NO <sub>x</sub> :
PM <sub>10</sub> :
SO <sub>2</sub> :
VOC:
Environmental Contribution (+ 10%)
CO:
NO <sub>x</sub> :
PM <sub>10</sub> :
SO <sub>2</sub> :
VOC:
Compliance Margin (+ 5%) <i>(If DERC use requires &gt;10 tons)</i>
CO:
NO <sub>x</sub> :
PM <sub>10</sub> :
SO <sub>2</sub> :
VOC:
Total DERCS
CO:
NO <sub>x</sub> :
PM <sub>10</sub> :
SO <sub>2</sub> :
VOC:

**Form DEC-3 (Page 6)**  
**Notice of Use of Discrete Emission Credits**  
**(Title 30 Texas Administrative Code § 101.370 - § 101.379)**  
**Texas Commission On Environmental Quality**

<b>XI. DERC Information</b>
Name of the DERC Generator:
DERC Generator Regulated Entity Number:
Certificate number of the DERCs acquired or to be acquired:
Date on which the DERCs were acquired or will be acquired:
Note: The certificate number is assigned by the TCEQ.
<b>XII. Purchase Date Price</b>
Date Purchase or date of generation of the DERC certificate:
Price or Expected Price:
Generator Price:
<b>XIII. Certification by Responsible Official</b>
I, _____ 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 <b>CRIMINAL OFFENSE</b> subject to criminal penalties. I hereby also waive the Federal statute of limitations defense in regard to the generation and use of discrete emission credits.
Signature:
Signature Date:
Title: