



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

GOVERNING BOARD

Leroy Ornellas, Chair
Supervisor, San Joaquin County

Chris Vierra, Vice Chair
Councilmember, City of Ceres

Tony Barba
Supervisor, Kings County

Judith G. Case
Supervisor, Fresno County

Ronn Dominici
Supervisor, Madera County

Henry Jay Forman, Ph.D.
Appointed by Governor

Michael G. Nelson
Supervisor, Merced County

William O'Brien
Supervisor, Stanislaus County

Henry T. Perea
Councilmember, City of Fresno

John G. Telles, M.D.
Appointed by Governor

Raymond A. Watson
Supervisor, Kern County

J. Steven Worthley
Supervisor, Tulare County

Vacant
Large City

Vacant
Small City, Central Region

Vacant
Small City, Southern Region

Seyed Sadredin
Executive Director
Air Pollution Control Officer

Northern Region Office
4800 Enterprise Way
Modesto, CA 95356-8718
(209) 557-6400 • FAX (209) 557-6475

Central Region Office
1990 East Gettysburg Avenue
Fresno, CA 93726-0244
(559) 230-6000 • FAX (559) 230-6061

Southern Region Office
2700 M Street, Suite 275
Bakersfield, CA 93301-2373
(661) 326-6900 • FAX (661) 326-6985

www.valleyair.org

DATE: December 18, 2008.

TO: SJVUAPCD Governing Board

FROM: Seyed Sadredin, Executive Director/APCO
Project Coordinator: Dave Warner

RE: RECEIVE AND FILE DISTRICT'S ANNUAL
OFFSET EQUIVALENCY REPORT TO THE
FEDERAL ENVIRONMENTAL PROTECTION
AGENCY

RECOMMENDATION:

Receive and file the District's annual offset equivalency report (attached), submitted to the federal Environmental Protection Agency (EPA) for the 12-month period from August 20, 2007 through August 19, 2008.

BACKGROUND:

New facilities and modifications to existing facilities that cause increases in emissions above certain levels are required by the District's New and Modified Stationary Source Review (NSR) Rule to provide emission reduction credits as mitigation of those increases. Although the District's NSR rule, overall, is more stringent than the federal regulations, it does not exactly match the federal requirements in all respects. In particular, the District's NSR rule does not require discounting of ERCs at the time of use. Discounting is a process of reducing the value of ERCs by adjusting them for emissions reductions that have been required by newer rules adopted since the original ERC banking action.

After years of negotiation with EPA and stakeholders, the parties agreed to an offset equivalency system designed to assess overall equivalency with EPA regulations on an annual basis. The details of this equivalency system have been embodied in the District's NSR rule, Rule 2201, since December 19, 2002.

DISCUSSION:

To demonstrate equivalency with the federal NSR offsetting requirements, the annual offset equivalency report must demonstrate both of the following:

1. The District has required an equivalent or larger amount of offsets from new and modified stationary sources as would have been required under direct implementation of federal regulations; and
2. The amount of reductions required by the District from new and modified stationary sources, after discounting at the time of use, equals or exceeds the amount of ERCs required under federal regulations.

The concept of an equivalency demonstration is only possible because the District's NSR program is, in several ways, more stringent than the federal requirements. Under federal NSR, offsets are only required for new major sources and major modifications to existing sources. For instance, for nitrogen oxides (NOx) and volatile organic compounds (VOC), the federal offsetting requirements would have been triggered at facility emission levels of 25 tons per year. In contrast, the District's NSR rule, as mandated by the California Clean Air Act, requires offsets for facilities emitting 10 tons per year of NOx or VOC. In addition to requiring offsets from smaller sources, the District's program is more stringent than the federal program in other ways, allowing for further credits towards the equivalency demonstration. Additional reductions that go beyond federal requirements and are therefore used by the District to show equivalency include the following:

- Higher offset ratios
- Extra discounting of credits at the time of banking
- Reductions from application of BACT to existing minor sources
- "Orphan" shutdowns (reductions from facility shutdowns for which ERCs are not granted to the owner)

During this reporting period, there were four projects that constituted either new major sources or federal major modifications. As shown in the attached report, reductions required by the District exceed the amount required under the federal regulations.

Although equivalency was shown for this reporting period, future equivalency demonstrations will be more difficult due to the following:

- Changes to the NSR rule required by the District's redesignation as an "extreme" nonattainment area for the federal eight-hour ozone standard.
- Permit actions anticipated in the next tracking year that trigger major modifications for criteria pollutants.

SJVUAPCD Governing Board

*RECEIVE AND FILE DISTRICT'S ANNUAL OFFSET EQUIVALENCY REPORT TO
THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY*

December 18, 2008

- Continued development of additional rules by the District will limit the quantity of surplus reductions available for the equivalency demonstration.

In pursuit of solutions to the potential shortfall in our equivalency tracking system, District staff will be working with ERC owners and other stakeholders during the next tracking year to explore options, and perhaps develop a rule or rules that replace or simplify the equivalency tracking system.

Attachment: Offset Equivalency Report to EPA (10 pages)

San Joaquin Valley Unified Air Pollution Control District
Meeting of the Governing Board
Thursday, December 18, 2008

Attachment - Offset Equivalency Report to EPA
(10 pages)



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

November 19, 2008

Deborah Jordan, Director
Air Division
U.S. EPA, Region IX
75 Hawthorne Street
San Francisco, CA 94105-3901

Re: Offset Equivalency Report, August 2007 – August 2008

Dear Ms. Jordan:

As required by the District's New Source Review Rule, the District has completed an annual offset equivalency report for the twelve-month period from August 20, 2007 to August 19, 2008. The attached report incorporates the following:

- The quantity of offsets that would have been required from new major sources and major modifications to existing sources under a federal NSR program.
- The quantity of offsets actually required by the District.
- The surplus-at-time-of-use value of the emission reductions used to offset emissions increases from stationary sources.
- The quantity of shortfall or excess carry-over credits.

As you can see from the attached report, the District required more offsets than would have been required under federal offset requirements, and the surplus value of the reductions used exceeded those required under federal NSR. Therefore, equivalency is demonstrated and no remedial actions are necessary.

For your information, there are five projects of interest during this reporting period:

- Panoche Energy Center LLC
- Aera Energy LLC
- Chemical Waste Management, Inc
- South Kern Industrial Center LLC
- County Sanitation District of Los Angeles

Syed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061
www.valleyair.org

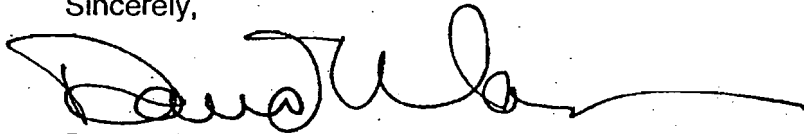
Southern Region
2700 M Street, Suite 275
Bakersfield, CA 93301-2373
Tel: (661) 326-6900 FAX: (661) 326-6985

Ms. Jordan
Page 2

The Panoche Energy Center LLC project was issued its final Determination of Compliance (DOC) by the California Energy Commission (CEC) in December 2007, during this reporting period. Permits for Aera Energy LLC, Chemical Waste Management Inc, South Kern Industrial Center LLC, and County Sanitation District of Los Angeles were all issued by the Air District during this reporting period. Therefore, these five projects are included in this report as trackable projects.

Please call me at (559) 230-5900 if you have any questions regarding this matter, or if you need additional details.

Sincerely,

A handwritten signature in black ink, appearing to read "David Warner", with a long horizontal flourish extending to the right.

David Warner
Director of Permit Services

cc: Mike Tollstrup, CARB

San Joaquin Valley APCD Annual Offset Equivalency Report

Summary for 8/20/2007 through 8/19/2008

Pollutant	Number of New Major Sources	Number of Federal Major Mods	Offsets Required under Federal NSR*	Offset Requirement Equivalency *				Surplus at the Time of Use Equivalency*				
				Offsets Required under District NSR	Excess or Shortfall this Year	Excess or Shortfall previous Year	Total Excess or Shortfall	Shortfall from Previous Year	Reduction (surplus at the time of use) used for equivalency this year	Shortfall this year	Reductions eliminated by discounting at the time of use**	Unused Carry-over Creditable Reductions
NOx	1	1	177.8	231.2	53.4	2551.6	2605.0	0.0	177.8	0.0	2721.4	1537.0
VOC	3	1	271.4	364.1	92.7	951.9	1044.6	0.0	271.4	0.0	557.0	1510.0
PM10	0	1	36.1	79.2	43.1	549.4	592.5	0.0	36.1	0.0	31.8	1269.0
CO	0	0	0.0	76.6	76.6	48.7	125.3	0.0	0.0	0.0	62.0	93.0
SOx	0	0	0.0	201.5	201.5	718.6	920.1	0.0	0.0	0.0	18.7	1268.0

* All numbers are in Tons per Year

** Total quantity of discount since initiating tracking in August 2001

San Joaquin Valley APCD

Annual Offset Equivalency Report - Detail

Transaction details for 8/20/2007 through 8/19/2008

Pollutant Company Name and Address

NOx

AERA ENERGY LLC
 HEAVY OIL WESTERN STATIONARY SOURCE,
 KERN COUNTY

Surplus at the time of use Reductions Used to Mitigate this Increase

<i>Tracking ID for ATC</i>	<i>Fed Offsets Req'd</i>	<i>ATC Date</i>	<i>Tracking ID for Reduction</i>	<i>Credit (t/y)</i>	<i>Time of Use</i>
2008-S-1072356-4217-0	51.7	10/9/2007	2008-C-8881577-3249-1	0.7	10/9/2007
2008-S-1072356-4217-0	51.0	10/9/2007	2008-C-8881568-3179-1	1.5	10/9/2007
2008-S-1072356-4217-0	49.5	10/9/2007	2008-C-8881578-3250-1	2.7	10/9/2007
2008-S-1072356-4217-0	46.8	10/9/2007	2008-C-8881567-3161-1	2.6	10/9/2007
2008-S-1072356-4217-0	44.2	10/9/2007	2008-C-8881567-3162-1	1.3	10/9/2007
2008-S-1072356-4217-0	42.9	10/9/2007	2008-C-8881567-3160-1	1.5	10/9/2007
2008-S-1072356-4217-0	41.4	10/9/2007	2008-C-8881567-3163-1	1.5	10/9/2007
2008-S-1072356-4217-0	39.9	10/9/2007	2008-C-8881568-3164-1	1.0	10/9/2007
2008-S-1072356-4217-0	38.9	10/9/2007	2008-C-8881568-3175-1	1.5	10/9/2007
2008-S-1072356-4217-0	37.4	10/9/2007	2008-C-8881567-3159-1	1.5	10/9/2007
2008-S-1072356-4217-0	35.9	10/9/2007	2008-C-8881568-3176-1	1.5	10/9/2007
2008-S-1072356-4217-0	34.4	10/9/2007	2008-C-8881567-3158-1	1.5	10/9/2007
2008-S-1072356-4217-0	32.9	10/9/2007	2008-C-8881568-3177-1	1.5	10/9/2007
2008-S-1072356-4217-0	31.4	10/9/2007	2008-C-8881567-3157-1	1.5	10/9/2007
2008-S-1072356-4217-0	29.9	10/9/2007	2008-C-8881568-3178-1	1.5	10/9/2007
2008-S-1072356-4217-0	28.4	10/9/2007	2008-C-8881579-3251-1	0.8	10/9/2007
2008-S-1072356-4217-0	27.6	10/9/2007	2008-C-8881579-3252-1	0.8	10/9/2007
2008-S-1072356-4217-0	26.8	10/9/2007	2008-C-8881567-3156-1	1.5	10/9/2007
2008-S-1072356-4217-0	25.3	10/9/2007	2008-C-8881580-3253-1	0.9	10/9/2007
2008-S-1072356-4217-0	24.4	10/9/2007	2008-C-8881582-3254-1	0.9	10/9/2007
2008-S-1072356-4217-0	23.5	10/9/2007	2008-C-8881583-3255-1	0.8	10/9/2007
2008-S-1072356-4217-0	22.7	10/9/2007	2008-C-8881567-3155-1	1.2	10/9/2007
2008-S-1072356-4217-0	21.5	10/9/2007	2008-C-8881583-3256-1	1.2	10/9/2007
2008-S-1072356-4217-0	20.3	10/9/2007	2008-C-8881583-3257-1	1.2	10/9/2007
2008-S-1072356-4217-0	19.1	10/9/2007	2008-C-8881583-3258-1	0.7	10/9/2007
2008-S-1072356-4217-0	18.4	10/9/2007	2008-C-8881551-3154-1	1.2	10/9/2007
2008-S-1072356-4217-0	17.2	10/9/2007	2008-C-8881584-3259-1	1.5	10/9/2007
2008-S-1072356-4217-0	15.7	10/9/2007	2008-C-8881551-3152-1	1.2	10/9/2007
2008-S-1072356-4217-0	14.5	10/9/2007	2008-C-8881551-3153-1	1.2	10/9/2007
2008-S-1072356-4217-0	13.3	10/9/2007	2008-C-8881551-3151-1	1.2	10/9/2007
2008-S-1072356-4217-0	12.1	10/9/2007	2008-C-8881585-3260-1	0.8	10/9/2007
2008-S-1072356-4217-0	11.3	10/9/2007	2008-C-8881585-3261-1	0.8	10/9/2007

Pollutant Company Name and Address

2008-S-1072356-4217-0	10.5	10/9/2007	2008-C-8881585-3262-1	0.8	10/9/2007
2008-S-1072356-4217-0	9.7	10/9/2007	2008-C-8881551-3150-1	1.2	10/9/2007
2008-S-1072356-4217-0	8.5	10/9/2007	2008-C-8881585-3263-1	0.8	10/9/2007
2008-S-1072356-4217-0	7.7	10/9/2007	2008-S-8881028-3073-1	0.8	10/9/2007
2008-S-1072356-4217-0	6.9	10/9/2007	2008-S-8881028-3074-1	0.8	10/9/2007
2008-S-1072356-4217-0	6.1	10/9/2007	2008-S-8881028-3072-1	0.8	10/9/2007
2008-S-1072356-4217-0	5.3	10/9/2007	2008-S-8881028-3075-1	0.8	10/9/2007
2008-S-1072356-4217-0	4.5	10/9/2007	2008-S-8881028-3076-1	0.8	10/9/2007
2008-S-1072356-4217-0	3.7	10/9/2007	2008-S-8881028-3077-1	0.8	10/9/2007
2008-S-1072356-4217-0	2.9	10/9/2007	2008-N-8881070-3071-1	0.7	10/9/2007
2008-S-1072356-4217-0	2.2	10/9/2007	2008-S-8881058-3078-1	0.4	10/9/2007
2008-S-1072356-4217-0	1.8	10/9/2007	2008-C-8881585-3266-1	1.2	10/9/2007
2008-S-1072356-4217-0	0.6	10/9/2007	2008-C-8881585-3267-1	0.6	10/9/2007

Total Reductions, this reporting period, for this project

51.7

PANOCHÉ ENERGY CENTER LLC
W PANOCHÉ RD, FIREBAUGH

Surplus at the time of use Reductions Used to Mitigate this Increase

<i>Tracking ID for ATC</i>	<i>Fed Offsets Req'd</i>	<i>ATC Date</i>	<i>Tracking ID for Reduction</i>	<i>Credit (t/y)</i>	<i>Time of Use</i>
2008-C-1062518-4216-0	126.1	12/19/2007	2008-C-8881568-3168-1	1.2	12/19/2007
2008-C-1062518-4216-0	124.9	12/19/2007	2008-C-8881568-3169-1	1.2	12/19/2007
2008-C-1062518-4216-0	123.7	12/19/2007	2008-C-8881568-3167-1	1.0	12/19/2007
2008-C-1062518-4216-0	122.7	12/19/2007	2008-C-8881568-3170-1	1.2	12/19/2007
2008-C-1062518-4216-0	121.5	12/19/2007	2008-C-8881568-3166-1	1.0	12/19/2007
2008-C-1062518-4216-0	120.5	12/19/2007	2008-C-8881568-3171-1	1.5	12/19/2007
2008-C-1062518-4216-0	119.0	12/19/2007	2008-C-8881568-3172-1	1.5	12/19/2007
2008-C-1062518-4216-0	117.5	12/19/2007	2008-C-8881568-3173-1	1.8	12/19/2007
2008-C-1062518-4216-0	115.7	12/19/2007	2008-C-8881568-3165-1	1.0	12/19/2007
2008-C-1062518-4216-0	114.7	12/19/2007	2008-C-8881568-3174-1	1.5	12/19/2007
2008-C-1062518-4216-0	113.2	12/19/2007	2008-C-8881568-3191-1	1.3	12/19/2007
2008-C-1062518-4216-0	111.9	12/19/2007	2008-C-8881568-3192-1	1.2	12/19/2007
2008-C-1062518-4216-0	110.7	12/19/2007	2008-C-8881568-3190-1	1.3	12/19/2007
2008-C-1062518-4216-0	109.4	12/19/2007	2008-C-8881568-3193-1	1.5	12/19/2007
2008-C-1062518-4216-0	107.9	12/19/2007	2008-C-8881568-3194-1	1.5	12/19/2007
2008-C-1062518-4216-0	106.4	12/19/2007	2008-C-8881568-3195-1	1.5	12/19/2007
2008-C-1062518-4216-0	104.9	12/19/2007	2008-C-8881568-3189-1	1.2	12/19/2007
2008-C-1062518-4216-0	103.7	12/19/2007	2008-C-8881568-3196-1	1.5	12/19/2007
2008-C-1062518-4216-0	102.2	12/19/2007	2008-C-8881568-3188-1	1.1	12/19/2007
2008-C-1062518-4216-0	101.1	12/19/2007	2008-C-8881568-3197-1	0.1	12/19/2007
2008-C-1062518-4216-0	101.0	12/19/2007	2008-C-8881568-3187-1	1.0	12/19/2007
2008-C-1062518-4216-0	100.0	12/19/2007	2008-C-8881568-3198-1	1.5	12/19/2007
2008-C-1062518-4216-0	98.5	12/19/2007	2008-C-8881568-3199-1	1.5	12/19/2007
2008-C-1062518-4216-0	97.0	12/19/2007	2008-C-8881568-3200-1	1.5	12/19/2007
2008-C-1062518-4216-0	95.5	12/19/2007	2008-C-8881568-3186-1	1.0	12/19/2007

Pollutant Company Name and Address

2008-C-1062518-4216-0	94.5	12/19/2007	2008-C-8881568-3201-1	1.5	12/19/2007
2008-C-1062518-4216-0	93.0	12/19/2007	2008-C-8881568-3212-1	1.5	12/19/2007
2008-C-1062518-4216-0	91.5	12/19/2007	2008-C-8881568-3213-1	1.5	12/19/2007
2008-C-1062518-4216-0	90.0	12/19/2007	2008-C-8881568-3211-1	1.5	12/19/2007
2008-C-1062518-4216-0	88.5	12/19/2007	2008-C-8881568-3214-1	1.5	12/19/2007
2008-C-1062518-4216-0	87.0	12/19/2007	2008-C-8881568-3215-1	3.6	12/19/2007
2008-C-1062518-4216-0	83.4	12/19/2007	2008-C-8881568-3216-1	3.6	12/19/2007
2008-C-1062518-4216-0	79.8	12/19/2007	2008-C-8881568-3210-1	1.3	12/19/2007
2008-C-1062518-4216-0	78.5	12/19/2007	2008-C-8881568-3217-1	2.8	12/19/2007
2008-C-1062518-4216-0	75.7	12/19/2007	2008-C-8881568-3218-1	3.3	12/19/2007
2008-C-1062518-4216-0	72.4	12/19/2007	2008-C-8881568-3219-1	1.2	12/19/2007
2008-C-1062518-4216-0	71.2	12/19/2007	2008-C-8881568-3209-1	1.0	12/19/2007
2008-C-1062518-4216-0	70.2	12/19/2007	2008-C-8881568-3220-1	1.5	12/19/2007
2008-C-1062518-4216-0	68.7	12/19/2007	2008-C-8881568-3221-1	1.5	12/19/2007
2008-C-1062518-4216-0	67.2	12/19/2007	2008-C-8881568-3222-1	1.5	12/19/2007
2008-C-1062518-4216-0	65.7	12/19/2007	2008-C-8881568-3208-1	2.8	12/19/2007
2008-C-1062518-4216-0	62.9	12/19/2007	2008-C-8881568-3223-1	1.5	12/19/2007
2008-C-1062518-4216-0	61.4	12/19/2007	2008-C-8881568-3207-1	2.4	12/19/2007
2008-C-1062518-4216-0	59.0	12/19/2007	2008-C-8881568-3224-1	1.5	12/19/2007
2008-C-1062518-4216-0	57.5	12/19/2007	2008-C-8881568-3206-1	2.4	12/19/2007
2008-C-1062518-4216-0	55.1	12/19/2007	2008-C-8881568-3225-1	2.8	12/19/2007
2008-C-1062518-4216-0	52.3	12/19/2007	2008-C-8881568-3226-1	1.5	12/19/2007
2008-C-1062518-4216-0	50.8	12/19/2007	2008-C-8881568-3227-1	1.5	12/19/2007
2008-C-1062518-4216-0	49.3	12/19/2007	2008-C-8881568-3205-1	2.2	12/19/2007
2008-C-1062518-4216-0	47.1	12/19/2007	2008-C-8881568-3228-1	2.2	12/19/2007
2008-C-1062518-4216-0	44.9	12/19/2007	2008-C-8881572-3229-1	0.6	12/19/2007
2008-C-1062518-4216-0	44.3	12/19/2007	2008-C-8881572-3230-1	0.7	12/19/2007
2008-C-1062518-4216-0	43.6	12/19/2007	2008-C-8881568-3204-1	2.1	12/19/2007
2008-C-1062518-4216-0	41.5	12/19/2007	2008-C-8881572-3231-1	0.7	12/19/2007
2008-C-1062518-4216-0	40.8	12/19/2007	2008-C-8881572-3232-1	0.7	12/19/2007
2008-C-1062518-4216-0	40.1	12/19/2007	2008-C-8881572-3233-1	0.7	12/19/2007
2008-C-1062518-4216-0	39.4	12/19/2007	2008-C-8881568-3203-1	1.5	12/19/2007
2008-C-1062518-4216-0	37.9	12/19/2007	2008-C-8881572-3234-1	0.7	12/19/2007
2008-C-1062518-4216-0	37.2	12/19/2007	2008-C-8881568-3202-1	1.5	12/19/2007
2008-C-1062518-4216-0	35.7	12/19/2007	2008-C-8881574-3235-1	2.1	12/19/2007
2008-C-1062518-4216-0	33.6	12/19/2007	2008-C-8881568-3185-1	1.0	12/19/2007
2008-C-1062518-4216-0	32.6	12/19/2007	2008-C-8881575-3236-1	1.1	12/19/2007
2008-C-1062518-4216-0	31.5	12/19/2007	2008-C-8881575-3237-1	1.1	12/19/2007
2008-C-1062518-4216-0	30.4	12/19/2007	2008-C-8881575-3238-1	1.1	12/19/2007
2008-C-1062518-4216-0	29.3	12/19/2007	2008-C-8881568-3184-1	2.8	12/19/2007
2008-C-1062518-4216-0	26.5	12/19/2007	2008-C-8881576-3239-1	1.2	12/19/2007
2008-C-1062518-4216-0	25.3	12/19/2007	2008-C-8881568-3183-1	2.8	12/19/2007
2008-C-1062518-4216-0	22.5	12/19/2007	2008-C-8881576-3240-1	2.5	12/19/2007

Pollutant Company Name and Address

2008-C-1062518-4216-0	20.0	12/19/2007	2008-C-8881568-3182-1	3.5	12/19/2007
2008-C-1062518-4216-0	16.5	12/19/2007	2008-C-8881576-3241-1	2.5	12/19/2007
2008-C-1062518-4216-0	14.0	12/19/2007	2008-C-8881576-3242-1	2.5	12/19/2007
2008-C-1062518-4216-0	11.5	12/19/2007	2008-C-8881576-3243-1	2.5	12/19/2007
2008-C-1062518-4216-0	9.0	12/19/2007	2008-C-8881568-3181-1	2.2	12/19/2007
2008-C-1062518-4216-0	6.8	12/19/2007	2008-C-8881576-3244-1	2.5	12/19/2007
2008-C-1062518-4216-0	4.3	12/19/2007	2008-C-8881577-3245-1	0.6	12/19/2007
2008-C-1062518-4216-0	3.7	12/19/2007	2008-C-8881577-3246-1	0.5	12/19/2007
2008-C-1062518-4216-0	3.2	12/19/2007	2008-C-8881568-3180-1	1.5	12/19/2007
2008-C-1062518-4216-0	1.7	12/19/2007	2008-C-8881577-3247-1	0.5	12/19/2007
2008-C-1062518-4216-0	1.2	12/19/2007	2008-C-8881577-3248-1	1.1	12/19/2007
2008-C-1062518-4216-0	0.1	12/19/2007	2008-C-8881577-3249-1	0.1	12/19/2007

Total Reductions, this reporting period, for this project 126.1

PM10

AERA ENERGY LLC
HEAVY OIL WESTERN STATIONARY SOURCE,
KERN COUNTY

Surplus at the time of use Reductions Used to Mitigate this Increase

<i>Tracking ID for ATC</i>	<i>Fed Offsets Req'd</i>	<i>ATC Date</i>	<i>Tracking ID for Reduction</i>	<i>Credit (t/y)</i>	<i>Time of Use</i>
2008-S-1072356-4217-0	36.1	10/9/2007	2008-S-1072356-4199-1	3.1	10/9/2007
2008-S-1072356-4217-0	33.0	10/9/2007	2008-S-1072356-4206-1	3.1	10/9/2007
2008-S-1072356-4217-0	29.9	10/9/2007	2007-S-1055284-2424-1	1.9	10/9/2007
2008-S-1072356-4217-0	28.0	10/9/2007	2007-C-9993730-2148-1	0.4	10/9/2007
2008-S-1072356-4217-0	27.6	10/9/2007	2007-N-9991286-2322-1	1.0	10/9/2007
2008-S-1072356-4217-0	26.7	10/9/2007	2006-N-9992077-2082-1	0.9	10/9/2007
2008-S-1072356-4217-0	25.8	10/9/2007	2007-N-9991261-2320-1	8.5	10/9/2007
2008-S-1072356-4217-0	17.3	10/9/2007	2007-N-9993401-2180-1	0.5	10/9/2007
2008-S-1072356-4217-0	16.8	10/9/2007	2007-N-9993608-2218-1	0.7	10/9/2007
2008-S-1072356-4217-0	16.2	10/9/2007	2007-C-9992437-2183-1	0.1	10/9/2007
2008-S-1072356-4217-0	16.1	10/9/2007	2007-C-9992071-2316-1	0.2	10/9/2007
2008-S-1072356-4217-0	15.9	10/9/2007	2007-C-9992071-2314-1	0.6	10/9/2007
2008-S-1072356-4217-0	15.3	10/9/2007	2007-N-9990300-2323-1	0.1	10/9/2007
2008-S-1072356-4217-0	15.2	10/9/2007	2007-N-9990585-2248-1	0.2	10/9/2007
2008-S-1072356-4217-0	14.9	10/9/2007	2007-N-9990356-2106-1	0.1	10/9/2007
2008-S-1072356-4217-0	14.9	10/9/2007	2007-N-9991043-2326-1	0.9	10/9/2007
2008-S-1072356-4217-0	14.0	10/9/2007	2007-N-9991066-2344-1	5.2	10/9/2007
2008-S-1072356-4217-0	8.8	10/9/2007	2007-S-9991601-2300-1	1.7	10/9/2007
2008-S-1072356-4217-0	7.1	10/9/2007	2006-S-9991058-2006-1	1.9	10/9/2007
2008-S-1072356-4217-0	5.1	10/9/2007	2007-N-9990709-2340-1	0.7	10/9/2007
2008-S-1072356-4217-0	4.4	10/9/2007	2006-C-9994301-2074-1	0.2	10/9/2007
2008-S-1072356-4217-0	4.2	10/9/2007	2007-N-9991181-2176-1	0.9	10/9/2007
2008-S-1072356-4217-0	3.3	10/9/2007	2006-C-9994158-2085-1	0.9	10/9/2007
2008-S-1072356-4217-0	2.4	10/9/2007	2007-C-9993873-2297-1	0.8	10/9/2007
2008-S-1072356-4217-0	1.7	10/9/2007	2007-N-9993438-2239-1	0.1	10/9/2007

Pollutant Company Name and Address

2008-S-1072356-4217-0	1.6	10/9/2007	2007-N-9993700-2246-1	0.7	10/9/2007
2008-S-1072356-4217-0	0.9	10/9/2007	2007-N-9994090-2181-1	0.9	10/9/2007

Total Reductions, this reporting period, for this project 36.1

VOC

CHEMICAL WASTE MANAGEMENT, INC
35251 OLD SKYLINE ROAD, KETTLEMAN CITY

Surplus at the time of use Reductions Used to Mitigate this Increase

<i>Tracking ID for ATC</i>	<i>Fed Offsets Req'd</i>	<i>ATC Date</i>	<i>Tracking ID for Reduction</i>	<i>Credit (t/y)</i>	<i>Time of Use</i>
2008-C-1072627-4218-0	33.7	5/14/2008	2004-C-9992199-1470-1	3.5	5/14/2008
2008-C-1072627-4218-0	30.2	5/14/2008	2005-C-9992266-1696-1	5.0	5/14/2008
2008-C-1072627-4218-0	25.2	5/14/2008	2004-C-9992915-1477-1	0.1	5/14/2008
2008-C-1072627-4218-0	25.2	5/14/2008	2005-C-9994075-1038-1	0.1	5/14/2008
2008-C-1072627-4218-0	25.0	5/14/2008	2005-C-9993242-1486-1	0.3	5/14/2008
2008-C-1072627-4218-0	24.7	5/14/2008	2005-C-9993242-1486-2	1.6	5/14/2008
2008-C-1072627-4218-0	23.1	5/14/2008	2005-C-9993685-1521-1	5.0	5/14/2008
2008-C-1072627-4218-0	18.1	5/14/2008	2005-C-9993666-1111-1	0.1	5/14/2008
2008-C-1072627-4218-0	18.0	5/14/2008	2005-C-9994134-1592-1	0.4	5/14/2008
2008-C-1072627-4218-0	17.6	5/14/2008	2004-N-9992844-1395-1	1.5	5/14/2008
2008-C-1072627-4218-0	16.1	5/14/2008	2005-N-9992939-1616-1	3.7	5/14/2008
2008-C-1072627-4218-0	12.5	5/14/2008	2005-C-9993387-1122-1	0.3	5/14/2008
2008-C-1072627-4218-0	12.2	5/14/2008	2004-N-9993193-1415-1	1.4	5/14/2008
2008-C-1072627-4218-0	10.8	5/14/2008	2004-C-9993328-1026-1	2.0	5/14/2008
2008-C-1072627-4218-0	8.8	5/14/2008	2004-N-9993473-1417-1	5.0	5/14/2008
2008-C-1072627-4218-0	3.8	5/14/2008	2005-C-9993229-1215-1	1.2	5/14/2008
2008-C-1072627-4218-0	2.6	5/14/2008	2004-N-9993484-1418-1	2.6	5/14/2008

Total Reductions, this reporting period, for this project 33.7

COUNTY SANITATION DISTRICTS OF L.A. CO.
SECTION 35, TOWNSHIP 22S, RANGE 19E, MT.
DIABLO BASELINE AND MERIDIAN, KINGS COUNTY

Surplus at the time of use Reductions Used to Mitigate this Increase

<i>Tracking ID for ATC</i>	<i>Fed Offsets Req'd</i>	<i>ATC Date</i>	<i>Tracking ID for Reduction</i>	<i>Credit (t/y)</i>	<i>Time of Use</i>
2008-C-1073961-4220-0	121.2	7/8/2008	2005-S-1031885-1289-1	0.5	7/8/2008
2008-C-1073961-4220-0	120.7	7/8/2008	2005-S-9990253-1071-1	0.3	7/8/2008
2008-C-1073961-4220-0	120.4	7/8/2008	2005-C-1021010-1247-1	1.0	7/8/2008
2008-C-1073961-4220-0	119.4	7/8/2008	2005-N-1032340-1255-1	1.3	7/8/2008
2008-C-1073961-4220-0	118.1	7/8/2008	2005-C-1031718-1249-1	2.1	7/8/2008
2008-C-1073961-4220-0	116.0	7/8/2008	2005-N-9994495-1221-1	0.2	7/8/2008
2008-C-1073961-4220-0	115.8	7/8/2008	2004-S-1030577-1232-1	0.6	7/8/2008
2008-C-1073961-4220-0	115.2	7/8/2008	2005-N-9994486-1152-1	0.2	7/8/2008
2008-C-1073961-4220-0	115.0	7/8/2008	2004-S-1030577-1233-1	0.2	7/8/2008
2008-C-1073961-4220-0	114.8	7/8/2008	2004-N-9994436-988-1	0.3	7/8/2008
2008-C-1073961-4220-0	114.5	7/8/2008	2005-N-1030479-1250-1	1.4	7/8/2008
2008-C-1073961-4220-0	113.1	7/8/2008	2004-S-1030107-1257-1	0.5	7/8/2008
2008-C-1073961-4220-0	112.6	7/8/2008	2005-N-9993796-1226-1	5.0	7/8/2008

Pollutant Company Name and Address

2008-C-1073961-4220-0	107.6	7/8/2008	2005-N-9994301-1151-1	0.2	7/8/2008
2008-C-1073961-4220-0	107.4	7/8/2008	2004-N-1030648-1337-1	1.5	7/8/2008
2008-C-1073961-4220-0	105.9	7/8/2008	2005-N-9993214-1097-1	1.9	7/8/2008
2008-C-1073961-4220-0	104.0	7/8/2008	2005-N-9993219-1056-1	4.2	7/8/2008
2008-C-1073961-4220-0	99.8	7/8/2008	2005-N-9992959-1150-1	3.7	7/8/2008
2008-C-1073961-4220-0	96.1	7/8/2008	2005-N-9993326-1199-2	5.0	7/8/2008
2008-C-1073961-4220-0	91.1	7/8/2008	2005-N-9993361-1166-1	0.8	7/8/2008
2008-C-1073961-4220-0	90.3	7/8/2008	2005-N-9993660-1096-1	5.0	7/8/2008
2008-C-1073961-4220-0	85.3	7/8/2008	2004-N-9992374-1014-1	2.5	7/8/2008
2008-C-1073961-4220-0	82.8	7/8/2008	2004-N-9993942-989-1	0.1	7/8/2008
2008-C-1073961-4220-0	82.7	7/8/2008	2004-N-9991675-1005-1	0.1	7/8/2008
2008-C-1073961-4220-0	82.7	7/8/2008	2005-N-9994023-1130-1	0.1	7/8/2008
2008-C-1073961-4220-0	82.6	7/8/2008	2005-N-9991636-1189-1	2.2	7/8/2008
2008-C-1073961-4220-0	80.4	7/8/2008	2005-N-9994031-1093-1	2.7	7/8/2008
2008-C-1073961-4220-0	77.6	7/8/2008	2004-N-9994078-1012-1	1.4	7/8/2008
2008-C-1073961-4220-0	76.3	7/8/2008	2005-N-9994082-1129-1	2.9	7/8/2008
2008-C-1073961-4220-0	73.3	7/8/2008	2005-N-9991631-1198-1	42.4	7/8/2008
2008-C-1073961-4220-0	31.0	7/8/2008	2004-N-1030648-1339-1	1.5	7/8/2008
2008-C-1073961-4220-0	29.5	7/8/2008	2004-N-1030648-1340-1	1.6	7/8/2008
2008-C-1073961-4220-0	27.9	7/8/2008	2005-C-9990357-1547-1	0.6	7/8/2008
2008-C-1073961-4220-0	27.2	7/8/2008	2005-N-9991111-1054-1	3.7	7/8/2008
2008-C-1073961-4220-0	23.6	7/8/2008	2004-C-9990682-1469-1	0.1	7/8/2008
2008-C-1073961-4220-0	23.5	7/8/2008	2005-C-9991025-1493-1	7.3	7/8/2008
2008-C-1073961-4220-0	16.2	7/8/2008	2005-C-9991302-1698-1	2.4	7/8/2008
2008-C-1073961-4220-0	13.8	7/8/2008	2005-N-9990824-1126-2	3.7	7/8/2008
2008-C-1073961-4220-0	10.2	7/8/2008	2004-C-9991335-1438-1	3.1	7/8/2008
2008-C-1073961-4220-0	7.1	7/8/2008	2005-N-9990824-1126-1	0.2	7/8/2008
2008-C-1073961-4220-0	6.9	7/8/2008	2005-C-9991340-1523-1	3.8	7/8/2008
2008-C-1073961-4220-0	3.1	7/8/2008	2005-N-9990436-1222-1	1.4	7/8/2008
2008-C-1073961-4220-0	1.8	7/8/2008	2004-C-9992199-1470-1	1.8	7/8/2008

Total Reductions, this reporting period, for this project

121.2

PANOCHÉ ENERGY CENTER LLC
W PANOCHÉ RD, FIREBAUGH

Surplus at the time of use Reductions Used to Mitigate this Increase

<i>Tracking ID for ATC</i>	<i>Fed Offsets Req'd</i>	<i>ATC Date</i>	<i>Tracking ID for Reduction</i>	<i>Credit (t/y)</i>	<i>Time of Use</i>
2008-C-1062518-4216-0	39.5	12/19/2007	2004-N-9993484-1418-1	2.4	12/19/2007
2008-C-1062518-4216-0	37.1	12/19/2007	2005-N-9993584-1598-1	5.0	12/19/2007
2008-C-1062518-4216-0	32.1	12/19/2007	2005-N-9993665-1525-1	5.0	12/19/2007
2008-C-1062518-4216-0	27.1	12/19/2007	2004-C-9992339-1020-1	1.3	12/19/2007
2008-C-1062518-4216-0	25.8	12/19/2007	2004-N-9993909-1408-1	5.0	12/19/2007
2008-C-1062518-4216-0	20.8	12/19/2007	2004-N-9994161-1383-1	0.8	12/19/2007
2008-C-1062518-4216-0	20.0	12/19/2007	2005-N-9994433-1665-1	16.2	12/19/2007
2008-C-1062518-4216-0	3.9	12/19/2007	2005-C-9991965-1149-1	3.5	12/19/2007

Pollutant Company Name and Address

2008-C-1062518-4216-0 0.4 12/19/2007 2004-N-9994531-1384-1 0.4 12/19/2007

Total Reductions, this reporting period, for this project 39.5

SOUTH KERN INDUSTRIAL CENTER LLC
2653 SANTIAGO ROAD, TAFT

Surplus at the time of use Reductions Used to Mitigate this Increase

<i>Tracking ID for ATC</i>	<i>Fed Offsets Req'd</i>	<i>ATC Date</i>	<i>Tracking ID for Reduction</i>	<i>Credit (t/y)</i>	<i>Time of Use</i>
2008-S-1074218-4219-0	77.0	7/31/2008	2009-S-1074218-4065-1	1.1	7/31/2008
2008-S-1074218-4219-0	75.9	7/31/2008	2009-S-1074218-4066-1	0.1	7/31/2008
2008-S-1074218-4219-0	75.8	7/31/2008	2009-S-1074218-4113-1	9.1	7/31/2008
2008-S-1074218-4219-0	66.7	7/31/2008	2005-S-9993184-1037-1	8.4	7/31/2008
2008-S-1074218-4219-0	58.3	7/31/2008	2005-S-9993239-1043-1	5.0	7/31/2008
2008-S-1074218-4219-0	53.3	7/31/2008	2005-S-9993109-1113-1	0.2	7/31/2008
2008-S-1074218-4219-0	53.1	7/31/2008	2005-S-9993579-1204-1	3.3	7/31/2008
2008-S-1074218-4219-0	49.8	7/31/2008	2005-S-9993621-1120-1	0.2	7/31/2008
2008-S-1074218-4219-0	49.6	7/31/2008	2005-S-9993777-1063-1	0.1	7/31/2008
2008-S-1074218-4219-0	49.5	7/31/2008	2005-S-9991744-1180-1	5.0	7/31/2008
2008-S-1074218-4219-0	44.5	7/31/2008	2005-S-9993819-1116-1	2.7	7/31/2008
2008-S-1074218-4219-0	41.7	7/31/2008	2005-S-9991685-1051-1	5.0	7/31/2008
2008-S-1074218-4219-0	36.8	7/31/2008	2005-S-9993869-1214-1	5.0	7/31/2008
2008-S-1074218-4219-0	31.8	7/31/2008	2004-S-9991498-1025-1	5.9	7/31/2008
2008-S-1074218-4219-0	25.8	7/31/2008	2005-S-9994020-1211-1	5.0	7/31/2008
2008-S-1074218-4219-0	20.8	7/31/2008	2005-S-9994151-1210-1	5.0	7/31/2008
2008-S-1074218-4219-0	15.8	7/31/2008	2005-S-1040356-1294-1	0.5	7/31/2008
2008-S-1074218-4219-0	15.3	7/31/2008	2005-S-9990339-1220-1	1.6	7/31/2008
2008-S-1074218-4219-0	13.7	7/31/2008	2004-S-1031052-1273-1	9.0	7/31/2008
2008-S-1074218-4219-0	4.7	7/31/2008	2004-S-1020916-1271-1	0.6	7/31/2008
2008-S-1074218-4219-0	4.1	7/31/2008	2005-S-1031885-1289-1	4.1	7/31/2008

Total Reductions, this reporting period, for this project 77