



STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION



In the matter of) TRADING AGREEMENT AND ORDER No. 8130
)
 State of Connecticut Department)
)
 of Public Works)

Whereas, the Commissioner of Environmental Protection ("DEP") ("Commissioner") and the Commissioner of the Department of Public Works ("DPW") agree that it is in the public interest that they work cooperatively to improve the air quality within the State of Connecticut and that the use of emission reduction trading will achieve this result in a timely and cost-effective manner:

- A. At the request and with the agreement of the DPW, the Commissioner finds the following:
1. Fairfield Hills Hospital (FHH) is owned and operated by the State of Connecticut DPW and serves as a health care facility located on Mile Hill Road in Newtown, Connecticut ("facility"). FHH was previously operated by the Department of Mental Health and Addiction Services. Pursuant to Public Act 95-218, the Department of Mental Health and Addiction Services has submitted the required forms to the Department to allow the Commissioner to transfer the FHH facility air registrations to DPW.
 2. At the facility, DPW operates oil-fired steam boilers which are projected to emit 75.7 tons of nitrogen oxides ("NOx") between June 1, 1995 and May 31, 1996. Pursuant to Section 22a-174-22, Regulations of Connecticut State Agencies ("Regulations"), the projected NOx emissions for this facility is 43.0 tons (equivalent to .25 pounds/million Btu of heat input [MMBtu]) for the time period of June 1, 1995 to May 31, 1996.
 3. Pursuant to Section 22a-174-22(j) of the Regulations, On September 28, 1995 the State of Connecticut purchased 50 (fifty) tons of approved ozone season and 50 (fifty) tons of approved non-ozone season emission reduction credits ("ERCs") from the United Illuminating Company. These ERCs were purchased by and are under the managed authority of the Connecticut Office of Policy and Management (OPM) and are for use by State agencies. Approved ERCs are defined for purposes of this order as those for which the Commissioner has provided written authorization for use in compliance with Section 22a-174-22 of the Regulations.

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4. On June 25, 1996 the DEP approved the Permit/Registration Transfer Form submitted May 6, 1996. Pursuant to this June 25th letter, Registration Numbers 131-32, 131-33 and 131-34 have been transferred from Fairfield Hills Hospital to the Department of Public Works. All other conditions of this permit shall remain in full force and effect.
- B. The Commissioner, in accordance with the provisions of this Trading Agreement and Order, and pursuant to Sections 22a-174-22(d)(4) and 22a-174-22(j) of the Regulations, hereby allows the DPW to use the ERCs purchased and referenced in Section A.3. herein, to achieve compliance with the nitrogen oxide emission reduction required by Section 22a-174-22(d)(2) of the Regulations. The use of these ERCs will be allowed prior to and during the period of installation of the advanced low-NOx fuel-burning equipment.
 - C. With the agreement of the DPW, the Commissioner, acting under Sections 22a-6, 22a-171, 22a-174, 22a-176, and 22a-177 of the Connecticut General Statutes, orders DPW as follows:
 1. After May 31, 1995 and until the completion of the construction and operation of the advanced low-NOx fuel-burning equipment or until May 1, 1999, whichever comes earlier, the DPW shall document and record the amounts of all fuel burned at the facility on a daily basis and shall calculate the quantity of NOx emitted which exceeds the standard of 0.25 lbs/MMBtu. DPW shall maintain and provide such records in accordance with the following and Section 22a-174-4 of the Regulations:
 - A. The calculation of ERCs needed will be as follows:
$$\text{ERCs} = (\text{Fuel Use in MMBtu} \times (*\text{FLER lbs/MMBtu} - (0.25 \text{ lbs/MMBtu} \times .95))) / 2000 \text{ pounds.}$$

*FLER = Facility specific full load emission rate in lbs/MMBtu at FHH (0.44).

Daily NOx emission totals for the period from June 1, 1995 until completion of the installation of the advanced low-NOx fuel-burning equipment shall be maintained and made available to the Department upon request;

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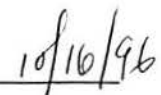
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- B. The DPW shall acquire sufficient approved ERCs no later than the first of each calendar month to assure compliance for, at a minimum, that calendar month. For the months of June, July, August, and September 1995, ERCs must be acquired before September 30, 1995;
 - C. After installation of the advanced low-NOx fuel-burning equipment or by May 1, 1999, whichever comes earlier, the DPW facility must emit nitrogen oxides at a rate no greater than 0.20 lbs/MMBtu when burning natural gas, nor more than 0.25 lbs/MMBtu when burning residual oil;
 - D. No later than the tenth day of each month, calculate ERCs used in the preceding calendar month;
 - E. Document and record monthly fuel and ERCs used;
 - F. No later than March 1 of the years 1997, 1998, 1999 and 2000 include with its annual emissions report to the Commissioner, NOx emissions and ERCs used for the previous calendar year, in monthly increments;
 - G. Retain records and supporting documentation as described in this section for a minimum of five years, commencing on the date such records were created;
 - H. Maintain documentation to attest to the fact that ERCs used during the ozone season were generated during the ozone season. The ozone season is May 1 to September 30 in any calendar year. Generator certification of this fact shall be sufficient; and
 - I. Provide the records specified above to the Commissioner within thirty (30) days of receipt of a written request from the Commissioner.
2. The Commissioner acknowledges the receipt of a request to transfer the Department of Mental Health and Addiction Services registrations to the DPW and hereby allows the transfer.
 3. Provided that all conditions of this trading order have been and continue to be met, and prior to installing the advanced low-NOx fuel-burning equipment or vacating a facility, comply during operation of each boiler with the FLER limitation as listed in C.1.A. above, averaged on a 24-hour basis.

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4. On or before May 1, 1999, DPW shall comply with the requirements of Section 22a-174-22(d)(2) of the Regulations, unless the Commissioner deems it appropriate to extend the order, in writing.
5. On or before July 31, 1997, the DPW shall submit a progress report to the Commissioner describing the actions the DPW has taken to comply with this Trading Agreement and Order to date.
6. As used in this Trading Agreement and Order, "Commissioner" means the Commissioner of Environmental Protection or an agent of the Commissioner.
7. Notification of noncompliance. In the event that the DPW becomes aware that it did not or may not comply, or did not or may not comply on time, with any requirement of this Trading Agreement and Order or of any document required hereunder, the DPW shall immediately notify the Commissioner and shall take all reasonable steps to ensure that any noncompliance or delay is avoided or, if unavoidable, is minimized to the greatest extent possible. In so notifying the Commissioner, the DPW shall state in writing the reasons for the noncompliance or delay and propose, for the review and written approval of the Commissioner, dates by which compliance will be achieved, and the DPW shall comply with any dates which may be approved in writing by the Commissioner. Notification by the DPW shall not excuse noncompliance or delay, and the Commissioner's approval of any compliance dates proposed shall not excuse noncompliance or delay unless specifically so stated by the Commissioner in writing.
8. Certification of documents. Any document, including but not limited to any notice, which is required to be submitted to the Commissioner under this Trading Agreement and Order shall be signed by the chief executive officer of the DPW or a duly authorized representative of such officer, as those terms are defined in Section 22a-430-3(b)(2) of the Regulations, and by the individual or individuals responsible for actually preparing such document, each of whom shall certify in writing as follows:

"I have personally examined and am familiar with the information submitted in this document and all attachments thereto, and I certify that based on reasonable investigation, including my inquiry of those individuals responsible for obtaining the information, the submitted information is true, accurate and complete to the best of my knowledge and belief. I understand that any false statement made in the submitted information may be punishable as a criminal offense, in accordance with Section 22a-6 of the Connecticut General Statutes, pursuant to Section 53a-

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157 of the Connecticut General Statutes, and in accordance with any other applicable statute."

9. Final Agreement and Order. This Trading Agreement and Order is the final agreement and order by and between the Commissioner and the DPW with respect to the matters addressed herein, and shall not be modified without the written agreement of both parties.
10. False statements. Any false statement in any information submitted pursuant to this Trading Agreement and Order may be punishable as a criminal offense under Section 22a-175 of the Connecticut General Statutes or, in accordance with Section 22a-6, under Section 53a-157 of the Connecticut General Statutes.
11. Notice of transfer; liability of DPW and others. Until May 1, 1999, and in accordance with Public Act 95-218, DPW shall notify the Commissioner in writing at least thirty (30) days prior to transferring any license held by DPW to any other party and shall notify the Commissioner in writing no later than fifteen (15) days after transferring all or any portion of the operations, the facility or the business which are the subject of this Trading Agreement and Order, or obtaining a new mailing or location address. DPW's obligations under this Trading Agreement and Order shall not be affected by the passage of title to any property to any other person or municipality.
12. Commissioner's powers. Nothing in this Trading Agreement and Order shall affect the Commissioner's authority to institute any proceeding or take any other action to prevent or abate violations of law, prevent or abate pollution, recover costs and natural resource damages, and to impose penalties for violations of law which are willful or criminally negligent or for which penalties have not been specifically provided in this Trading Agreement and Order, including but not limited to violations of any permit issued by the Commissioner. If at any time the Commissioner determines that the actions taken by the DPW pursuant to this Trading Agreement and Order have not fully achieved compliance with Section 22a-174-22(j) of the Regulations, the Commissioner may institute any independent proceeding to require DPW to undertake further investigation or further action.
13. DPW's obligations under law. Nothing in this Trading Agreement and Order shall relieve the DPW of other obligations under applicable federal, state and local law.

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14. Access to records and facilities. Any representative of the Department of Environmental Protection may enter the facilities and inspect and copy records pertaining to this trading order within normal business hours without prior notice for the purposes of monitoring and enforcing the actions required or allowed by this Trading Agreement and Order.
15. No effect on rights of other persons. This Trading Agreement and Order shall neither create nor affect any rights of persons who or municipalities which are not parties to this Trading Agreement and Order.
16. Notice to Commissioner of changes. Within fifteen (15) days of the date the DPW becomes aware of a change in any information submitted to the Commissioner under this Trading Agreement and Order, or that any such information was inaccurate or misleading or that any relevant information was omitted, DPW shall submit the correct or omitted information to the Commissioner.
17. Submission of documents. Any document required to be submitted to the Commissioner under this Trading Agreement and Order shall, unless otherwise specified in writing by the Commissioner, be directed to:

Mr. Eric Davis
Department of Environmental Protection
Bureau of Air Management
Engineering and Enforcement Division
79 Elm Street
Hartford, Connecticut 06106

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The DPW consents to the issuance of this Trading Agreement and Order without further notice. The undersigned certifies that he/she is fully authorized to enter into this Trading Agreement and Order and to legally bind the DPW to the terms and conditions of the Trading Agreement and Order.

STATE OF CONNECTICUT DEPARTMENT OF PUBLIC WORKS

Signature: _____

Type Name: T. R. Anson

Type Title: Commissioner, State of Connecticut, Department of Public Works

Date: _____

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Issued as a final consent order of the Commissioner of Environmental Protection on October 18,
, 1996.



Sidney J. Holbrook
Commissioner

TOWN OF NEWTOWN LAND RECORDS

MAILED CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Certified Document No. 266 542 078