



STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION



In the matter of)
)
State of Connecticut)
 and)
Ogden Martin Systems)
of Bristol, Inc.)

TRADING AGREEMENT
AND ORDER No. 8094

Whereas, the Commissioner of Environmental Protection ("Commissioner") and Ogden Martin Systems of Bristol, Inc. ("Ogden") 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 Ogden, the Commissioner finds the following:
1. Ogden is a corporation which operates a resource recovery facility at 170 Enterprise Drive, Bristol, Connecticut ("facility").
 2. At the facility, Ogden operates two (2) three hundred twenty-five (325) ton per day waterwall/watertube design municipal waste combustors ("combustors"). Separate continuous emissions monitors ("CEMs") measure nitrogen oxides ("NOx") emissions from each combustor.
 3. During the year 1993 the average annual NOx emission rate for the facility was 0.52 pounds per mmBTU heat input. This actual emission rate is below the maximum allowable rate of 0.6 pounds/mmBTU stated in Ogden's permits to operate. Pursuant to Section 22a-174-22 of the Regulations of Connecticut State Agencies ("Regulations"), the combustors must meet a NOx emissions limitation of 0.38 lb/mmBTU (24-hour average) after May 31, 1995.
 4. On May 31, 1995, Ogden completed installation and began to test and make fully operational, Selective Non-Catalytic Reduction (SNCR) systems on the combustors, thereby reducing its NOx emission rates below its permitted, allowed and actual 1993 emissions rates. Such SNCRs enabled Ogden's combustors to meet and operate below the emission limitations specified in Section 22a-174-22(e) of the Regulations of Connecticut State Agencies ("Regulations").

Initials: JKC

Date: 7/15/97

5. After May 31, 1995 Ogden may obtain approval of actual reductions in NOx emissions, generated by operating the combustors at a rate which is below 0.38 pounds/mmBTU, for use as emission reduction credits ("ERCs"). Notwithstanding the above, the Commissioner reserves the right to modify such baseline emission rate to meet any requirement established pursuant to Section 129(e) of the Clean Air Act.
6. 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.
7. Ten (10) percent of the ERCs generated at the facility shall be retired and permanently removed from all calculations to assure a benefit to the environment. A five (5) percent uncertainty discount will be retired and permanently removed from all calculations due to uncertainties in the methodology of using the steam flow rate for calculating NOx mass emissions.
8. When properly documented by Ogden, and approved by the Commissioner, the emission reductions identified above, and as computed in accordance with the terms of this trading order, will conform to the requirements of Section 22a-174-22(j)(3) of the Regulations. Specifically, the reductions will be:

Real because they will result in a reduction of actual emissions released into the air, net of any consequential increase in actual emissions resulting from shifting demand. The emission reductions will be properly measured, recorded and reported.

Quantifiable because they are based on Continuous Emission Monitoring Data as applied in an appropriate reliable and replicable protocol, providing the rate and total mass amount of reduction.

Surplus because they are not required by any Connecticut statute or regulation mandated by a current State Implementation Plan (SIP), and are not currently relied upon in any applicable attainment plan, any reasonable further progress plan or milestone demonstration.

Initials: JKC

Date: 7/15/97

Permanent because the SNCR control system will be in place and operating and an appropriate tracking system is in place to monitor all data required to verify and quantify the creation of ERCs.

Enforceable because the ERCs are approved by the Commissioner retrospectively after the submission by Ogden of a report that will document their creation.

9. ERCs will be calculated as described in Attachment 1, attached to and hereby incorporated by reference into this Trading Agreement and Order.
 10. As documented in Attachment 2, attached to and hereby incorporated by reference into this Trading Agreement and Order, 66.98 ERCs were created by the combustors between June 1, 1995 and December 31, 1996 (35.25 during the ozone season and 31.73 during the non-ozone season).
- B. The Commissioner, in accordance with the provisions of this Trading Agreement and Order, pursuant to Section 22a-174-22(d)(4) of the Regulations, will allow approved sources within Connecticut to use 66.98 tons of NOx ERCs described in paragraph A.10. (35.25 during the ozone season and 31.73 during the non-ozone season) for purposes of compliance under Section 22a-174-22(j) or 22a-174-3(l)(5) of the Regulations to achieve a portion of the nitrogen oxide emission reductions required or as emissions offsets for new sources.

Upon sufficient documentation as prescribed below, the Commissioner will provide written approval of additional creation of ERCs by Ogden retrospectively. Approved ERCs created by Ogden may be held by Ogden or transferred to other persons. Such ERCs shall remain valid until they are used or until April 30, 1999, whichever occurs first. The Commissioner may allow the survival and use of these ERCs beyond April 30, 1999.

- C. With the agreement of Ogden, the Commissioner, acting under Sections 22a-6, 22a-171, 22 a-174, 22a-176, and 22a-177 of the Connecticut General Statutes, orders Ogden as follows:
1. ERC generation. For purposes of generating ERCs from the facility, Ogden shall use a baseline of 0.38 lb/mmBTU. Notwithstanding the above, the Commissioner reserves the right to modify such baseline emission rates to meet any requirements established pursuant to

Initials: DKC

Date: 7/15/97

Section 129(e) of the Clean Air Act. If Ogden chooses to create ERCs, ERCs shall be calculated using CEM-recorded NOx emissions rates* for each combustor and actual heat input for each combustor in mmBTU/day. Fifteen (15) percent of the ERCs shall be retired by the facility and permanently removed from all calculations to assure a benefit to the environment and to compensate for uncertainty.

*This rate shall be calculated pursuant to the methodology described in Attachment 1.

- a. Ogden shall maintain records for each combustor showing daily NOx mass emissions, actual NOx emission rates (24-hour average), and ERCs generated net of the ten (10) percent environmental discount and a five (5) percent uncertainty discount.
 - b. In requesting ERC approval, Ogden shall provide documentation containing monthly operating reports of actual heat input in mmBTU, daily actual NOx mass emissions and NOx emission rates (24-hour average), number of valid data hours per day, and ERCs generated using the baseline referenced in paragraph C.1., net of the fifteen (15) percent discount.
 - c. No later than March 1 of every year after issuance of this trading order, Ogden shall include with the Annual Emission Statement provided to the Commissioner, a record of each sale or other transfer, and use of any and all of the ERCs approved within and subsequent to issuance of this trading order until all such ERCs have been used. Ogden shall also include actual NOx emissions from the facility and each combustor, and the amount of ERCs generated and/or approved for the previous calendar year. These reports will be on a form prescribed by the Commissioner. This reporting may cease if a central registry is approved by the Commissioner. Should Ogden choose to discontinue the generation of ERCs, Ogden will notify the Commissioner to assist in planning.
2. Ogden shall retain records and supporting documentation as described in this trading order for a minimum of five years, commencing on the date such records were created. Ogden shall provide the records

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Date:

7/15/97

specified above to the Commissioner within thirty (30) days of receipt of a written request from the Commissioner.

3. Should Ogden choose to generate ERCs, reports documenting these credits may be submitted on a semi-annual or monthly basis. Such reports shall be compiled by month.
4. For each combustor with daily NOx emissions below the applicable baseline, Ogden shall calculate the amount of ERCs as follows:

$$\text{ERCs (lbs NOx)} = (0.38 \text{ lb/mmBTU} - \text{Daily NOx Average}) \times (\text{Daily Steam Flow Rate Average} \times 1.648 \times \# \text{ of Actual Operating Hours in a Daily Averaging Period}) \times (0.85^{**})$$

where:

Daily NOx Average = Average of all valid hourly NOx values (lb/mmBTU) recorded during the Daily Averaging Period;

Daily Steam Flow Rate Average = Average of all valid hourly Steam Flow Rate values (klbs steam/hr) recorded during the Daily Averaging Period;

Daily Averaging Period = the total of all operating hours in a day during which municipal solid waste is being fed to the boiler and/or when the boiler load is at least 75% of maximum rated capacity.

*This rate shall be calculated from CEM data pursuant to the methodology described in Attachment 1.

**Five percent uncertainty discount + Ten percent environmental discount.

5. In order to consider a Daily NOx Average or a Daily Steam Flow Rate Average valid for ERC approval, it must contain valid data hours for seventy-five percent (75%) of the operating hours in that Daily Averaging Period (example: minimum 18 valid hours for a full 24-hour operating day; minimum 12 hours for 16 operating hours, etc.).

Additionally, for a data hour to be considered a valid hour, seventy-five percent (75%) minimum data capture requirements must be met for each one-hour data block period. All NOx and CO2 CEMs must comply with 40 CFR 60 Appendix F drift criteria.

Initials: JKC

Date: 7/15/97

6. ERCs may be certified for use upon written request by Ogden to the DEP and subsequent written approval by the Commissioner. Such a written request shall contain all information required by section C of this order for the period of ERC generation.
7. As used in this Trading Agreement and Order, "Commissioner" means the Commissioner of Environmental Protection or an agent of the Commissioner.
8. Notification of noncompliance. In the event that Ogden 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, Ogden 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, Ogden 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 Ogden shall comply with any dates which may be approved in writing by the Commissioner. Notification by Ogden 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.
9. 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 Ogden 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

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

10. Final Agreement and Order. This Trading Agreement and Order is the final agreement and order by and between the Commissioner and Ogden with respect to the matters addressed herein, and shall not be modified without the written agreement of both parties.
11. 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.
12. Notice of transfer; liability of Ogden and others. In accordance with Public Act 95-218, Ogden shall notify the Commissioner in writing no later than thirty (30) days prior to transferring any license held by Ogden to any other party and no later than fifteen (15) days after transferring all or any portion of the operations, the facility or the business which is the subject of this Trading Agreement and Order, or obtaining a new mailing or location address. Ogden'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.
13. 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 Ogden pursuant to this Trading Agreement and Order have not fully achieved compliance with Section 22a-

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Date:

7/15/97

174-22 of the Regulations, the Commissioner may institute any independent proceeding to require Ogden to undertake further investigation or further action.

14. Ogden's obligations under law. Nothing in this Trading Agreement and Order shall relieve Ogden of other obligations under applicable federal, state and local law.
15. Access to records and facility. Any representative of the Department of Environmental Protection may enter the facility and inspect and copy records 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.
16. 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.
17. No Creation of Property Rights. This Trading Agreement and Order does not create any property rights with respect to the ERCs created or used pursuant to this Trading Agreement and Order.
18. Notice to Commissioner of changes. Within fifteen (15) days of the date Ogden 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, Ogden shall submit the correct or omitted information to the Commissioner.
19. 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:

Ms. Wendy Jacobs
Department of Environmental Protection
Bureau of Air Management
Engineering and Enforcement Division
79 Elm Street
Hartford, Connecticut 06106

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7/15/97

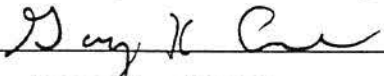
Ogden Martin Systems
of Bristol, Inc.

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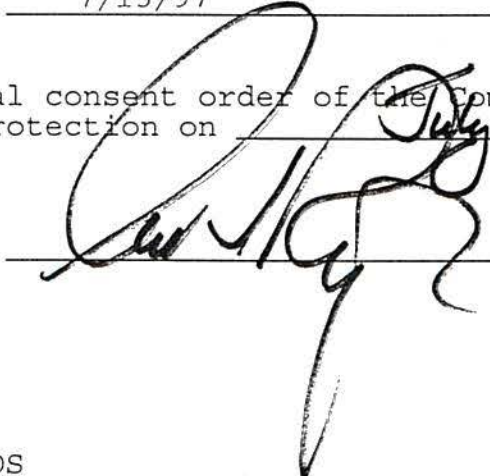
TRADING AGREEMENT
AND ORDER NO. 8094

Ogden 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 Ogden to the terms and conditions of the Trading Agreement and Order.

Ogden Martin Systems of Bristol, Inc.

Signature: 
Type Name: Gary ~~K.~~ Crane
Type Title: Executive Vice President
Date: 7/15/97

Issued as a final consent order of the Commissioner of Environmental Protection on July 23, 1997.



Sidney J. Holbrook
Commissioner

CITY OF BRISTOL
LAND RECORDS

MAILED CERTIFIED MAIL,
RETURN RECEIPT REQUESTED

Certified Document No. 266 541 823