

# STATE OF CONNECTICUT DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION OFFICE OF ADJUDICATIONS

IN THE MATTER OF **APPLICATION** 

NO. 202303063

ALGONQUIN GAS TRANSMISSION, LLC - OXFORD

**COMPRESSOR STATION SEPTEMBER 6, 2024** 

#### HEARING OFFICER REPORT

# PETITION FOR HEARING

On April 25, 2024, the Office of Adjudications received a petition for a "public hearing" on the application filed by the Algonquin Gas Transmission, LLC (Algonquin Gas Transmission) pursuant to relevant statutes and regulations for a Title V permit. The petitioner agreed to an informational hearing, and this report summarizes the public process that ensued in this matter.

# II. **HEARING AND COMMENTS**

The informational public hearing occurred on July 9, 2024, at 6:45 PM via the Zoom platform. Presentations were made by Algonquin Gas Transmission and the Department of Energy and Environmental Protection (DEEP) on the proposed work and how that work will be conducted within environmental standards. Public comments followed and the deadline for written comments was July 19, 2024. On September 6, 2024, DEEP staff issued a Comment Response Memorandum, which can be found attached to this report (hereinafter "Attachment I").







79 Elm Street



# III. CONCLUSION

This is not a contested case, and no proposed or final decision on the permit issuance is required. This report confirms the conclusion of the informational hearing process concerning the above-captioned application.

Kathleen W. Reiser, Esq.

Hearing Officer

Dated: September 6, 2024

cc: Service List



79 Elm Street

# MEMORANDUM

TO: Jaimeson Sinclair, Director Application No.: 202303063

Date Received: April 4, 2023

FROM: Olivia T. Harris, APCE II

Louis J. Corsino III, Supervising APCE

DATE: July 31, 2024

SUBJECT: Final Permit Signature for a Renewal of Title V Permit No. 144-0032-TV; Algonquin Gas

Transmission, LLC, Oxford, Connecticut

#### DISCUSSION:

On March 25, 2024, Algonquin Gas Transmission, LLC (Algonquin) was issued a tentative determination to approve the Title V permit renewal for the Oxford Compressor Station, 40 Woodruff Hill Road, Oxford. The public notice was published in the New Haven Register on March 26, 2024. The 30-day comment period ended on April 25, 2024. The 45-day EPA review period ended on May 9, 2024. The Notice of Tentative Determination Fee Payment was received on May 17, 2024. Comments from the applicant were received via email on April 23, 2024, and consisted of updated contact information and minor clerical corrections. No comments were received from the EPA or the environmental community.

The Department (DEEP) received a hearing request during the comment period. On May 13, 2024, DEEP published a notice of a public informational hearing to be held on Tuesday, July 9, 2024, at 6:45 p.m. through Zoom, an online internet meeting platform. The Public Notice Fee Payment was received on June 14, 2024.

DEEP accepted comments on the proposed Title V Permit until the close of business on July 19, 2024.

- Public Informational Hearing: DEEP heard oral comments from 3 speakers on the record. All of the speakers were against the project.
- DEEP received 16 written comments from the public. All of the comments were against the project.
  - Comment 2 is related to a separate proceeding, the VOC RACT Hearing for the Cromwell Compressor Station that took place on July 10, 2024, at 10:16 a.m. at DEEP headquarters, 79 Elm St., Hartford, Connecticut. As such, the comment will not be considered in this response document.
- No comments were submitted by Algonquin/Enbridge.

The written and oral comments are attached for reference and can be found on the Air Bureau's electronic archive: [D:\Archives for Title V Program\Algonquin Gas Transmission LLC\Oxford\144-0032-TV Renewal (2023)\Hearing\Comments from Public] The written comments from the public are referenced as comment numbers 1-16, while the oral comments are referenced as H1-H3. [See Appendix A for a list of commenters] The comments and the responses are listed below. Where appropriate, comments were grouped according to topic.

#### RESPONSE TO COMMENTS

#### Comment 1:

Many commenters stated that DEEP must amend the draft permit to include forthcoming obligations from the New Federal Methane Regulations OOOOc.

## Response 1:

On March 8, 2024, EPA finalized OOOOc under Section 111(d) and Subpart Ba of the Clean Air Act. The regulation will require existing oil and gas infrastructure to achieve methane emission reductions. The final rule became effective on May 7, 2024. States have 24 months after the publication of rule to submit a State Implementation Plan that incorporates it. The EPA will review the state plan, determine the completeness of the submission, and act on the plan submission according to Subpart Ba within 12 months of completeness. A source is expected to be in compliance with the rule "as expeditiously as practicable" but no later than 36 months after the deadline of the state plan submittal. The plan must include legally enforceable increments of progress to achieve compliance for each designated facility.

Since the compliance schedule for OOOOc is 36 months, the EPA has finalized two increments of progress to be included in state plans:

- 1. Final compliance control plan on or before 28 months after the state plan submittal deadline
- 2. Notification of Compliance report on or before 60 days after the state plan compliance date

Connecticut's deadline for state plan submittal is early 2026. As such, there are no applicable requirements to be added to the Title V permit at this time. Any applicable requirement at the time of the next renewal will be added to the permit.



Source: Overview of EPA's Final Rule to Reduce Methane and Other Harmful Pollution from Oil and Natural Gas Operations: Emissions Guidelines (EG) Licensed images NACAA & AAPCA, March 7, 2024

#### Comment 2:

Many commenters expressed their desire for an advance notification before "blowdown" events occur, in which the facility releases a large amount of gas at once, which can sound like an explosion and leave a smell of gas in the air.

[Commenters 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, H2]

#### Response 2:

For purposes of the Title V air permit program, there are no "applicable requirements" as defined in RCSA 22a-174-33(a)(2) that would require the advance notification before a blowdown event occurs and therefore not included in this Title V renewal.

## Comment 3:

Several commenters were concerned with the effects from this plant's Greenhouse Gas emissions and find the continued operation of the facility inconsistent with Connecticut's Climate Goals to reduce greenhouse gas emissions by 80% by 2050 and achieve 100% carbon-free electricity by 2040.

[Commenters 1, 5, 6, 7, 8, 9, 10, 11, 12, 13, 16]

## Response 3:

DEEP is committed to reducing the emissions of greenhouse gas (GHG) across all economic sectors. DEEP fulfills that commitment through a variety of policy initiatives, including the DEEP's promotion of incentives

for zero-emission vehicle, implementation of the energy efficiency programs contained in the Conservation and Load Management Plan submitted by gas and electric utilities, administration and enforcement of the Renewable Portfolio Standards, participation in the Regional Greenhouse Gas Initiative, requirements to better manage solid waste to reduce the potential for methane formation, and various other policies.

Connecticut's Global Warming Solutions Act of 2008 (GWSA) requires DEEP to recommend regulations, policies, and other actions necessary to show reasonable progress towards achieving the greenhouse gas emission reductions specified. Neither the GSWA nor its implementing statutes explicit legal authority to deny the proposed permit renewal.

The Department's <u>Integrated Resource Plan</u> (IRP, October 2021) outlines the Zero Carbon pathway for Connecticut. The IRP discusses the reality that fossil fuel power generation will be needed, primarily for backup power to have a reliable electrical grid in the future. In 2022, DEEP released a <u>Procurement Plan Update</u> to the IRP. The Plan includes a review of contingencies and changed conditions since the 2020 IRP and a revised procurement schedule of electricity supply resources, including procurements for solar resources, transmission and distribution-connected front of the meter energy storage, and anaerobic digestion facilities.

The continued use of fossil fuel power generation is primarily due to the Independent System Operator of New England (ISO-NE) requiring sufficient reserves to meet high demand, which renewable generation (solar and wind primarily) along with storage is acknowledged as not being able to meet in future years. Therefore, the renewal of the Title V Permit for the facility is not in conflict with the State's goals of meeting the Zero Carbon goal by 2040.

#### Comment 4:

Several commenters stated that Algonquin will not self-report violations of their permit conditions, and as such DEEP must invest in independent air quality monitoring around the Oxford facility, as well as conduct regular and random inspections.

[Commenters 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, H2]

#### Response 4:

A permittee is required to comply with their permits at all times and DEEP includes sufficient monitoring, record keeping, and reporting requirements in the permit to ensure compliance. The facility's NSR permits require the performance of periodic emissions testing. The Department witnesses, as well as audits emissions tests in the field to sample and measure the direct emissions from the turbines. Violations of permit conditions are taken very seriously by DEEP and can include monetary penalties, in addition to criminal charges when warranted.

As a Title V source, facility inspections are performed by DEEP at least once every two years. DEEP's inspection reports are available to the public through a Freedom of Information Act (FOIA) request. The Title V program requires permittees to submit quarterly and annual reports on emissions, and pay emissions fees based on actual emissions. These reports are verified through inspections and internal review by DEEP.

In regard to air quality monitoring, DEEP maintains ambient air monitors throughout the state and EPA has determined that these monitors are sufficient to monitor the background concentrations of various pollutants to determine the state's compliance with the National Ambient Air Quality Standards. During processing of the source's underlying New Source Review permits, air emissions modeling was conducted to determine the impact on air quality. This type of modeling conservatively determines the impact from the source at multiple locations and operating scenarios. A fixed analyzer monitor can only determine concentrations at the single point where it is located and may miss the source plume.

DEEP supports community-based air quality monitoring efforts by advising and assisting on prospective projects. An air quality sensor loan program is currently being developed with the goal of providing select air quality sensors to help communities build their programs. More information on DEEP's community-based air quality monitoring efforts can be found here: <a href="https://portal.ct.gov/deep/air/monitoring/community-monitoring">https://portal.ct.gov/deep/air/monitoring/community-monitoring</a>.

#### Comment 5:

Several commenters noted that Greenhouse Gas Emissions from the facility have exceeded 50,000 metric tons per year of CO2e in 2019, 2021, and 2022, exceeding the waste emission charge (WEC) established by the Methane Emissions Reduction Program (MERP, 2023). Commenter 14 expressed a desire for a verifiable log of Greenhouse Gas Emissions from the facility.

[Commenters 1, 3, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16]

### Response 5:

For purposes of the Title V air permit program, the GHG Reporting program at 40 CFR Part 98 is not an "applicable requirement" as defined in RCSA 22a-174-33(a)(2) and therefore not included in this Title V renewal. Algonquin is expected to comply with any and all applicable regulations outside the scope of the Title V air permit program. Further annual emissions of GHGs from the facility are reported directly to EPA and viewable using EPA's <u>Facility Level Information on GreenHouse gases Tool (FLIGHT)</u>. It is expected that if Algonquin's GHG emissions exceed those limits set by the MERP that they comply with the WEC established by the program. The MERP is administered by EPA and has not been delegated to states to administer or enforce. For additional question on the MERP please contact <u>merp@epa.gov</u>.

#### Comment 6:

Several commenters expressed opposition to fossil fuel expansion. Commenters believe the facility should be phased out in favor of alternative energy systems, and as such DEEP should establish a timeline for shutting down the facility. Commenter 12 expressed that the permit should only allow the facility to continue operating for 2.5 years.

[Commenters 1, 4, 5, 7, 12, 16]

#### Response 6:

The Public Utilities Regulatory Authority (PURA) supports sustainable and renewable energy sources through the Connecticut Renewable Portfolio Standard (RPS), which were expanded to require that 40% of retail electricity sales come from Class I renewable generation sources by 2030. Additionally, the State has entered into contracts to procure more than 35% of retail electricity used in state from zero emissions sources, specifically nuclear generation, and offshore wind, for, at least, the next 15 years. Finally, the Governor's Council on Climate Change has been tasked with guiding the state to achieving a 45% reduction from 2001 GHG reductions and a zero carbon retails supply of electricity by 2030.

 $\underline{https://portal.ct.gov/deep/climate-change/gc3/governors-council-on-climate-change/gc3/governors-change/gc3/governo$ 

The State of Connecticut also helps promote conservation and the deployment of renewable energy through the Connecticut Green Bank, which has programs to provide assistance to these aims for Connecticut homeowners, building owners, multifamily housing, residential contractors, commercial contractors, towns, and cites, and capital providers. <a href="https://www.ctgreenbank.com/">https://www.ctgreenbank.com/</a>

Connecticut shares an electric grid with the five other New England states: Rhode Island, Massachusetts, Maine, New Hampshire, and Vermont. The New England grid is a network of power plants, and transmission and distribution lines, operated by ISO-NE, that can deliver electricity generated at those plants to customers around the region. As mentioned above, ISO-NE requires sufficient reserves to meet high demand, which renewable generation along with storage is acknowledged as not being able to meet in future years. To meet long-term resource adequacy (reliability) requirements, some fossil generation must be retained to ensure that there are enough resources that can quickly produce power during periods of extreme peak demand in the region, or if a resource suddenly goes offline. See System Planning (iso-ne.com) for more information on ISO-NE's system planning efforts for ensuring reliability across the New England region.

## Comment 7:

Commenters are concerned about the timeframe covered by the renewed Title V permit for Oxford due to the compressor station being required to come into compliance with federally enforceable methane standards under OOOOc during the 5-year period.

## Response 7:

The fact that a future applicable requirement is not in the Title V permit does not mean that the source doesn't have to comply with the future rule. The source has to comply with the rule regardless of whether it's in the TV permit yet or not. As such, the Oxford Compressor Station will be required to come into compliance with OOOOc on the effective dates. Furthermore, once a State Plan or Federal Plan implementing the emissions guidelines of OOOOc is promulgated, the Title V Permit will be modified to incorporate those conditions.

#### Comment 8:

Many commenters brought up the following issues:

- Fossil fuel corporations are causing a catastrophe that could end all human life on the planet. [Commenter H2]
- Fossil fuel expansion is causing global ecosystems to collapse. [Commenter 4]
- The fossil fuel industry must scale back emissions. Our lives depend on it. [Commenter 14]

## Response 8:

DEEP appreciates all comments received during the public comment period. The general comments mentioned above are noted for the record; however, they are outside of the scope of this specific permitting action for a Title V permit renewal for this facility.

## **RECOMMENDATION:**

After reviewing all of the comments received, it is recommended that Permit No. 144-0032-TV be issued to Algonquin Gas Transmission, LLC.

Olivia T. Xarris	<u>8/15/2024</u>
Olivia T. Harris, APCE II	Date
REVIEW:	
/s/ Louis J. Corsino III Louis J. Corsino III, SAPCE SAPCE	8/21/2024 Date

# Appendix A List of Commenters

# **Written Commenters**

- 1. Marge and David Schneider
- 3. Nick Katkevich (Sierra Club)
- 5. Yann van Heurck
- 7. Helen Applebaum
- 9. David Longobucco
- 11. Aaron Goode
- 13. Kenny Foscue
- 15. Martha Klein (Sierra Club)

- 2. Marge and David Schneider (2)
- 4. Chris Schweitzer (New Haven Leon)
- 6. Thomas Pendagast
- 8. LJ Spring
- 10. Ginger Chapman
- 12. Jack Potter
- 14. Bruce Dasinger
- 16. Terri Eickel (Interreligious Eco-Justice Network)

# **Hearing Commenters**

- H1. Martha Klein (Sierra Club)
- H3. Alison Sanchirico

H2. Nick Katkevich (Sierra Club)