



**NOTICE OF PROPOSED VALUE OF AN EQUIVALENT NITROGEN CREDIT FOR
CALENDAR YEAR 2024**

To: Connecticut Municipalities with Water Pollution Control Facilities (WPCFs)

From: Emma Cimino, Deputy Commissioner, Department of Energy and Environmental Protection

The Connecticut Department of Energy and Environmental Protection, in conjunction with the Nitrogen Credit Advisory Board (NCAB), has established a Nitrogen Credit Exchange Program (Exchange Program) to comply with Connecticut General Statutes (CGS) Sections 22a-521 through 22a-527, and has issued the General Permit for Nitrogen Discharges (NGP) to assist with the implementation of the Total Maximum Daily Load (TMDL) for Nitrogen in Long Island Sound.

Under the Exchange Program, a Water Pollution Control Facility (WPCF) that does not meet its Nitrogen General Permit (NGP) is required to buy credits in the amount by which it exceeded its assigned limit, while a WPCF that does meet its limit sells its excess allowance in the form of credits. The cost of a nitrogen credit, for both buyers and sellers, is calculated on an annual basis.

On March 12, 2025, pursuant to CGS Section 22a-527(b), the NCAB proposed an annual value of \$5.30 for buyers and a value of \$2.42 for sellers for an equivalent nitrogen credit for calendar year 2024. The value for buyers at \$5.30 was derived by dividing the total annual project cost, which is based on capital repayment of Nitrogen Removal Project loans and ongoing operation and maintenance costs at Project Facilities (\$32,807,197 as shown in table 1 entitled "Draft Total Annual Project Cost 2024"), by the total annual nitrogen reduction at Project Facilities from the TMDL baseline (6,190,736.28 eq. lbs., as shown in Table 2 entitled "Draft Cost of Equalized Nitrogen Credits for Buyers 2024").

The cost of a seller's equivalent nitrogen credit at \$2.42 was derived by dividing the total revenue from the buyers (\$1,671,003, as shown in Table 3 entitled "Nitrogen Credit Exchange Buyers and Sellers") by the sellers' equivalent nitrogen credits (1885.08 eq. lbs./d multiplied by 365 days/year as shown in Table 3 entitled "Draft Nitrogen Credit Exchange Buyers and Sellers"). The buyers' payments are shared proportionally amongst the sellers. Per public Act 15-38, there will be no purchase of excess credits.

For the calendar year 2024, Connecticut WPCFs discharged 8,133 equalized pounds of nitrogen per day (eq. lbs. N/day), which was in compliance with the statewide TMDL allocation of 9,162 eq. lbs. N/day, as shown in Table 4 entitled "Draft Total Nitrogen Balance Sheet 2024". The steady warm weather especially during the colder months in conjunction with the continued optimization of treatment at the 64 project facilities resulted in enhanced nitrogen removal.

In accordance with CGS Section 22a-527(c), the Board hereby gives notice of the 2024 buyer's and seller's credit values as noted above. As provided in CGS Section 22q-527(d), a municipality or group of municipalities have fifteen (15) business days after issuance of this

notice by the Commissioner to petition the NCAB to review the proposed value of credits. Please review the data for your WPCF(s) and if you have any questions or objections, please contact Ms. Iliana Raffa at 860-424-3758 or iliana.raffa@ct.gov.

Pursuant to CGS Section 22a-527(c), the Commissioner's draft ruling shall become final if no municipality or group of municipalities petitions for a review of the proposed values within 15 business days after the issuance date of the Commissioner's notice. Final invoices will be issued by the Commissioner pursuant to CGS Section 22a-524(c)(1)(C) following the draft ruling becoming final.

If your WPCF discharged more nitrogen than allowed by its General Permit limit, the Exchange Program will require payment by check, money order, or other form of payment acceptable to the Treasurer in the full amount listed on the final invoice no later than July 31, 2025. If your WPCF performed better than its NGP limit, the Exchange Program will issue a check for the full amount shown on the final invoice to the Water Pollution Control Authority of the municipality on or after August 15, 2025.

Enclosed with this notice is the municipalities' draft invoice and a table that lists the facilities that will be buying and selling nitrogen credits under the Exchange Program for the calendar year 2024. Should you have any questions please contact Ms. Iliana Raffa of the Department's Water Protection and Land Reuse Bureau at 860-424-3758 or via email at iliana.raffa@ct.gov.

Emma Cimino

Emma Cimino
Deputy Commissioner

Date: 4.9.2025

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