



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

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

Nisha Patel, P.E., Chair, Nitrogen Credit Advisory Board *NP*

**Date:** May 15, 2025

**Subject:** Final REVISED Value of an Equivalent Nitrogen Credit and Invoice Notification -  
Purchase or Sale of Equivalent Nitrogen Credits for CY2024

---

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 Board approved an annual value of \$5.3 for buyers and a value of \$2.4219566 for sellers for an equivalent nitrogen credit for calendar year 2024.

**May 2025 Update:**

A municipality more recently alerted the Department that one data point was not entered into the e-NAR system for calendar year 2024. Upon review, it was confirmed that the omission, identified by the facility, **caused a slight increase in the draft credit value for sellers at \$2.4245289 (up from \$2.4219566). The credit value for buyers remained unchanged at \$5.3.**

The value for buyers of **\$5.3** 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 (\$32,807,197.00 as shown in table 1 entitled "Total Annual Project Cost 2024"), by the total annual nitrogen reduction at Project Facilities from the TMDL baseline (6,190,004.28 eq. lbs., as shown in Table 2 entitled "Annual Performance by



Project Facilities & Final Cost of Equalized Nitrogen Credit for Buyers 2024”). The cost of a seller’s equivalent nitrogen credit at **\$2.4245289** 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 (1,883.08 eq. lbs/day as shown in Table 3 entitled “Final 2024 Nitrogen Credit Exchange Buyers and Sellers”) and dividing the result by 366 days. 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 8,136 equalized pounds of nitrogen per day (eq. lbs. N/day) as shown in Table 4 entitled “Total Nitrogen Balance Sheet”, which was in compliance with the statewide TMDL.

If a WPCF discharged more nitrogen than allowed by its NGP limit, the Exchange Program will require payment by check, or money order to the Office of the State Treasurer in the full amount listed on the final invoice no later than July 31, 2025, or alternatively, the WPCF will have the option to submit the payment electronically via an Automatic Clearing House (ACH) system. The information of how to make the electronic payment is included in the invoice. If the 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 pertinent municipality on or after August 15, 2025.

Enclosed with this memo find the municipality’s final 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 on this information, please contact Iliana Raffa of my staff at 860- 424-3758 or via email at [iliana.raffa@ct.gov](mailto:iliana.raffa@ct.gov).