

SMALL BUSINESS IMPACT STATEMENT

Prior to adopting a new section or amendment, section 4-168a of the Connecticut General Statutes (CGS) requires that each state agency consider the effect of such action on small businesses as defined in CGS section 4-168a. When such regulatory action may have an adverse effect on small businesses, CGS section 4-168a directs the agency to consider regulatory requirements that will minimize the adverse impacts on small businesses if the addition of such requirements (1) will not interfere with the intended objectives of the regulatory action and (2) will allow the new section or amendment to remain consistent with public health, safety and welfare.

State Agency Submitting Proposed Amendment: Connecticut Department of Energy & Environmental Protection (DEEP)

Subject of Regulation: Reductions in regulatory burdens for low-emitting sources

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In accordance with CGS section 4-168a, staff analyzed the effect on small businesses of the proposed regulations and determined the following:

Check all appropriate boxes:

- The regulatory action will not have an effect on small businesses.
- The regulatory action will have an effect on small businesses, but will not have an adverse effect on such small businesses.
- The regulatory action may have an adverse effect on small businesses, and no alternative considered would be both as effective in achieving the purpose of the action and less burdensome to potentially affected small business. Alternatives considered include the following:
- (1) The establishment of less stringent compliance or reporting requirements for small businesses;
 - (2) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
 - (3) The consolidation or simplification of compliance or reporting requirements for small businesses;
 - (4) The establishment of performance standards for small businesses to replace design or operational standards required in the new section or amendment; and
 - (5) The exemption of small businesses from all or any part of the requirements contained in the new section or amendment.
- The regulatory action will have an adverse effect on small businesses that cannot be minimized in a manner that is consistent with public health, safety and welfare.

EXPLANATION

This proposal makes several changes to the air quality regulations that will ease compliance burdens on certain small businesses. While the overall impact cannot be quantified, since it will occur in units of improved compliance, clearer understanding of the applicability of certain state and federal requirements and savings from enforcement actions that will not occur, the overall impact will be beneficial to small businesses.

The proposal makes three distinct changes to the regulations, as follows:

- Creates a clear requirement in RCSA section 22a-174-29(b)(2) linking the requirement to obtain a permit to the obligation to meet more comprehensive requirements for toxic air pollutants. The requirements of RCSA section 22a-174-29 are complex and present compliance difficulties for certain small businesses. By linking the obligation to comply with comprehensive air toxic requirements to the obligation to obtain a permit, small businesses that are below permitting thresholds or that operate under one of the DEEP's permits-by-rule are clearly relieved of the burden to meet certain air toxic emissions requirements.
- RCSA section 22a-174-3c is a compliance tool the DEEP has made available for sources with low actual emissions but high potential emissions. The regulation includes very simple requirements designed for small businesses without dedicated environmental staff. The addition of emissions caps, which simply reflect the restrictions on emissions that are now built into the regulation, will allow the sources operating under RCSA section 22a-174-3c to stay below the applicability for federal standards for toxic air emissions and state requirements for greenhouse gases.
- The revision to RCSA section 22a-174-33 harmonizes the regulatory language with DEEP's current practice to allow certain small sources with emissions limited by a permit-by-rule to stay below the applicability for Title V permitting. As a Title V permit adds no new emissions control requirements to a source, the environmental impact of this regulatory change is zero, but sources that would have been required to obtain a Title V permit absent this revision are relieved of a significant administrative burden.