

Section 22a-174-3a of the Regulations of Connecticut State Agencies is amended by adding subsection (n), as follows:

(NEW)

(n) Permit requirements for mercury emissions from coal-fired electric generating units.

(1) Definitions. For purposes of this subsection, the following definitions shall apply. Any term not defined in this subsection shall be as defined in 40 CFR 60.24(h)(8), as amended on June 9, 2006:

- (A) “Coal-fired electric generating unit” means “electric generating unit” as defined in 40 CFR 60.24(h)(8).
- (B) “Existing coal-fired electric generating unit” means any one of the following coal-fired electric generating units: Bridgeport Harbor Station unit 3 in Bridgeport, AES Thames unit 1 in Montville or AES Thames unit 2 in Montville.
- (C) “New coal-fired electric generating unit” means any coal-fired electric generating unit that is not an existing coal-fired electric generating unit.
- (D) “State mercury mass emissions cap” means, for the period beginning January 1, 2010 through December 31, 2017, 106 pounds of mercury per calendar year, and, for the period beginning January 1, 2018, 42 pounds of mercury per calendar year.

(2) In addition to the information specified in subsection (c) of this section, the owner or operator of a coal-fired electric generating unit subject to the provisions of this section shall include the components specified in this subdivision in any permit application to construct, reconstruct, modify or operate:

- (A) Enforceable requirements to limit the annual emission of gases containing mercury from the commencement of operation on a calendar year basis, including:
 - (i) Mercury emissions limitations consistent with section 22a-199 of the Connecticut General Statutes,
 - (ii) A cap (in pounds) for the annual mercury emissions from the coal-fired electric generating unit or units that are the subject of the application, and
 - (iii) Additional requirements determined by the Commissioner as necessary to compliance with the state mercury mass emissions cap;
- (B) The designated representative requirements of 40 CFR 60.4110 through 60.4114, as specified in subparagraph (E) of this subdivision;

- (C) Provisions to satisfy the testing, monitoring and reporting requirements of section 22a-199(b)(3) and (4) of the Connecticut General Statutes;
 - (D) As of January 1, 2009, to determine compliance with the emissions limitations of subdivision (2)(A) of this subsection, monitoring, recordkeeping and reporting requirements to satisfy:
 - (i) 40 CFR 75, with regard to mercury mass emissions, and
 - (ii) 40 CFR 60.4170 through 60.4176, as specified in subparagraph (E) of this subdivision;
 - (E) The requirements in 40 CFR 60 referenced in this subdivision shall be applied, as follows:
 - (i) The term “Hg budget unit” as used in 40 CFR 60.4170 through 60.4176 shall be deemed to refer to “coal-fired electric generating unit,”
 - (ii) The terms “Hg Budget source,” “Hg Budget unit,” “Hg Budget Trading Program” and “Hg Budget permit” as used in 40 CFR 60.4110 through 60.4114 shall be deemed to refer to “facility that includes one or more coal-fired electric generating units,” “coal-fired electric generating unit,” “section 22a-174-3a(n)(2)(F)” and “permit to construct, reconstruct or operate,” respectively, and
 - (iii) References to “Hg Allowance Tracking System account,” “Hg allowances,” “proceeds of transactions involving Hg allowances,” 40 CFR 60.4102 and 40 CFR 60.4151, when made in 40 CFR 60.4110 through 60.4114, shall not be applicable; and
 - (F) Additional requirements determined by the Commissioner as necessary to determine compliance with the mercury emissions limitations of subdivision (2)(A) of this subsection, including, on and after July 1, 2008, installation and operation of a continuous emissions monitoring system.
- (3) No permit for a coal-fired electric generating unit shall be granted pursuant to this section unless the sum of the applicable annual mercury emissions caps of the following units does not exceed the applicable state mercury mass emissions cap:
- (A) The unit or units addressed by the permit application(s) under consideration;
 - (B) Each new coal-fired electric generating unit previously issued a permit under this subsection; and
 - (C) Each existing coal-fired electric generating unit in the state.

Statement of Purpose: The primary purpose of this amendment is to address some of the Department's obligations under the federal Clean Air Mercury Rule or CAMR (70 FR 28606, May 18, 2005; *on reconsideration* 71 FR 33388, June 9, 2006), which requires each state to submit a plan to the United States Environmental Protection Agency (EPA) indicating how the state will regulate mercury emissions from coal-fired electric generating units (EGUs). The proposal adds a new subsection to the Department's federally approved new source review permitting program specific to coal-fired EGUs. Under proposed subsection (n), no person will be granted a permit to construct and operate a coal-fired EGU, or modify an existing coal-fired EGU, unless such an EGU can be operated so that the state will remain in compliance with the state mercury emissions caps assigned under CAMR. Proposed subsection (n) includes emissions limits consistent with section 22a-199 of the Connecticut General Statutes and also addresses the monitoring, recordkeeping and reporting required under CAMR. Upon adoption, this amendment will be submitted to EPA as a component of the CAMR state plan.