November 7, 2016

TO: Senator Clark Chapin
Representative Brian Becker
Co-Chairs, Regulations Review Committee

FROM: Neil Ayers, Director

SUBJECT: Review of Agenda Item 2016-023A for the November 22, 2016 Meeting

OFA has reviewed the state and municipal fiscal impact of item 2016-023A for the Department of Energy & Environmental Protection for the above meeting.\(^1\) The following table summarizes our review.

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<td>2016-023A</td>
<td>DEEP</td>
<td>See Below</td>
<td>Yes</td>
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The regulation requires technology updates to reasonably available control technology (RACT) for the control of nitrogen oxide (NO\(_x\)) limits emitted at all major electric generating, industrial, institutional and commercial facilities, including the state. Implementation of the regulation may result in costs to the University of Connecticut (UConn) associated with annual emission unit (boiler) tune-ups, depending on their

\(^1\) CGS Section 2-71c(c)(7) requires OFA to prepare “short analyses of the costs and long range projections of ... proposed agency regulations.”

\(^2\) CGS Section 4-168a requires agencies to prepare a small business impact statement on all regulation submittals and prepare a regulatory flexibility analysis statement when there is an impact on small businesses.
current state of repair. Annual boiler tune-up costs are anticipated to be $457-$11,416 per ton of NOx emitted. As UConn emitted 31.14 tons of NOx during 2015, this may result in costs of $14,231-$355,494 annually. Costs incurred to UConn for tune-ups may be partially offset by savings associated with a decrease in fuel consumption, as boilers are anticipated to burn less fuel after regular tune-ups. The regulation does not result in a fiscal impact to the Department of Energy and Environmental Protection (DEEP).

Please contact me if you have any questions or would like additional information.