

**NYSRC/DEC Conference Call Meeting Notes**  
May 9, 2019

**Attendees:**

- Mike Sheehan, John Barnes, Bob Bielawa, Marie Barnes (DEC)
- Sandra Meier (EEANY)
- Roger Clayton, (NYSRC)
- John Marabella (Herot Power)
- Cathy Waxman, (National Grid)
- Ben Cohen, James Sweeney, Pete Carney (NYISO)
- Radmila Miletich (IPPNY)
- Johnathan Forward (DPS)
- Andy Oliver (Eastern Gen)
- Paul Gioia (WOH)

**1. RGGI review (Mike Sheehan)**

- Virginia (VA) budget went through. VA governor did not veto legislation prohibiting participation in the RGGI program.
- VA governor asked their DEQ to review options.
- Nothing new on New Jersey (NJ)
- VA and NJ have proposed RGGI start dates in 2020. There is risk that VA participation will be delayed – might not be able to participate in RGGI by 2020 date.
- NY is actively drafting regulatory documents to commitment to RGGI changes. Close to having drafts for legal review.
- NY RGGI changes would go into effect in 2021.

**2. NYISO Carbon Pricing Update (James Sweeney)**

- The NYISO's Power Trends report issued May 2<sup>nd</sup>: <https://protect2.fireeye.com/url?k=848d255d-d8b583e0-848fdc68-000babd9fa3f-17eee6bfd30d2768&u=https://www.nyiso.com/power-trends>
- NYISO staff has been discussing carbon pricing with the Market Issues Working Group (MIWG). Next meeting on May 30<sup>th</sup> to discuss technical details. Tariff language being developed at same time.
- Analysis Group providing supplemental analysis on benefits and economic impacts of carbon pricing. They have made two presentations. This report is supplemental to the Brattle Report.
- Q2 stakeholder vote on carbon pricing market plan.
- A fuel security study ongoing and will be discussed at future MIWG/ICAP meetings.

**3. NY New Green Deal / CCPA (Radmila Miletich)**

- The governor's budget proposal included Green New Deal.
- CCPA is the subject of a public hearing.
- Hearing on May 17<sup>th</sup> on role of offsets.

- IPPNY has provided substantive amendments to the legislature regarding liability and mindful enforcement. IPPNY testified at Long Island hearing.
  - June 19<sup>th</sup> – legislative session ends. Outcome will be discussed on next NYSRC call.
- 4. EPA Clean Power Plan (CPP) / Affordable Clean Energy Plan (Mike Sheehan) –**
    - Nothing new to add
  - 5. NYS Clean Energy Standard (CES) (Jonathan Forward)**
    - Nothing new to add
  - 6. EPA Cross State Air Pollution Rule (CSAPR) (John Barnes)**
    - By June 1 DEC staff will provide allowance information to EPA for CSAPR 2022 annual programs and 2021 ozone season program.
  - 7. Proposed Methane Regulations (John Barnes)**
    - Developing express terms to be followed by stakeholder meetings
  - 8. Reliability Council Update (Roger Clayton)**
    - Indian Point closure to be discussed at 5/10/19 NYSRC EC meeting. NYISO studies have shown that Indian Point operation not needed for reliability unless something unforeseeable happens (e.g., DEC adopts Subpart 227-3).
    - Reliability rule, loss of natural gas supply for Zone J - market participants should have enough oil onsite to operate for a 24-hour period. NYISO looking at this in fuel security study.
    - Discussion on validity of public appeals for IRM calculation. Presently, Long Island (LIPA/PSEG) is the only TO that utilizes public appeals.
    - Received input from NYISO on optimized approach to LCR process – using economics and MARS program.
    - NYISO is completing a comprehensive reliability plan (CRP) for 2019 – 2028.
    - NYISO performed study on DEC NOx rules – presentation tomorrow at NYSRC. NYISO determined 3,300 MWs of peaking capacity could deactivate. There will be loss of load expectations in Zones J and K and at least 600 compensatory MWs are needed in these zones to make it be reliable.
    - Continued interest on impact of DER to system reliability. Issue - modeling is unreliable. Lot of interest in getting a standardized model to be able to really get an idea on reliability since penetration of DER is increasing all the time.
  - 9. Indian Point update (Chris Wentlent)**
    - Sixth stakeholder meeting was held to help the local community plan for the closure of the Indian Point Energy Center.
  - 10. REV update (Johnathan Forward)**
    - Four utility storage procurement utilities submitted proposals. 340 MW of storage most of it in ConEd. Projects expected to be commercial near end of 2022 timeframe.

- Program from NYSERDA regarding financial support for storage. 4-5-year program with declining incentives.
- EV white paper still in process – no timeline on release.
- March 5<sup>th</sup> DSP work group launched. 19-month time frame, over 100 members looking at the missing issues, items related to markets and incentives.
- Value of DER order expected next session
- The NYSERDA incentive program has two pieces to it. Incentive programs for both bulk power and distribution systems.

### **11. Peaker turbine air quality (John Barnes)**

- First hearing in was 5/6 in Albany. Next hearing on 5/13 in Stoney Brook, followed by 5/14 hearing in Long Island City.
- Public comment period ends 5 PM on May 20<sup>th</sup>
- NYSRC comments are attached.

### **12. Part 251 Proposed Regulation (Mike Sheehan)**

- Rule was adopted on May 9<sup>th</sup>. See: <https://www.dec.ny.gov/regulations/113501.html>

### **13. Regulatory update**

- National Ambient Air Quality Standards (NAAQS)
  - For SO<sub>2</sub> 1-Hour Standard:
    - DEC preparing annual SO<sub>2</sub> emissions reports for counties designated from modeling – Erie, Niagara, Orange, Albany, Suffolk and NYC.
    - Likely to be released for public comment at the end of May/early June.
    - No issues anticipated with EPA.
  - For NO<sub>2</sub> One Hour Standard:
    - Nothing new to report.
  - 2008 O<sub>3</sub> Standard 2015 O<sub>3</sub> Standard:
    - EPA expected to finalize the reclassification for the NYC Metro Area to serious nonattainment for the 2008 ozone standard by the end of May
    - After that there is one year to complete SIP to show how we will comply by 2021 (based on monitoring data from 2018 – 2020).
  - 2015 O<sub>3</sub> Standard:
    - Nothing New to report on this standard
  - Regional Haze
    - Spent 60 days with the federal land managers and EPA.
    - Their comment period closed April 23.
    - DEC addressing those comments and then expects to go out for public comment in June

- No changes to 249 requirements
- EPA Mercury & Air Toxics (MATS)
  - Nothing new to report
- RICE Maximum Achievable Control Technology (MACT)
  - Nothing new to report
- Distributed Generation Rule (DG)
  - At the governor's office. No information on timeframe
- Other notes on EPA – DEC business:
  - Last week EPA's approval of DEC's §185 equivalency determination related to the one-hour ozone standard. EPA determined that DEC's LEV2 program results in an equivalent amount of emissions reductions that would have resulted from the §185 fee program that would have been applied to certain Title V sources.
  - EPA proposed denial of DEC's §126(b) petition identifying specific facilities in upwind states which contribute to NY's ozone nonattainment. 60-day public comment period going on now through July. If §126(b) petition is denied DEC will probably pursue litigation.
  - DEC will post a revised Episode Action Plan as an update to the 2008 ozone Infrastructure SIP. This update is per an EPA request, and ensures that the DEC commissioner has the authority to request facilities supply information regarding certain air quality episodes. Updating threshold and contact information.

#### **14. Next Meeting**

Thursday, July 25, 2019 at 9:00 AM via conference call