

## **NYSDEC/NYSRC - July 14 Webex Notes**

### ***The summary notes follow:***

- **Climate Action Council Update** – Radmila Miletich & Chris Wentlent
  - The NYISO has offered to provide tours of its control room to Council members.
  - Mario Cilento, President of the NYS AFL-CIO, has been added by Governor Hochul as the newest member of the Council.
    - At the most recent Council meeting, four major union leaders discussed the importance of having high quality jobs as a result of actions to meet the CLCPA's goals, the importance of addressing reliability, and the need to develop new technologies, including biogas and green hydrogen.
  - The public hearing schedule on the Draft Plan was completed on May 12.
    - Ten public hearings were conducted around the state, with two of those hearings held virtually.
    - Overall, public feedback has been from two major perspectives:
      - Advocates, who want the most aggressive plan to have been adopted yesterday, and
      - Unions, who are urging caution about the plan's timeline, cost, job impacts, and lack of technology to maintain reliability.
    - According to the discussion at the Council recent meeting, numerous written public comments were received on the Draft Scoping Plan; however, many were form letters or duplicates.
      - The Council will receive a summary presentation at its next meeting, after the public input is reviewed, sorted, and summarized.
      - Public feedback also will be published on the Council's website.
  - The Council has formed three working groups, which will provide recommendations for the Council to consider as part of finalizing its Scoping Plan by the end of this year:
    - Gas Transition
    - Alternative Fuels
    - Economy-Wide Strategies (which includes discussion of carbon pricing)
  - It remains to be seen how fuels for zero emissions dispatchable technologies will be addressed.
  - The State also has released for public comment the map, list, and criteria for disadvantaged communities.
    - Comments are due by August 5.
- **Legislation Session 2022 CLOSEOUT** – Radmila Miletich
  - **S.4264-A/A.6927 - CCIA** Legislation Update – Radmila/Chris
    - This bill did not advance from the Environmental Conservation Committee of either house.
  - **S.4378-B (Brisport) similar to A.6251-A (Carroll) - Peaker Justice Legislation** – Rad
    - The Assembly bill remained in Assembly Ways and Means Committee.
    - The Senate bill stayed in the Senate Environmental Conservation Committee.

- **S.5939-A (Ramos) / A.6761-A (Mamdani)** - An ACT to amend the public service law and the environmental conservation law, in relation to prohibiting the development of any new major electric generating facilities that would be powered in whole or in part by any fossil fuel – Rad
  - The Senate bill remained on the Senate Floor.
  - The Assembly bill stayed in Assembly Energy Committee.
  
- **S.6497-A (Parker) / A.8094 (Cusick) - PSC Zero-Emissions Innovative Technologies**
  - The bills remained in the Energy Committees of both houses.
  - The legislation is the basis of the Joint Petition at the PSC by IPPNY and two unions to urge the creation of a zero emissions dispatchable technologies program to maintain electric system reliability on the way to the CLCPA's 100 by 40 target.
  
- **S.8405-A (Parker) / A.9881-A (Cusick) – Blueprint to Replace Highest-Emitting Facilities by 2030 with Reliability**
  - The Senate bill passed the Senate.
  - The Assembly bill remained in the Energy Committee.
  
- **A.2103-D (Pretlow) / S.8830 (Stewart-Cousins) - DEC Permits and Disadvantaged Community Disproportionate Impacts**
  - This legislation has passed both houses.
  - This bill would prohibit the DEC from approving or renewing a permit that may result in a disproportionate or inequitable pollution burden on a disadvantaged community.
  - By way of background, State requirements already exist that require consideration of disproportionate impacts in environmental justice communities, such as:
    - DEC's Part 487 regulation on Environmental Justice Issues and Article 10
    - CLCPA's requirements about avoiding disproportionate burdens on disadvantaged communities
  - IPPNY is working with the Business Council on an amendment to improve the bill.
    - The amendment would change the prohibition in the bill to one that would add conditions to new and renewed permits.
      - Permits would be for projects that have a significant, adverse, and disproportionate impact on a disadvantaged community.
      - Permit conditions would be consistent with the DEC's Article 10 EJ Rule.
      - This approach would include specific measures to avoid, offset, or minimize impacts.
  - Chris Wentlent outlined the desire is to follow the same approach as the NYSDEC Peaker Rule implementation. It was a coordinated approach including NYSDEC, NYSPSC, NYISO and NYSRC and facility owners to ensure facility, reliability, and overall energy system impacts were understood prior to finalizing the regulation. This resulted in a more seamless implementation that all stakeholders understood.

- **2022-2023 Climate Study** – Sandi Meier – latest draft to be released to advisors by end of month. Another draft in October. On schedule - release early 2023.
- **RGGI Update** – Part 242 Regulations, VA Participation, PA LEGAL Activity – Mike Sheehan – RGGI moving forward including Pennsylvania. Allowance Auction 57 announced. PA is in program. PA will participate in the auction. PA has filed an appeal to the State Supreme Court which could change the outcome – day to day until resolved in legal process.
- **Status of Air Permits** – Michael Sheehan, NYSDEC
  - **Danskammer Update** Following the virtual legislative public comment hearing in February 2022 and an issues conference that was held on March 16, 2022, and April 20-21, 2022, the following are the next steps for the administrative proceeding: 8/19/22 - Applicant's issues brief due 10/7/22 - DEC staff and petitioners' ([a] Riverkeeper [amicus]. [b] Sierra Club and Orange RAPP, and [c] Scenic Hudson) issues briefs due 10/14/22 - Applicant motion (request) to reply to DEC staff and petitioners' due Danskammer Energy Center - NYS Dept. of Environmental Conservation
  - **NRG Astoria Generating Facility Upgrades Update** - Following the legislative public comment hearing in March 2022 and an issues conference in April 2022, there is a July 22, 2022, deadline for NRG to file a response to Petitions for Party status (from prospective intervenors Sierra Club, NYC Environmental Justice Alliance, UPROSE, and THE POINT Community Development Corporation) and for DEC staff to respond to NRG's proposed statement of issues. Astoria Gas Turbine Power Replacement Project - NYS Dept. of Environmental Conservation
  - **Greenidge T4 and T5 Permit Renewal Status Report** – Permit renewal was denied: <https://www.dec.ny.gov/permits/123728.html>
    - Q – can you operate under T5 while contesting decision? Ongoing, please see Greenidge link for necessary updates.
- **DAR 21 Policy Recommendations & Comment Update** – Mike Sheehan – Staff reviewed comments. Routed recommended revisions for signoff within the department – release date still to be determined.
- **California regulations:** Advanced Clean Trucks (ACT), Heavy-duty Low NOx Omnibus, and Phase 2 Greenhouse Gas Standards – NYSDEC. – ACT Adopted. Heavy Duty end of 2022. CA is moving forward on hearings on Advanced Clean Cars 2. Challenge to Clean Air Act section 177 has been filed.
- **EPA Cross State Air Pollution Rule (CSAPR 3)** EPA's "Good Neighbor" SIP disapproval and future FIPs - NYSDEC Staff – EPA received significant comments. Being evaluated. Final decision late 2022. As soon as finalized, but likely to be challenged.
  - Q – did DEC file comments? Yes, the NYSDEC comments are attached. In addition, the EPA received over 100,000 comments.

- **EPA Proposed Methane regulations** – NYSDEC Staff – Ona Papageorgiou
  - The first reporting for Part 203 is due March 2023 (Section 203-10.1 “Baseline Report”).
  - The Baseline Report requires each impacted facility to provide an equipment inventory.
  - DEC expects to provide additional guidance on this submittal in late summer/early fall 2022.
  - Currently collaborating with stakeholders on methods to provide the report.
  
- **Summer Ozone NOx Program** –Roger Caiazza – no report.
  
- **NYISO Update** – James Sweeney & Carl Patka
  - **BSM & Capacity Accreditation Update** – BSM discussion at ICAP WG on July 15. Capacity Accreditation scheduled to be discussed on July 21 and 28.
  
  - **NYISO Long Island PPTN Update** – NYISO evaluating sixteen projects for viability and sufficiency. Gather all developer information, evaluate each project against each other based on criteria, and overall ranking of the projects. Remainder of this year work scope. ESPWG future discussions planned. Final report must be approved by the NYISO Board when finalized
  
  - **RNA Process Update** – July 1 – ESPWG presentation made. Preliminary results at upcoming ESPWG meeting. ISO will post summary. November 2022 goal to complete.
  
  - **Recent FERC NOPRs – Transmission Planning, Interconnection & Extreme Weather**
    - **Transmission Planning** – comments due August. Reply in September 2022. FERC is attempting to establish a 20 year forward planning process to incorporate resource mix changes, environmental changes, etc. New process built upon existing transmission processes in place. Look at state/FERC coordination. Possibly looking at Renewable Energy Zones. ISO made a presentation at the June ESPWG on this NOPR. ISO is currently formulating comments.
  
    - **Interconnection NOPR** – overview was provided at the July 1 TPAS. Many issues with interconnection processes throughout the US markets. NYISO is reviewing and will consider comments. Comments are due Oct 13.
  
    - **Extreme Weather NOPR** – NYISO evaluating. This requires a one-time informational report on extreme weather events. Comments due in late August.
  
- RM22-10 is focused on extreme heat and cold weather events. Since 2011, the country has experienced at least seven major extreme heat and cold weather events; of these, four neared system collapse (2011, 2013, 2018, and 2021 extreme cold weather events) if the operators had not acted to shed load. The remaining three events (2014, 2020, 2021 extreme heat weather events) resulted in generation loss and varying degrees of load

shedding. Accordingly, FERC proposes to direct that NERC develop modifications to Reliability Standard TPL-001-5.1 to require, among other things, development of benchmark planning cases based on information such as major prior extreme heat and cold weather events or future meteorological projections. A benchmark event could be constructed based on data from a major prior extreme heat or cold event, with adjustments if necessary to account for the fact that future meteorological projections may estimate that similar events in the future are likely to be more extreme.

RM22-16 considers assessment of a wider range of extreme weather. Extreme weather vulnerability assessments can include an analysis of the assets or operations exposed to the types of extreme weather hazards established in the assessment's scope (e.g., hurricanes and associated flooding, and high winds, wildfires, extreme prolonged heat or cold, drought conditions), the sensitivities of transmission assets and operations to extreme weather events, and the magnitude of any impacts to the transmission system caused by extreme weather events. In assessing the exposure to extreme weather events, transmission providers may estimate the likelihood and extent of damage or disruption to their transmission assets and operations if various extreme weather events occur.

- **Interregional Transmission Planning Update** – ISO continues to participate in the DOE study. Study is on track – due late 2023.

➤ **NYSRC Update – Roger Clayton, NYSRC**

- Chris Wentlent – elected chair of NYSRC. It is a two-year term. 2) EC – approved two whitepapers: Extreme Weather Whitepaper, and Inverter Based Resource Requirements (IBR) for intermittent resources connecting to the electric grid. Both documents are attached.
- **Inverter Based Resources** - Intermittent – enormous amount of intermittent resources being interconnected in the future in NY and all other organized markets. Resources are connected with inverters which convert DC to AC. This results in different performance characteristics.
- **CA and TX** – have recently experienced resources tripping due to faults on the network. We need a clear standard for New York State. NYSRC proposing to look at adopting IEEE 2800 Standard. The Standard deals with interconnection of resources on to the network. NYSRC is considering three phases:
  - Phase One - Develop a new rule that governs IBR inverter-based resource interconnections per IEEE 2800.
  - Phase Two – NYISO to simulate the devices in performance studies, e.g., RNA.
  - Phase Three – recognize that BTM interconnections could also impact the bulk power system. Need to model per appropriate IEEE standard.

NYSRC – is currently working on its complete plan on this matter and it is likely to include an IBR technical workshop in the near future.

- **Extreme Weather – NYSRC** is slightly ahead of FERC NOPR. We are looking at extreme weather – heat, cold, wind lull, hurricane, icing, drought, and geomagnetic disturbances. Our current criteria is a probabilistic approach. Transmission is a deterministic approach. We might need to look at different criteria in the future. This is a long-term multi-year project.
  - Phase 1 – Resource Adequacy
  - Phase 2 – Transmission Security
  - Phase 3 – Loss of Natural Gas Supply

➤ **NYSPSC Staff Regulatory Update** – Mike Tushaj

- **Clean Energy Standard –15-e-0302** – April 14, 2022 – Commission Order Approving Contracts for the Purchase of Tier 4 Renewable Energy Certs; Commission decision based upon its finding that the “...impending need to reduce emissions from power plants in New York City necessitates immediate action, while the CPHY and HQUS projects together present the most cost-effective solution to address that need...”
- **Energy Storage Proceeding – 18-e-0130** – April 4, 2022 – DPS issued the third ‘State of Storage’ annual report; highlighting Energy Storage as being “Essential” to Maximizing Benefits of Clean Energy Sources and further Enhancing Grid Stability and also highlighted the State’s push to achieve CLCPA goals. July 8, 2022 – Con Ed solicited a new bulk storage RFP targeting distribution connected storage systems; changes to its standby tariffs and implementation of a Buyback Service Contract Demand Charge exemption for stand-alone energy storage systems for 15 years from the system’s date of service.
- **Electric Vehicle Proceeding – 18-e-0138** – May 12, 2022 – Commission Order authorizing NYSEG/RGE tariff amendments in compliance with the EV Make-Ready Orders to 1) allow for the implementation of cost recovery for utility-owned make-ready work and customer-owned make-ready work and implementation costs and 2) rectify a cost-recovery allocation error for Street Lighting customers that was inadvertently overlooked. June 13, 2022 – a Stakeholder session was held to discuss EV rate design characteristics, examples of select rate designs, and Commercial EV Charging Demand Rate Alternatives, presentations are available in DMM.
- **Offshore Wind Proceeding – 18-e-0071** – Nothing to report
- **Energy Efficiency and Heat Pumps – 18-m-0084** – quarterly filings received for utility dashboard reports. LMI implementation plan, initially filed end of April and further updated in end of May, reviewed by DPS for compliance. LMI plan is consistent with two modifications – accounting of post 2019 LMI expenditures and mapping of LMI initiatives.
- **Resource Adequacy Proceeding – 19-e-0530** – Nothing to report
- **PSC’s Transmission Planning Proceeding – 20-E-0197** – November 2021 – NG filed a petition for cost recovery of its Phase 1 local transmission projects in light of CLCPA 2030 and 2040 targets (\*NG Phase 1 Petition). An addendum

was filed on April 08, 2022, to include one additional project, 27 proposed projects with total costs of ~\$730M.

- December 2021 – Avangrid filed a petition for cost recovery of its Phase 1 local transmission projects (\*Avangrid Phase 1 Petition). 23 proposed projects with total costs of ~\$1.94B.
  - March 9, 2022 – Central Hudson, NYSEG/RGE, and NG, filed a Petition Identifying Area of Concern Needs and Recommended Solutions (Area of Concern or AOC Petition) for proposed Phase 2 work. Preliminary Phase 2 costs ~\$3.9B in total.
  - April 15, 2022 – Con Ed filed a petition for cost recovery of its Phase 1 local transmission project - Con Ed Brooklyn Clean Energy Hub; total cost ~\$1B. \*Note: Phase 1 cost estimates are currently +50%/-25%.
  - June 17, 2022 – The revised BCA method filed by the Joint Utilities on December 17, 2021, was approved by the Commission.
- **Proceeding regarding Natural Gas Planning – 20-G-0131** –Two Orders on May12, Order Adopting Gas System Planning Process and Order Adopting Moratorium Management Procedures in regard to Gas Planning Procedures.
  - **Matter of the Advancement of Distributed Solar - 21-E-0629** – April 14, 2022 – Order Expanding the NY-SUN Program, recommends expanding the program through 2030 and setting an Incremental 4 GW Target of additional distributed solar by 2030
- **NYSDEC Regulatory and State Implementation Plan Update** – Bob Bielawa, NYSDEC
- The public comment period for the reclassification of the New York City metropolitan area from “serious” to “severe” nonattainment for the 2008 ozone standard closed on June 13, 2022. EPA’s next action on the proposal may occur in August.
  - DEC is currently working on attainment demonstrations for the 2015 ozone standard (New York City metropolitan area) and the 2010 sulfur dioxide standard (partial St. Lawrence County).
- **New Business** – none
- **Next Webex** - Thursday, September 8, 2022, at 9am.