

NYSDEC/NYSRC July 15, 2021, Conference Call Notes

Below are the notes from our July 15, 2021, Conference Call:

The agenda follows:

- **Climate Action Council Update** - Radmila (IPPNY) – received recommendations of advisory panels, will be used for Scoping Plan, Power Gen – more EE, ES, Reliability, Dispatchable Resources, natural gas plan phaseout and ban on new or repowering, EJ feedback – opined on EE and Housing, Transportation. Opposition to market-based approaches especially TCI market program, instead focus on more command and control and pass CCIA as a revenue program. Support broadening public transportation. Next meeting – July 22. UCG formed – providing some additional technical details on recommendations. NYPA and LIPA involved on panels. UCG did good education on key proposals
 - **Q** – next meeting – July 22. Will be an in-person meeting at NYSDEC and Long Island. Webinar access. More info may be found here:
<https://climate.ny.gov/>
- **2021 Legislation Session Closeout** – Radmila and Chris – none became law, but broad reliability impacts existed.
 - **S.4264-A/A.6927 - CCIA Legislation** – Radmila/Chris – major priority for NY EJ and NY Renews. Create revenue for CLCPA and targeted dollars for EJ communities. Carbon pollution fee for carbon-based fuel. Start at \$55/ton and escalate per formula in legislation. Uses are identified in the proposed legislation, RE, ES, reduction of air contaminants, closure of fossil plants, and electrification. Could be topic next Session.
 - **Peaker Justice Legislation** – Peaker plant owners required to submit a compliance plan to convert to renewables and energy storage. Provision for reliability but narrow. Only one five-year extension. If you do not submit – retire by 2026. Passed Senate but not Assembly. Could be topic next session. NYISO, UWA, NYSRC weighed in.

- **Zero Emissions Technology Bill** – create a market for zero emissions technology (Cusick sponsor), does not define technology – PSC would decide the technologies eligible. Intent – as we get closer to 2040 – a program can be created to establish these new technologies. Presentation from NYISO, E3, and Power Gen panels support purpose.
 - Q – Roger C – 1 GW of zero emissions resources not outlined in CLCPA. 100% by 2040. 1 GW – PILOT - 2030 Level. More than one 1GW required to meet need.
- **Hydrogen Demonstration** – NYPA – announcement that state would spend 8.5M at Brentwood PP in LI. Start in October with EPRI – test different levels of hydrogen. Goal is to do 10-15 hours over 10 weeks. GE involved and Airgas (providing Green Hydrogen with hydro power). First state utility doing this type of demonstration.
 - Q – NOx – will you track it? SCR with hydrogen burn? Emma to check and get back to us. NYPA will be monitoring NOx emissions as part of the demonstration.
- **RGGI Update** – Part 242 Regulations, PA & NC Activity – Mike Sheehan, NYSDEC – two critical milestones – PA and NC moving forward. PA further along, NC would be at starting point. PA – 2022, NC – 2023, VA – now in program
- **TCI Update** – Mike Sheehan, NYSDEC – state legislative sessions – MA and DC still moving forward, CT did not pass legislation and is evaluating next steps. TCI recommendations to Climate Action Council – Climate Justice Working Group noted they do not support TCI. NY Climate Action Council still considering as part of scoping plan.
- **Status of Air Permits** – Danskammer and Astoria Generating Facility Upgrades – Mike Sheehan, NYSDEC – Danskammer and Astoria out for Public Comments.
 - Q – Carl P – is there a schedule for a complete application? There is no official schedule at this time for each, the press

release supporting the public comment period noted the following: For Danskammer: This is the first step in DEC's public process for this project, and the public is encouraged to submit comments on the draft permits by Aug. 29, 2021. Before making a final decision on the draft permits, DEC will thoroughly review all comments received and any additional information submitted by the applicant. For Astoria: This is the first step in DEC's public process for this project, and the public is encouraged to submit comments on the draft permits by Aug. 29, 2021. DEC has not decided regarding the final issuance of permits or the SDEIS. Before making a final decision on the draft permits, DEC will thoroughly review all comments received and any additional information submitted by the applicant.

- **California ACT regulations:** Advanced Clean Trucks (ACT), Heavy-duty Low NOx Omnibus, and Phase 2 Greenhouse Gas Standards – NYSDEC – still under evaluation, not sure on form. Many stakeholders – will distribute when available.
- **EPA Cross State Air Pollution Rule (CSAPR 3) Final Allowance Allocation** – NYSDEC Staff – Mid-West Ozone Group is challenging. Working with partner states to determine whether NY will support EPA. Happening in real time – not sure on deadline. More clarity in next month. EEANY requested discussion on NYSERDA allowances. Conference call to be scheduled.
- **EPA Proposed Methane Regulations** – NYSDEC Staff. – NYSDEC: 6NYCRR Part 203 was proposed in May and aims to reduce methane and VOC emissions from the oil and natural gas sector. This proposal is currently in the comment period. Virtual Hearings will be held on July 20, 2021, at 2pm and 6pm. Comments close July 26, 2021, at 5pm. The CLCPA Power Gen Advisory Panel recommended to support this rulemaking. (More info on the NYSDEC proposal: <https://www.dec.ny.gov/regulations/122829.html>)

Federal Effort: EPA has conducted several stakeholder meetings and we expect a proposed revised NSPS OOOOa by September. On June 30, 2021, President Biden signed into law a resolution (under the Congressional Review Act (CRA)) that disapproved a final rule

adopted by the prior administration. The prior administration removed certain requirements, most notably, removed all requirements from the transmission and storage sector. With this resolution, the transmission & storage sector are drawn back in. Many states have developed their own regulations and have been petitioning EPA to maintain those regulations even when EPA proposes updates.

- **NYISO Update** – Carl Patka filling in for James Sweeney.
 - **NYISO Carbon Pricing Update** – no major update or formal decision. Continued internal and stakeholder discussions.
 - **NYISO Long Island PPTN** – March 19 PSC order for 3000 MWs of transmission on to LI and through LI to ROS. Number of meetings held on this topic for baseline assessment, and criteria in evaluating projects. Tech Conference on July 8 held on baseline assessments and modeling of projects proposed in response to a solicitation. NYISO has received many questions – might have a second tech conference or post an FAQ document or both. Solicitation for solutions will occur. We added a scenario for additional MWs (up to 6,000 MWs OSW on LI). Solicitation expected in August timeframe. 60-day window. ISO determines if developer is qualified, the project is viable and sufficient, and evaluates and selects a project to meet the need. Could take 12-18 months.
 - **Interregional Transmission Planning** – requests by Shell and NRDC for the Joint Inter-Regional Planning Committee to consider an inter-regional planning study. The JIPC could study a conceptual transmission project. Developers could propose an interregional project. To be eligible for cost allocation and cost recovery the project must be accepted in two or more regions. Long way off, however there are increasing calls for interregional transmission. There are other ways interregional projects could be built, such as participant funded transmission agreements.
 - Q – Timing for LI OSW PPTN would not be impacted. If an interregional approach were proposed – it could be eligible for selection. Might not be timely. It could impact future projects. Interregional might work then.

- **NYSRC Update** – Roger Clayton, NYSRC – 2022 Preliminary Assumptions Matrix for 2022 IRM completed, doing sensitivities. We are working with the NYISO on a wind lull study. The study will look at impact on reliability due to a multi-day wind lull. They do happen and could be several days. No results yet. Decarbonization/DER Report – very comprehensive report (federal, regional and state) on our website. Report is attached for your information and an updated version is posted monthly at the www.nysrc.org website under Executive Committee meeting materials. Chris Wentlent provided a brief update about the Resource Adequacy Working Group which is evaluating resource adequacy metrics (LOLH and EUE). The group is coordinating with NYISO staff to receive those metrics for the upcoming IRM including base case and sensitivity scenarios. The effort is to compare metrics and understand how an individual metric performs under different cases.

- **NYSPSC Staff Regulatory Update** – Jonathan Forward
 - **Clean Energy Standard** –15-e-0302 - NYSERDA submitted its quarterly report itemizing expenses associated with administration and development costs of the CES platforms and systems. (RES/Tier 1, Tier 2, Tier 4, OREC and ZEC). NYSERDA also submitted updates to financial backstop principles for the CES programs for the Commission’s consideration.
 - **Energy Storage Proceeding** – 18-e-0130.- Total deployed or awarded/contracted projects at the end of 2020 equals 1,186 MW in capacity, or about 79% of the 2025 target of 1,500 MW and 40% of the 2030 target of 3,000 MW. The investor-owned electric utilities will be issuing their second competitive procurement for resources in the second quarter of 2021. The NYTO’s filed revised Energy Storage implementation plans. A Stakeholder Session was held on July 12 concerning improvements to procedures for procuring Term-Dynamic Load Management (Term-DLM) Program and Auto-Dynamic load Management (Auto-DLM) Program resources, focused on gathering feedback for improving the procurement and contracting process in advance of upcoming procurements for multi-year contracts for resources.
 - **Electric Vehicle Proceeding** – 18-e-0138 - Ongoing programs: the per-plug incentive program offsets the impacts of demand charges, and the make-ready program offers 50%, 90% or 100%

of the utility-side make-ready work to install L2 and/or direct current fast charge EV chargers. 2023 will be the mid-point review where a report will be put together for Commission consideration and potential modification of the programs. Working groups are ongoing: technical standards working group, managed charging working group, and customer experience working group.

- **Offshore Wind Proceeding** – 18-e-0071 – no report.
- **Energy Efficiency and Heat Pumps** – 18-m-0084 - Each of the Utilities continue to file quarterly updates to their respective Clean Energy Dashboard Scorecards, as well as their Annual SEEP Reports. On July 14th NYSERDA and the NYTOs hosted a stakeholder session to discuss development of Statewide LMI Portfolio, including updates on progress and input from stakeholders and market participants (one of two sessions held annually). The Joint Utilities and NYSERDA filed updates to the NYS Clean Heat: Statewide Heat Pump Program Implementation Plan and Program Manual, as well as ASHP, GSHP and HPWH checklists for Staff review and approval.
- **Resource Adequacy Proceeding** – 19-e-0530 – no report.
 - Q – What is Commission considering in RA Proceeding? Jonathan provided an update.

NYSDEC Regulatory and State Implementation Plan Update – NYSDEC Staff –A public notice for: NEW YORK STATE IMPLEMENTATION PLAN FOR THE 2008 OZONE NATIONAL AMBIENT AIR QUALITY STANDARDS NEW YORK-N. NEW JERSEY-LONG ISLAND, NY-NJ-CT SERIOUS NONATTAINMENT AREA; Draft Proposed Revision; June 2021 was published in the June 16, 2021 edition of the Environmental Notice Bulletin that can be found at https://www.dec.ny.gov/enb/20210616_not0.html. There is a public comment period that ends on July 16, 2021, for the proposal. The SIP revision can be viewed at <https://www.dec.ny.gov/chemical/8403.html> or by clicking on the title above.

- **New Business - None**
- **Next Call – Thursday, September 16 at 9am.**

