

**NYSDEC/NYSRC May 6, 2021 AGENDA – 9am**

**Attendee(s) – C Wentlent, Sandi M, Cathy W, Roger C, Paul G, John Marabella, Russell King, Andy Oliver, Rad, Ona, Shawn K, Jonathan, Ben Cohen, Bob B, Roger C, Pete C, James Sweeney, John Reese, Mike Sheehan, and others who joined after the call began.**

***The agenda follows:***

- **Climate Action Council Update** - Radmila (IPPNY) –
  - Rad – Power Advisory recommendations to be presented on Monday to the Climate Action Council. On recommendation is a moratorium on new fossil fuel facilities and phase out of existing over time. DEC regulations to manage the phase out. Like NYSDEC peaker rule. Must maintain reliability. Commitment to zero emissions technology, and R&D necessary. Carbon Pricing might be a way to get there. Next Step is iterative process, and cost assessment.
  - John Reese – we came a long way over the months of the process. Emilie Nelson and I focused on maintaining reliability. Advocated for Peaker Rule process including public input and study the rule in advance to ensure a smooth transition. Area of disagreement on moratorium for permitting fossil fuel – non-consensus recommendation. No resolution but panel advanced a recommendation. Many wanted an immediate moratorium. We have distance between now and 70% by 2030. Wait until 2025 to see the progress. Minority opinion reflects this view. Recommendations will be made on Monday. Some positive things – commitment to a solution for dispatchable generation. Increased support for energy storage. Value of markets.
  - P Gioia – NYSRC request to present to the CAC will be considered on Monday.
  - Q – Roger – need for dispatchable generation – 12-15k range is necessary – E3 Report. NYSPSC study – RNG proxy for dispatchable. Need step function – energy storage.
  - Q – Roger – Grid Study – PTI analysis looked at 2040. The actual dispatchable was greater than 12k. IRM equivalent of up to 200%. Step function is steep. J Reese – two ways to look at the same problem. It is a major challenge.
  - Q – RNG and Hydrogen as possible parts of solution set? J Reese – CLCPA says zero emissions not zero carbon. Green Hydrogen is not bad and used in fuel cells. Opposition if made from natural gas or hydrogen combusted.
  - Q – Roger – carbon pricing – acknowledge that electricity price will increase? John – do not put a lot of hope on it. It was allowed but not strongly supported. We spoke about costs on a limited basis.
  
- **Build Ready Program** – Radmila (IPPNY) –
  - On April 27<sup>th</sup>, NYSERDA announced a land-lease agreement was executed with Benson Mines, Inc., with support from the Town of Clifton, the Clifton-Fine Economic Development Corporation, St. Lawrence County, and the St. Lawrence County Industrial Development Agency (IDA). Located on the north-west edge of the Adirondack Park, the approximately 20-megawatt Build Ready (BR) Benson Mines Solar project will be built on the remnants of Benson's former iron ore mining operation spanning approximately 130 acres. Once completed, the project will provide enough renewable energy to power more than 4,500 homes.
  - Several other sites being evaluated with possible auction to private developers.

- **Peaker Justice Legislation –**
  - Radmila and Chris – NYSRC submitted comments on this proposed legislation. Legislation in both houses. Passed Senate but not advancing as well in the Assembly. At T5 renewal, need to submit a plan to phase out a peaker in next five years. 15% or less run time is classified as a peaker. EJ related bill. Big area of concern – reliability only allows one five-year extension. If you do not comply with plan – T5 will not be authorized. Peaker must show not having health impact on community. Many groups have expressed concerns. IPPNY tried to include an amendment for consideration. Bill should recognize reliability considerations in the DEC Peaker Rule. Reliability until a permanent replacement is online. Another amendment – inclusion of CLCPA based provisions for reliability. DEC can modify or suspend program. Bill is in Assembly EnCon committee. Talked to central energy team.
  - **Paul** – NYSRC – we submitted comments. No mandatory retirement. Allowed to operate if reliability is needed.
  - **Q** – passed in Senate but still in committee in Assembly.
  
- **S4264A/a6927 - CCIA Legislation – Ramila/Chris –**
  - Climate and Community Investment Act – pushed by NY Renew. Relevant components – create revenue – T5 Permit Fees and economy fee of \$55 for carbon pollution fee for sale and use of carbon-based fuel. Formulas in place. DEC determined the fee. Starts at \$55/ton and increases based on formula. Funds distributed to EJ communities – RE, ES, EE, other reductions, community ownership, permanent closure of fossil plants, beneficial electrification, and reclamation projects. (Build Ready). Labor provisions also included. The legislation would be effective 180 days after enactment. At En Con committee level of each house (Senate and Assembly). Public Senate Hearing held. \$15B per year expected pollution revenues. Key issue is coordination with CAC. Assembly Hearing – CLCPA May 13.
  
- **Peaker Rule Update – Part 227 – NYSDEC & NYISO Staff –**
  - Con Ed Transmission Project Approved by NYSPSC update was provided. Ona – NYSDEC – no updates. ISO has used compliance plans. If changes occur – NYSDEC will be updated and relay the information.
  
- **RGGI Update – Part 242 Regulations, VA Participation, PA Activity – Mike Sheehan, NYSDEC –**
  - Ongoing discussion with PA and NC. PA may not make Jan 1 start date. RGGI will kick off program review by the end of year.
  - **PA Update** - Gov. Tom Wolf's administration on Tuesday, May 4 solidified its intention to begin imposing a price on greenhouse gas emissions from power plants next year as part of a multi-state consortium, over the protests of coal- and gas-region lawmakers and elements of the energy industry. After fielding thousands of written public comments, Wolf's administration issued a final rule for the regulatory plan with the same timeline and same goals for reductions in carbon dioxide, considered a major driver of global warming. The rule must still go through two state regulatory boards.
  
- **TCI Update – Mike Sheehan, NYSDEC –**
  - Core 4 states are moving forward – they are assessing comments received. NY is still participating but likely subject to CAC direction.

- **California regulations:** Advanced Clean Trucks (ACT), Heavy-duty Low NOx Omnibus, and Phase 2 Greenhouse Gas Standards – NYSDEC –
  - Department is assessing. Will go through normal rulemaking. Waiting on internal approvals before proceeding.
- **EPA Cross State Air Pollution Rule (CSAPR 3) Final Allowance Allocation –** NYSDEC Staff –
  - DEC call on set-aside – want NY generators to get first right to available allowances and ability to reduce availability to individual allowances. This is effective end of June 2021.
- **EPA Proposed Methane regulations –** NYSDEC Staff –
  - DEC has submitted the proposed Part 203 regulation, addressing emissions from the oil and natural gas sector, to the Department of State. The proposal is expected to appear in the State Register on May 12, 2021.
  - Link to the announcement: <https://www.dec.ny.gov/press/122850.html>
  - Link to the proposal: <https://www.dec.ny.gov/regulations/122829.html>
- **NYISO Carbon Pricing Update –** James Sweeney, NYISO –
  - no update.
- **NYSRC Update –** Roger Clayton, NYSRC –
  - NYSRC CAC Request.
  - NYSRC – sent letter to NY legislature about the proposed Peaker Justice legislation.
  - IP3 – officially retired - we will adjust exception for IP3.
  - Request to NYSERDA to provide a Q&A Presentation to the NYSRC on the Siemens Study on the NY Grid.
  - Chris Wentlent provided an update on the NYSRC RAWG **CW will provide a copy of the report in the meeting notes.**
- **NYSPSC Staff Regulatory Update -** Jonathan
  - **Clean Energy Standard** –15-e-0302 – resale of Tier 2 RECs in voluntary market. Annual Auction. Tier 2 price is net weighted cost plus an adder. April – first build ready report provided by NYSERDA. Data base of over 500 sites
  - **Energy Storage Proceeding** – 18-e-0130 – March 18 – approved a negative performance factor. Computation could lead to a negative result. April 1 – State of Storage Report – Jonathan will provide the report. PSC Order on procurement requirements and no utility ownership model.
  - **Electric Vehicle Proceeding** – 18-e-0138 – Established several prize programs and added funding to the programs.
  - **Offshore Wind Proceeding** – 18-e-0071 – no report.
  - **Energy Efficiency and Heat Pumps** – 18-m-0084 – each utility filed updates to scorecard. April – each utility submitted LMI report and Heat Pump Program Report. NYSERDA requested an extension on multi-family filing to June 30.
  - **Resource Adequacy Proceeding** – 19-e-0530 – no report.
  - **AREGCBA Transmission Planning Proceeding** – 20-E-0197- many comments on Power Grid Study. Notice released for a Tech Conference on May 13 to discuss Headroom Assessments.

- **General Transmission Project** – Update (WNYPP, AC Transmission (Segment A and B), Moses Adk, NYPA Northern NY Expedited Project), Con Edison Upgrade – no changes from last meeting. Cost Allocation will be considered under future orders in the Con Edison Upgrade proceeding
  - **NYSPSC issued CLCPA determination as a Public Policy Need on Long Island** – upgrade OSW capability. ISO is developing a baseline and planned – Tech Conference.
  - Q – Jonathan – open question from Liam on Con Edison Upgrade Cost Allocation.
  - - Given the fact that the projects will have statewide climate benefits, Con Edison requested a determination that, while the costs of the TRACE projects be recovered from its own customers, such recovery should be credited to Con Edison's account in any future CLCPA accounting framework established by the Commission. The Commission Order approved cost recovery for the TRACE projects but did not opine on cost allocation.
- **NYSDEC Staff Regulatory update** – Bob & Mike
- **National Ambient Air Quality Standards (NAAQS)** – no report
  - **SO<sub>2</sub> & NO<sub>2</sub> One Hour Standards – SO<sub>2</sub>** – EPA designated a small portion of St. Lawrence County in the Massena area as non-attainment effective April 30, 2021. DEC must submit an attainment demonstration State Implementation Plan (SIP) by October 30, 2022 demonstrating that the area will attain the standard in five years (by April 30, 2026).
  - **2008 & 2015 O<sub>3</sub> Standards** – DEC is working on attainment demonstration SIPs for both standards and expects to make the attainment demonstration for the 2008 standard available for public comment in the next couple of months. The attainment demonstration for the 2015 Standard is due August 3, 2021 and DEC will make every effort to submit it as close to that date as possible.
  - **EPA Mercury & Air Toxics (MATS)** – no report
  - **RICE Maximum Achievable Control Technology (MACT)** – no report
  - **Regional Haze SIP Plan Update** – no report.

**New Business** - none

**Next Call** – Thursday, July 15 at 9am.