

NYSDEC/NYSRC November 12, 2020 – Conference Call Notes

Agenda:

- **Climate Action Council Update** - Radmila (IPPNY) – four meetings held, NYISO provided a briefing to Council, stressed need for dispatchability. Several working groups were formed, and they are developing scopes of work. The groups will make recommendations to Council. Power Generation Advisory Panel is looking at role of peakers, methane from natural gas infrastructure, need for natural gas in short term as well as its phase-out over time.

John Reese – stated the Power Generation Working Group is in formulative stage. The larger group was divided into discreet sub-panels. J Reese requested that the NYSRC and NYISO make presentations to the working group. Whether the request is acted upon is still an open item.

Q – Roger Clayton – how will presentations be made? Still open, not decided yet. Suggestion stage currently. Roger thinks it is a good idea.

Q – Sandi – there is a lot of information about maintaining infrastructure and not much thought on DEC activities – a lot of information is lacking. Reese recommended that Utilities and NYC should be engaged. He is not sure how you do this without rethinking T&D – Utility Advisory Group being formed. There will be a utility input. NYSRC and NYISO should present to the Power Generation Panel. Ona and DEC should be rolled into it as well. NYSDEC – we are on staff panel. Ona – natural gas, Mike – market based, another person – permitting. We are silent on advisory panel.

Ona – we need to get proper definitions. Incentives are for safety reasons. Differences between utilities and distribution systems. Mike – staff is behind the scenes, briefing, etc.

John R – feel free to send me comments and questions for incorporation. John's email is part of this distribution.

- **ORES, Build Ready, and Transmission Study Update** – Radmila (IPPNY) – Issued for public comment – two rules. Comments due Monday, November 16 (extended to December 7, 2020 by ORES)– basic siting process. Exhibits, etc.

Second rule – uniform standards and conditions. Parameters common to specific projects – Wind, Solar, etc. Goal to create more uniform standards. Comments due December 7, 2020. For example, threatened species, noise, visual.

Transmission – Northern NY Project approved. Priority projects criteria identified by PSC, and NYPA has leadership role. WNY project still outstanding.

NYSERDA Build Ready – approved. Create build ready sites, auction to developers. Obtain permits, local agreements, and then auction; dormant electric generating facilities are among the eligible sites.

- **NYSDEC Proposed Part 496, Statewide Emissions Limit**– Mike – comment period ended on Oct 27. Office of Climate Change needs to process comments. – Likely end of 2020 or 1Q of 2021.
- **NYSDEC Proposed Article 75-0113 - Value of Carbon** – Mike – ENB on Oct 28. Comments due November 27. Need to submit your comments.
- **Peaker Rule Update** – Part 227 – NYSDEC Staff – no update. This item will remain on the agenda.

- **RGGI Update** – Proposed Draft Part 242 Regulations, VA Legislation, PA Activity – Mike Sheehan, NYSDEC – Rule done by year end. Must be filed by December 1. Package is routing internally. NYSERDA is on similar trajectory. NYSERDA needs a Board Meeting on this subject.
- **TCI Update** – Mike Sheehan, NYSDEC – Targeted stakeholder meetings with regulated entities. Working toward model rule and MOU. Targeted for signature by end of year.
- **EPA Cross State Air Pollution Rule (CSAPR) Final Allowance Allocation** – NYSDEC Staff –

Proposed recent update and addressed upwind state contribution. Must put in place by next ozone season. Staff is developing comments. Difficult for NYSDEC to fully understand budget implications for NY sources. Looking for NY specific input to help inform comments. Our focus was just size of the program overall budget.

- **Roger C** – NY State impact. I am not comfortable on bank calculation. The court mandates it. In place by next ozone season. Delay may not be possible. SIP – EPA would allocate consistent with NY SIP? EPA would use Part 243 for allocation.
 - **Cathy** – there is a spreadsheet with unit by unit in the technical supporting documents.
 - **Roger** – do you need to revise Part 243? Mike – if they follow our methodology – might not be necessary. Timing is a concern.
 - **Roger** - We are getting to a point where allowances and emissions are close? Upwind states may not sell their surplus. Indian Point retirement creates additional stress.
 - **Roger and Sandi will work with NYSDEC staff** on this matter due to the concern about the tightness of the proposed budget vs actual emissions, and the upcoming IP3 retirement which could further increase emissions in the near term.
- **EPA Proposed Methane regulations** – NYSDEC Staff – Ona – DEC is currently routing a proposal for oil and gas. Likely will be proposed 2021 timeframe.
 - **Indian Point update** – NYSDEC Staff – nothing to report.
 - **NYISO Carbon Pricing Update** – James Sweeney, NYISO – Nothing additional to offer. Tech Conference was held on September 30 at FERC. Open document for comments at FERC is pending.
 - **CARIS Report Update** – James Sweeney, NYISO – Carl Patka – we posted our final CARIS Phase 1 Study, 70*30 scenario included. NYISO Board approved it.

BIC approved changes to economic planning process manual. NYISO can establish 20-year basis. Updates at the November 19 ESPWG meeting.

NYISO is engaged on amending its Economic Planning Process – looking at energy deliverability to assist DPS and other agencies. Amending ICAP metric. These changes will go to governance in December 2020 or January 2021 timeframe for FERC approval thereafter.

- **NYISO Reliability Needs Assessment** – James Sweeney, NYISO – Carl Patka stated the RNA was posted on ISO website. Needs exist in 2024-2030. ISO will seek input from TOs, Developers, etc.

Solution request in January 2021. If needs are resolved – we would not canvass for solutions. If needs remain – Market Based and Regulated Solutions solicitation would happen.

Short Term Reliability Process – identified needs in year 2 (2023) in downstate NY due to Peaker Rule. NYISO will issue documents and a solicitation to Con Ed.

- **NYISO/Analysis Group Climate Change Impact and Resilience Study** – Phase 2 – James Sweeney, NYISO – report is completed. Phase 3 Climate Change Study will be combined with Grid in Transition
- **NYSRC Update** – Roger Clayton, NYSRC –
 - **Draft IRM on NYSRC website.** Unofficial current number 21.3%; it must still be voted upon at the December 2020 NYSRC Meeting. Reasons are in the report.
 - **We are concerned about California (CA) blackout events** – August 14 and 15. Major lesson – CA does not have a capacity market like NY. Resource Adequacy (RA) targets have not kept pace in early evening hours when demand stays static, but resources have depleted supply.
 - **Climate Study** – ISO is evaluating different conditions. 2040 – looked at various load levels – there is a requirement for Dispatchable Emissions Free Resource above and beyond existing renewables. Highlights – to enable 100% renewable requires backup resources when weather does not cooperate.
 - **RAWG** – Metrics for RA. Looking at LOLH and EUE. This is an analysis only to determine the relationship between the metrics and whether the additional metrics might offer additional information for future consideration. The NYSRC RAWG will continue to evaluate this matter.
- **NYSPSC Staff Update** – Jonathan
 - **Clean Energy Standard – NYSEDA/NYS DPS CLCPA Whitepaper – 15-e-0302** – NY Energy and Climate Advocates (NYECA) submitted comments on October 29, 2020 and stated that dishonest representations from the state, along with actions that increase GHG emissions even as CLCPA becomes law, force them to object to adoption of the PSC's inadequate CES order.

On November 16, 2020, Independent Power Producers of New York, Inc. (“IPPNY”) filed a request for clarification of the Commission’s Order Adopting Modifications to the Clean Energy Standard issued on October 15, 2020. On November 17, 2020, Ravenswood Development, LLC (“Ravenswood”) and Brookfield Renewable Trading and Marketing filed a request for a limited rehearing and modification of the eligibility requirements for Tier 4 Renewable Energy Credits (“RECs”) in the Commission’s Order Adopting Modifications to the Clean Energy Standard, issued October 15, 2020. These filings are accessible on DMM at: <http://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=15-e-0302&submit=Search>

- **Energy Storage Proceeding – 18-e-0130** -The Joint Utilities urge the Commission to extend the in-service date from December 31, 2022 to no later than December 31, 2025, extend the contract duration from up to seven years to up to ten years, and allow a utility to include as a procurement option utility ownership of energy storage projects starting with project operation and continuing for an appropriate period after which the utility would offer to sell the project through a competitive process. Dated: October 30, 2020
- **Electric Vehicle Proceeding – 18-e-0138** – Staff requested 90-day extension until February 11, 2021 to prepare for and to convene special working group pursuant to the Make-Ready Order.

- **Offshore Wind Proceeding – 18-e-0071** – no update.
- **Energy Efficiency and Heat Pumps – 18-m-0084** - On October 30th, the strategic advisory group meeting was held, and the materials are available at DMM.
- **Resource Adequacy Proceeding – 19-e-0530** – no update.
- **NYPA Northern & Western NY Petitions – 20-E-0197** – Department of Public Service Staff (DPS) and staff of the New York State Energy Research and Development Authority (NYSERDA) will host an all-day technical conference by WebEx on November 23, 2020, starting at 9:00 AM. The objective of the conference will be to present the preliminary results of the system studies being conducted by DPS, NYSEDA, and the New York utilities pursuant to the Accelerated Renewable Energy Growth and Community Benefit Act.
- **NYSDEC Staff Regulatory update** – Bob Bielawa (NYSDEC) and Staff
 - **National Ambient Air Quality Standards (NAAQS)** – No update.
 - **SO₂ & NO₂ One Hour Standards** – No update for the NO₂ NAAQS. DEC submitted the Round 4 SO₂ NAAQS (2010) designation recommendation for Cayuga, Seneca, Tompkins, and St. Lawrence Counties. to EPA. DEC recommended that Cayuga, Seneca, and Tompkins Counties be designated attainment; and recommended that a small portion of St Lawrence County (near the Alcoa USA plant in Massena, New York) be designated non-attainment. EPA will propose final designations by December 31, 2020. 2008 & 2015 O₃ Standards DEC is in the final stages of developing an attainment demonstration for the 2008 ozone NAAQS for the NYC Metro area. On October 14, 2020 DEC re-proposed the Reasonable Available Control Technology (RACT) State Implementation Plan (SIP) for the 2015 ozone NAAQS. No changes were made from the previous proposal. The October - added a demonstration that the RACT SIP for the 2015 ozone NAAQS also satisfies the RACT requirements for the NYC Metro area reclassification to “serious” nonattainment for the 2008 ozone NAAQS. The re-proposal also added a SIP revision to satisfy the Emission Statement SIP requirement for the 2015 ozone NAAQS. The public comment period ended on November 13, 2020.
 - **EPA Mercury & Air Toxics (MATS)** – No Updates.
 - **RICE Maximum Achievable Control Technology (MACT)** – No Updates.
 - **Regional Haze SIP Plan Update** – No Updates. Submitted to EPA in May 2020

New Business

Next Meeting – Proposed - Thursday, January 14, 2021 at 900am.