

NYSDEC/NYSRC – May 11, 2023 – Webex Summary

The meeting summary follows:

- **Climate Action Council Final Plan & Enacted NYS Budget** – Rad & Chris
 - **New York Climate Action Fund** - Part TT of A.3006-C / S.4006-C
 - **Economywide Cap & Invest** – Part AAA of S.4008-A/A.3008-A – Budget did not provide details except reference to CLCPA enforcement regulation. Economywide Cap & Invest will be the regulation for CLCPA enforcement. NYSDEC and NYSERDA are point agencies. Climate Action Accounts were created to receive auction monies. Three accounts – sub account on Climate Investment would get 67% of revenues. Key is eligibility for Scoping Plan initiatives – specifically zero carbon resources.

Q – Are zero carbon resources defined? Only mentioned within the Scoping Plan. IPPNY and two unions have petition at PSC asking for eligibility determination.

- **NY Build Public Renewables** - Part QQ of 3006-C / S.4006-C – NYPA involvement with Energy Storage and RE. Consult with NYSERDA, DPS to determine how to utilize new powers. Conferring includes what is happening in the queue. A plan to create with the NYISO – plan would develop what projects that NYPA could undertake after plan created in 2025. Updated every two years. First plan and updates subject to public hearings. Act on their own or through subsidiaries or public power partnerships driven by plan details.

Plan to shutter NYPA peaking turbines in NYC and LI by 2030. Plan to be created. Several Reliability caveats for continued operation if necessary.

- **NG New Building Ban** - Part RR of A.3006-C / S.4006-C – New construction – no fossil fuel – 7 stories or less - 2026. All buildings in Dec 31, 2028. Exemptions are included. Exemption – new building construction projects – if service cannot be handled by the grid. Nothing on existing buildings.

State owned buildings – NYPA is the leader.

- **Other environmental or energy related topics in the budget** – EPF - \$400M, Annual reauthorization for NYSERDA to use ratepayer dollars, brownfields piece.

- **Legislation Session - 2023**

Note: As noted below, some are 2022 bill numbers for consistency.

- **S.4264A/A.6927 of 2022** - CCIA Legislation Update – Radmila/Chris
 - This bill is not in print in 2023 – not in print yet.
- **Peaker Justice Legislation – Rad**
 - S. 2935-B (Parker) / A.4866-B (Kelles) of 2023– “Just Energy Transition Act” for High Emitting Facility Replacement Blueprint by 2030
 - A.522 (Carroll) of 2023 - "Pollution Justice Act of 2023" for Peaker Replacement
 - Two bills in Print. Parker bill now is “same-as” companion to Kelles bill. Just Energy Transition by 2030 with a Blueprint. NYSERDA does a study to replace 4GW by 2030 but must ensure resource adequacy. Study must be completed. Prioritize replacement as described in the Scoping Plan. Bill in print in both houses. Bill includes IPPNY’s amendments.
 - Other legislation – Carroll – only in committee.
- **S.5939-A (Ramos) / A.6761-A (Mamdani) of 2022** – 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
 - This bill is not in print in 2023. Not in print this year.
- **S.2585-A (Parker) / A.6340 (Barrett) of 2023**- PSC Zero-Emissions Innovative Technologies – 1 GW pilot legislation. Parker – Senate Finance, Barrett – Energy Committee.
- **S.1694 (Parker) / A.6253 (Barrett) of 2023** – Grid Modernization Commission to Address NYISO Outlook – Senate bill in finance, Assembly in energy committee.

Q – What is the status of Senator Parker’s Bill with global warming potential? Still active.

- **Status of NYSDEC Cap & Invest Regulatory Process** – Mike Sheehan – Waiting to start official stakeholder outreach. Expecting next couple of weeks. We will create a separate website for public meetings and to share information. One process for general announcement covering all rule makings, separate stakeholder sessions for individual sectors.

Reliability Aspect – key stakeholders in the process. Real targets in CLCPA.

Q – Cathy – how will RGGI be incorporated? We are open to all comments. RGGI + Cap and Invest, only Cap and Invest, or ISO Carbon Adder.

Q – units 15 MWs or greater? We need this input from stakeholders. Other programs use tonnage as the applicability threshold. We do not anticipate going back up from 15 MWs. Some say we created a loophole with the current RGGI applicability for a few 15 MW plus units.

Per the CLCPA, goal is Proposed Rule at least by end of year 2023. Timing – 2025 timeframe implementation.

- **EPA Proposed Power Plant Emissions Regulation – Quick Summary –** Mike Sheehan's bureau will coordinate comments for the department. Need feedback from sources impacted by the proposal. 90% or shut down by 2042 for gas or coal. Long time horizon. Hydrogen and Carbon Sequestration.
<https://www.epa.gov/stationary-sources-air-pollution/greenhouse-gas-standards-and-guidelines-fossil-fuel-fired-power>
- **Other NYSDEC, NYSDPS Climate Action Council Scoping Plan Outcome – Expected Proceedings –** Nothing new.
- **RGGI Update –** Part 242 Regulations, VA Participation, PA LEGAL Activity – Mike – discussions continue. We are re-engaging now that Jon Binder has been appointed as Executive Deputy Commissioner. Need to get agency heads together to orient new commissioners on RGGI and to further advance discussions based on new analysis. No update on PA.

RGGI flexibility makes it hard to follow CLCPA. There will be an affordability study. We will look at linking or other programs that are economy wide including RGGI and WCI.

- **California regulations:** Advanced Clean Trucks (ACT), Heavy-duty Low NOx Omnibus, and Phase 2 Greenhouse Gas Standards – NYSDEC. – pressing to adopt. CA adopted their next level. We will assess the next steps but continue to regulate the mobile sector.
- **EPA Cross State Air Pollution Rule (CSAPR 3) –** FIP is out. No publication yet. A lot of litigation on this matter over SIPs and FIP. More to come.
- **EPA Proposed Methane regulations –** NYSDEC Staff – Ona. No update.
Q – Ozone Season Program – pro-ration of allowances. Will we follow existing program for May? Allocation from previous program.
- **NYISO Update –** James Sweeney
 - **STAR Report –** Summary – Q1 STAR posted mid-April. Currently meet reliability criteria. Q2 STAR – July. Zone J has higher load demand. Based on it, Q2 will identify needs in Summer 2025. Market Based first, regulated solution. **See**

[Q1-STAR-Report-Final.pdf/6010cdf1-93d8-c05c-3e5c-484b6901c6c0](#) and <https://www.nyiso.com/short-term-reliability-process>

Q – What zone is most impacted? A - Zone J.

- **BSM & Capacity Accreditation Update** - A lot of activity. April 27 and May 8 WG materials. More activity thorough-out 2023.
- **NYISO Long Island PPTN Status Update** – NYISO presenting today at ESPWG. Quick preview – slide 15 ranks the projects. May 24 – BIC Vote. May 31 – MC Advisory Vote. June Board – Approval. **See https://www.nyiso.com/documents/20142/37529182/LI_PPTN_ESPWG_2023-05-11.pdf/0ae02dc6-c960-7d1e-8df5-9bc78ae78c5c**
- **Recent FERC NOPRS** – Transmission Planning, Interconnection and Extreme Weather – no activity. **Nothing new.**
- **Status of Interconnection Process CY 21 & Interconnection Process Improvement Process.** Class Year 23. Queue Reform project – May 5 presentation. Project will flow through CY23, with possible filing in CY 2024. See https://www.nyiso.com/documents/20142/37411453/06_Queue%20Reform_TPAS_2023.05.05.pdf/734a06ec-5f08-0af0-c55b-e06cf4ae54bf
- **Interregional Transmission Planning Update** – no activity – Upcoming IPSAC meeting on 5/23, **see <https://www.iso-ne.com/event-details?eventId=151920>**.
- **NYSRC Update** – Roger Clayton
- **PRR 151 – IBR IEEE2800-22.** Posted, 45-day comment period ended on April 27. Nine comments received. We are in the process of reviewing those comments. Three information sessions were held – April 6, April 14, and April 20. **The April 20 OC Meeting presentation is attached.** This regulation is important due to CLCPA requirements, and the high volume of IBR projects being considered. 100 GWs in the Queue.

Enormous benefit and trying to address ability to ride-through – standard for interconnection. This will require on-going work. FERC and NERC are looking at this as well. Timeliness – need is illustrated by CY 23 – 13 GWs of IBR projects proposed. Facilities need a reliability standard. Working on review of comments received – decide on further revision and another posting after review is complete.

- **Extreme Weather** – extreme weather information is available on the NYSRC website. **See www.nysrc.org**
- **NYSPSC Staff Regulatory Update** – Mike Tushaj (Mike will be providing a written summary as he has a conflict)
- **Clean Energy Standard –15-E-0302 -Order Modifying Clean Energy Standard Tier 1 Obligations (04/20/23):**
 - Commission approves, with modifications, the proposals to implement load share obligation related to Tier 1 of the Clean Energy Standard (CES)
 - Within 30 days of order, NYSERDA shall file an implementation plan regarding the new processes for calculating and collecting Tier 1 load serving entity obligations.
 - Transition from percentage to load share-based obligation is approved.
 - Commission approves, with modifications, the proposed REC sale processes associated with the approved transition to a load share-based obligation for Tier 1 program.
- **Energy Storage Proceeding – 18-E-0130 - Energy Storage Roadmap Policy Options (12/28/22)**
 - Update/Augment 2018 Storage Roadmap to meet Gov. Hochul's guidelines:
 - Achieve 6 GW of energy storage deployment by 2030 on a trajectory that will support full decarbonization of the electricity system by 2040. Several changes have occurred since the 2018 roadmap, including:
 - Climate Act passed in 2019: 3 GW storage target and full decarbonization of E sector.
 - Offshore Wind: 9 GW
 - CLCPA: 70% by 2030 renewable target
 - NY-Sun expansion: 10 GW
 - Inflation Reduction Act: new support mechanism for standalone energy storage projects - Investment Tax Credit
 - 2022 Energy Storage Roadmap Areas of Review:
 - Section 2: Overview of current market, progress toward NY's previous storage goals.
 - Section 3: Overview/Analysis of NY's E storage targets in creating a zero-emissions electricity system by 2040; Provides recommendations on allocation of procurement efforts between the retail, residential and

bulk storage market segments, and the trajectory towards achieving the target.

- Section 4: Details market barriers currently impacting E storage.
- Sections 5 & 6: Assess options available for procurement of E storage in the bulk and retail/residential market segments respectively and offer recommendations.
- Section 7: Considers procurement program design issues applicable across the range of storage procurement programs.
- Section 8 Program projections and administrative costs associated with the proposed target and procurement amounts, together with recommendations for the mechanisms to be used to fund these programs.
- Section 9: Storage innovation and the role of long-duration storage.

- **Energy Storage Deployments:**

- 1,301 MW E Storage projects awarded as of 10/1/22.
- (~87% of 2018 roadmap target of 1.5 GW by 2025)
- >130 MW currently installed across the state.

Energy Storage Deployed, Contracted and Awarded (MW)	
NYSERDA Bridge Incentive Program	811
<i>Of which:</i> Bulk	480
Commercial Retail	320
Long Island Residential	11
Utility Bulk Storage Dispatch Rights Procurement	120
Renewable Energy Standard	240
NYPA North Country Project	20
Utility Demonstration and NWA Projects	56
Other Projects	54
TOTAL	1,301
% of 2025 Goal	87%
% of 2030 Goal	43%

- Several rounds of comments have been received and can be found in detail in DMM under case number 18-E-0130.

- **Electric Vehicle Proceeding – 18-E-0138**

- No new orders/petitions to report on.

- EV Technical Standards Working Group (04/12/23) DPS Staff and JU discuss:
 - Criteria for Phase 1 device eligibility
 - Overview of devices currently supported across multiple JU programs.
 - JU proposed prioritized list of eligible devices.
- **Offshore Wind Proceeding – 18-E-0071**
 - No new orders/petitions to report on.
- **PSC’s Transmission Planning Proceeding – 20-E-0197 -Order Approving Cost Recovery for Clean Energy Hub (04/20/23):**
 - Commission Approves cost recovery of Con Eds Clean Energy Hub as addressed in its Supplement to the Petition:
 - Con Edison’s current and future demand forecast and anticipated near-term reliability needs justify the relief Con Edison requests in its Supplement to the Petition.
 - Reliability needs in Brownsville, CLCPA goals, and initial petition filed prior to ongoing rate case result in exigent circumstances → necessary for Commission to act now.
 - Approves surcharge to recover carrying costs after the project is in service and until such costs are rolled into base rates.
- **Coordinated Grid Planning Process (CGPP) Working Group**
 - 12/27/2022 CGPP Proposal was submitted.
 - Comments received through 3/28/23, discussions regarding said comments can be found under case number 20-E-0197 in DMM.
- **Energy Efficiency and Heat Pumps – 18-M-0084 - Statewide LMI Implementation Plan – Version 3 (12/28/22)**
 - Updated on 05/01/23 pursuant to the 01/16/2020 Order Authorizing Utility Energy Efficiency and Building Electrification Portfolios Through 2025:
 - Per OMI Director’s guidance, the revised LMI Implementation Plan addresses the Alignment between:
 - Program administrator budgets and/or targets in the LMI portfolio with those authorized by the Commission in the Order;
 - Program administrator budgets and/or targets for portfolio-specific and/or total cumulative values set forth by a utility in its System Energy Efficiency Plan (“SEEP”);
 - Program specific “plan” values provided in the Quarterly scorecard (Scorecard) and the values set forth in the Statewide LMI Implementation Plan and/or the SEEP.

- Full list of changes between versions is included in the Order filed in DMM under case number 18-M-0084
- **Resource Adequacy Proceeding – 19-E-0530**
 - No new orders/petitions to report on.
- **Proceeding regarding Natural Gas Planning – 20-G-0131**
 - Pursuant to the Commissions 05/12/2022 Order Adopting Gas System Planning Process, Utilities were required to file their Depreciation Study – Analyses of Gas Planning Scenarios. These filings, by utility, supplement those studies to include *bill impact analyses*.
- **Matter of the Advancement of Distributed Solar - 21-E-0629**
 - NY Sun Program – Midpoint Review Comments received on 04/10/23 and can be viewed in their entirety in DMM under case number 21-E-0629.
- **NYSDEC Regulatory and State Implementation Plan Update – Bob Bielawa**
 - DEC continues development of the attainment demonstration for the 2015 ozone standard.
 - DEC continues development of the attainment demonstration for the 2010 sulfur dioxide standard.
 - No other regulatory or SIP updates currently.
- **Next Call – Proposed for July 20, 2023, at 9 am.**