NYSDEC/NYSRC – November 16, 2023, Meeting Summary

- Status of NYSDEC Cap & Invest Regulatory Process Mike Sheehan NYSDEC continues to work internally on the matter. The staff is waiting for approval to move forward on to the second phase which is expected to be another informal process. Target before end of year. CY24 is still the target for formal rulemaking.
- Legislation Session 2023 Closeout & 2024 Preview Radmila no major change in outstanding discussed bills. Reliability – Just Transition Action for Peakers is the most important legislation to monitor – S2935-C/A4866-C sponsored by Senator Parker/Assemblywoman Kelles – it specifically includes consultation with the NYSRC and NYISO.
- EPA Proposed Power Plant Emissions Regulation Summary Mike. Spring final release is expected. Additional USEPA outreach expected specifically for small business impacts. A FERC Conference including this topic is available at <u>https://www.ferc.gov/news-events/events/2023-annual-reliability-technicalconference-11092023</u>.
- EPA Revisions to the Air Emissions Reporting Requirements Mike. NYSDEC has reviewed and will likely join the NESCON letter. Concerned about impacts to states and sources. If a source already reports, there is little benefit for the additional data request. Concerned with over-reach. NESCAUM's comments are attached.
- RGGI Update Part 242 Regulations, VA Participation, PA LEGAL Activity Mike. Elections in VA created uncertainty about their participation in the program moving forward. RGGI is continuing to treat it as VA will leave at the end of this control period. PA RGGI Program had a negative decision in the PA supreme court. RGGI staff and Agency heads are currently continuing to map out the future direction and assessing comments submitted in response to the last stakeholder meeting. Chris W advised that the NYSRC submitted comments as part of the re-evaluation process, and the comments are posted on the NYSRC website.
- EPA Cross State Air Pollution Rule (CSAPR 3) Mike. EGUs it is in effect. Non-EGUs not in effect until 2026. Multiple challenges. NYAG is providing support to the EPA, as necessary. Bill Slade asked about Pipeline NG provisions in the rule? Currently, there are no stays to the implementing provisions of the FIP for this sector in NY. We will provide updates as the various challenges proceed.
- EPA Proposed Methane regulations NYSDEC Staff Ona.
 - 6 NYCRR Part 203 blowdown reporting has allowed for email or online form report submissions. DEC staff have been working with stakeholders to develop a form that can be uploaded for this report. DEC will beta test this reporting method January through March 2024. Any questions may be sent to <u>Part203oilandgas@dec.ny.gov</u>.
 - The placeholder for this topic will change to "Methane regulations" and will be decided prior to each meeting whether there is any news to report and if it should be on the agenda.

- NYISO Update James Sweeney
 - **Q3STAR Report** Q3 STAR on Oct 14 No needs identified. Q2 ongoing. An update is expected in the near term.
 - <u>https://www.nyiso.com/documents/20142/16004172/2023-Q3-STAR-</u> <u>Report.pdf/9426765b-251e-188a-2708-65d1afbe6329</u>
 - Fuel Security Analysis System Resource & Outlook Analysis Group presented at the September 26 ESPWG. Highlight identified some changes to NG system and confirmed how important dual fuel is for NY.
 - https://www.nyiso.com/documents/20142/40204141/3%202023%20Fuel% 20and%20Energy%20Security%20Study.pdf/b6375613-40c5-58f6-3362-2401b7b70b93
 - Radmila mentioned the NYSERDA Winter Fuels presentation. NYSERDA conducted its Annual Winter Fuels Outlook meeting (see attached slides), during which fuel suppliers and stakeholders discussed the availability and price of fuels for the upcoming winter. Among the discussion was an expression of concern by NYSERDA about the availability of distillate fuels supplies, including the ones used by dual-fuel and oil power generating companies. Slides 62 (available via the slides) states that: "For the upcoming winter 2023/2024 period, fuel supply disruptions are the most prominent concern for winter system electricity reliability, especially in NYC. - NYISO 2023 Fuel and Energy Security Study." NYSERDA indicated that the NYISO Fuel and Energy Security Study assesses the adequacy for fuel supplies for power generating companies. At its October 12 Session, the PSC received an update on Winter Fuel Preparedness, during which DPS Staff indicated that it reached out to coordinate with dual-fuel generation owners, that these facilities will have enough oil reserves, and that DPS Staff is also coordinating with the NYISO. The National Oceanic and Atmospheric Administration predicts that this winter will be warmer than normal, so these concerns might not materialize; however, NYSERDA discussed the importance of being prepared and encouraged the filling of storage tanks early and identification of replenishment supplies. NYSERDA, DPS, DEC and fuel suppliers and users are increasing the monitoring of the fuel supply and/or distribution system and the active coordination between the fuels industry and State agencies.
 - NYC PPTN Status Update ESPWG Meeting Presentation was made. Currently, this is in the Technical Conference Phase. One was held about ten days ago; another one is scheduled for Dec 12.
 - <u>https://www.nyiso.com/documents/20142/40757605/06_NYCPPTN_ESP</u> WG_2023_10_24.pdf/bd8aaea2-832c-4143-74d9-7399a7a5fb84
 - Interregional Transmission Planning Update note upcoming IPSAC Friday, December 8
 - o https://www.iso-ne.com/event-details?eventId=152797
- NYSRC Update Chris Wentlent
 - IRM Vote is December 8, 2023

- **IBR Draft Rule Released** for Comment, Roger Clayton is presenting at the Operating Committee today. Comments due on December 11, 2023. The revised draft rule is posted on the NYSRC website.
- NYSRC is currently considering comments to submit as part of the NYSDEC Draft Policy 23-1.
- FERC/NERC Report on Winter Storm Elliott and the NYISO Fuel and Energy Security Study Report. Winter Storm Elliott Presentation is attached.
- NERC released its **2023-2024 Winter Reliability Assessment** was released. It will be included in the meeting package summary.
- NYSPSC Staff Regulatory Update Mike Tushaj
 - Energy Storage Proceeding 18-E-0130. No Activity
 - Clean Energy Standard
 - Zero Emissions Resource Proceeding & Tech Conferences Tech Conference on Dec 11 and Dec 12. Focus on categorization of gap of existing renewable and reliability gaps.
 - CPNY and CHPE Petitions were withdrawn.
 - Electric Vehicle Proceeding 18-E-0138. No activity.
 - Offshore Wind Proceeding 18-E-0071. The OSW petitions to reopen contracts were denied by the Commission.
 - Energy Efficiency and Heat Pumps 18-M-0084. No activity
 - PSC's Transmission Planning Proceeding 20-E-0197. Sept 22 NGRID Phase 1 Petition modified several Phase 1 projects. Twenty-six projects qualified as Phase 1 investments. NGRID cancelled three of the original projects due to other projects being done. NGRID will move forward with three new projects due to load at risk issues. Accelerated spending on seven other projects.
 - Oct 17 NYSEG and RGE submitted their construction work in progress petition seeking FERC approval for 100% WIP status – due to exponential growth of capital investments. This is creating a strain on cash flow and econometrics. If approved by the Commission, it is expected to improve cash flows and result in \$290M in savings.
 - **Proceeding regarding Natural Gas Planning** Con Edison, O&R, NYSEG/RGE and NFG 20-g-0131 No new orders.
 - Matter of the Advancement of Distributed Solar 21-E-0629 no activity.
- NYSERDA Chris Hall. No report for this meeting.
- Next Call Thursday, January 18, 2024, at 9am.