NYSRC/DEC Conference Call Meeting Notes

June 22, 2017

Attendees:

- Mike Sheehan, John Barnes, Bob Bielawa (DEC)
- Roger Clayton (NYSRC)
- Sandra Meier (EEANY)
- Cathy Waxman, (National Grid)
- Peter Carney (NYISO)
- Ben Cohen (NYISO)
- Bill Slade (ConEd)
- Chris Wentlent (Constellation)
- Andy Oliver (Eastern Gen)
- Liam Baker (US Power Gen)
- John Reese (Eastern Gen)

1. RGGI review (Mike Sheehan)

- Stakeholder meeting at Columbia University on Tuesday June 27, 2017 (see https://rggi.org/design/2016-program-review/rggi-meetings for more information).
- Program costs lower than previously projected due to the lower projected costs for natural gas.

2. EPA Clean Power Plan (CPP) (Mike Sheehan)

- Rules stayed and is under reconsideration by EPA.
- Based upon statements by the major party candidates in the NJ gubernatorial race, it appears likely that NJ will return to RGGI in 2018.
- Virginia is considering a climate rule.

3. NYS Clean Energy Standard (CES)

• NYSERDA released an RFP to procure Tier 1 Renewable Energy Credits (see https://portal.nyserda.ny.gov/servlet/servlet.FileDownload?file=00Pt0000002xfW0E AI).

4. EPA Cross State Air Pollution Rule (CSAPR) (John Barnes)

- CSAPR Update Rule (FIP) is in effect beginning with the 2017 ozone season.
- DEC revising Parts 244 and 245 to correct issues raised by EPA. Drafts of the two rules were sent to EPA on 6/12 and comments were received on 6/15.
- DEC will hold a stakeholder meeting in early July. Drafts of the two rules will be sent along with the meeting invitation. The meeting will be in-person with a teleconference option.
- Part 243 (O3 Season NOx) will be repealed but not replaced (at least at this time).

• It is anticipated that EPA will propose to conditionally approve Parts 244 and 245 in late June or early July. 2017 allowances will be released when that process is completed (early August).

5. EPA Proposed Methane regulations (John Barnes)

- EPA has delayed implementation of the NSPS rule by two years.
- DEC Commissioner approved a Rule Initiation Memo to adopt EPA's Control Techniques Guidelines for the Oil & Gas sector. A stakeholder process will commence this summer or early fall.

6. NYSRC Min Oil Burn Rules (Roger Clayton)

• Nothing new to report

7. Indian Point update (John Barnes)

- Agreed to shut down by 2021 (copy of agreement is attached).
- Indian Point must submit a deactivation notice to NYISO within the applicable notice period pursuant to the NYISO Open Access Transmission Tariff Attachment Y (see paragraph 2 under "Terms of Agreement").

8. REV update (John Barnes)

• Nothing new to report.

9. Peaker turbine air quality (John Barnes)

• Additional stakeholder meetings will be held in the near future (July 2017).

10. Regulatory update (Bob Bielawa and John Barnes)

- National Ambient Air Quality Standards (NAAQS)
 - For SO₂ 1-Hour Standard:
 - EPA designations due by the end of 2017.
 - Since Erie and Niagara Counties were designated attainment based on modeling, on May 24, 2017, DEC released a draft SO2 monitoring report for Erie and Niagara counties (copy attached) demonstrating that those counties are attaining the standard and do not need to be remodeled. The public comment period for this report closes at 5:00 pm on June 26, 2017.

• For NO₂ One Hour Standard:

Nothing new to report

• 2008 O₃ Standard:

 A draft SIP for the 2008 O3 NAAQS will be released for public review and comment this summer. Based on DEC's analysis, the NYCMA will not reach attainment by July 2018. DEC to recommend that area be bumped up to serious nonattainment – which would extend the deadline to reach attainment to July 20, 2021.

o <u>2015 O₃ Standard:</u>

- EPA has delayed the nonattainment designations one year to October 1, 2018.
- DEC must still submit an Infrastructure SIP by October 1, 2018 (deadline is based upon the date the standard was adopted, not date of designations).
- Ozone values in the 90's have been observed as far north as Acadia National Park. DEC's 2017 ozone data can be found at: http://www.dec.ny.gov/chemical/38377.html
- Heavy traffic congestion at bridge crossings due to construction activities (Bill Slade).

o EPA Mercury & Air Toxics (MATS)

- Nothing to report
- o RICE Maximum Achievable Control Technology (MACT)
 - Nothing to report
- o Distributed Generation Rule (DG)
 - On March 1st an Article 78 challenge was filed.
 - The rule is stayed and not being implemented at this time.

11. Next Meeting

Thursday, August 17, 2017 at 9:00 am via conference call