NYSRC/DEC Conference Call Meeting Notes

February 21, 2019

Attendees:

- Mike Sheehan, John Barnes, Ona Papageorgiou, Marie Barnes (DEC)
- Sandra Meier (EEANY)
- Roger Clayton (NYSRC)
- Cathy Waxman, (National Grid)
- Ben Cohen, James Sweeney (NYISO)
- Radmila Miletich (IPPNY)
- Andy Oliver
- Paul Gioia
- Chris Wentlent

1. RGGI review (Mike Sheehan)

- NJ comment period has closed. NY did not comment but did work with NJ on draft regulatory text to align with the model rule. NJ to join January 2020.
- VA rule is back for comment. RGGI states are still looking to comment on the record to help align it with the model rule. This proposal also has a 2020 start date.
- 2018 Interim Compliance (March 1) is approaching. Regionally emissions are about 10 million below the 2018 cap.
- There was a RGGI Webinar to solicit comments and to inform agency heads. Environmental Groups have given comment that the budget is too high.

2. NYISO Carbon Pricing Update (James Sweeney)

- Starting January 1, the Market Issues Work Group (MIWG) has been discussing technical issues / carbon pricing
- Tariff discussions are starting. February 28th is the kick off meeting to talk about draft tariff revisions.
- There will be meetings in March 3/18 and 3/28 to discuss.
- Vote sometime in the second half of this year
- Next NYSRC meeting will have discussion of fuel security study

3. NY New Green Deal (Mike Sheehan)

- DEC did not have comments on the various drafts.
- Possibility of aggressive programs in the Green Deal
- NYISO is still reviewing proposals.
- Talk of NYSRC need to be engaged with this because it could affect fuel composition of power plants, transmission requirements, carbon capture and sequestration, permitting, fuel security, reliability, etc.
- IPPNY has recommended that NYISO and NYSRC should be included on Climate Action Council Rad (IPPNY) provided their draft language to Roger and Chris W.
- Roger Clayton cited an article in the Wall Street Journal (attached).

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

- NYDEC filed comments
- Office of General Council taking lead with 111B for new and modified sources for clean coal.

5. NYS Clean Energy Standard (CES)

- PSC approved an order to move forward with quick charging electric vehicle stations (1074 stations).
- Distributed amongst all the utilities. Incentive based payment for a seven-year period.
- Likely located in public highways at first possibly along highways and major urban areas.
- The order is attached for your review.

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

- Part 243, 244, and 245 adopted and submitted to EPA.
- Waiting on SIP.
- NY is commenting on CSAPR Closeout Rule along with other states.

7. EPA Proposed Methane regulations

- Expect express terms and stakeholder meetings to receive feedback by end of spring.
- Meetings will be after the express terms are released still part of the pre-proposal process.

8. Reliability Council Update (Roger Clayton)

- 2019 Compliance Plan is in progress.
- Organizational changes: George Smith is covering DER issues. George Loehr is retiring now interviewing for replacement.
- Looking to create a policy to handle how to manage late market information that impacts the potential IRM.
- NYSERDA has a project with GE involvement to revise the state reliability policies. Draft report in good shape, release time is being discussed. Since State Energy Plan is 2020 the release of this report could be delayed.

9. Indian Point update (John Barnes)

• Nothing new to report.

10. REV update

• Nothing new to report.

11. Peaker turbine air quality (Ona Papageorgiou)

• Rule published in State register February 27, 2019. The full regulation is available at: https://www.dec.ny.gov/regulations/116131.html

- Hearings in Albany May 6, Stony Brook May 13, Long Island City May 14.
- Comments due by 5 PM on May 20.
- Finalize the rule this calendar year.

12. Part 251 Proposed Regulation (Mike Sheehan)

- Prepared draft responses at the office of General Council.
- After review, complete will decide to move forward or if it needs to be re-proposed.
- Limited by SAPA through July 24th.
- Hope to finalize in calendar year 2019.

13. Regulatory update

- National Ambient Air Quality Standards (NAAQS)
 - For SO₂ 1-Hour Standard:
 - No changes to SO2 1-hour standard. Our results show continued attainment.
 - Will add Suffolk, 5 NYMA counties, and Albany county to annual modeling reports.
 - No issues anticipated with EPA.

• For NO₂ One Hour Standard:

• Nothing new to report.

• 2008 O₃ Standard 2015 O₃ Standard:

- NYMA in process of being reclassified as 'serious' nonattainment.
- Slight delay due to government shut down in deadline for SIP submittal.
- New attainment deadline July 20th of 2021 for 'serious' nonattainment designation.

• 2015 O₃ Standard:

- Designated 'moderate' non-attainment effective August 3, 2018.
- 6 years to attain, 3 years to develop SIP.
- Attention to upwind states, CSAPR, good neighbor SIPs and providing comments when other states appear to be doing things that are disadvantageous to New York's interests.

Regional Haze

■ SIP to be submitted in mid-2019 (due July 31, 2021).

o EPA Mercury & Air Toxics (MATS)

■ EPA is reviewing Mercury MATS – NYSDEC air toxics bureau is looking into that. NYS still has Part 246.

o RICE Maximum Achievable Control Technology (MACT)

Nothing new to report

- <u>Distributed Generation Rule (DG)</u>
 Going through executive review and then to the governor's office

14. Any other Business:

• Question on RNA changes – James Sweeney will cover at next meeting.

15. Next Meeting

Thursday, May 9, 2019 at 9:00 AM via conference call