

## **NYSDEC/NYSRC AGENDA Meeting Summary - September 16, 2021 @ 9am**

*The agenda follows:*

### **Climate Action Council Update - Radmila (IPPNY) & Chris –**

- NYS Agency Staff, primarily lead by NYSERDA, are developing an Integration Analysis, which is intended to assess how the policies provided by the Climate Action Council's Advisory Panels help meet the CLCPA's targets and at what cost.
- The initial results of the Integration Analysis have indicated that the Council will need to develop additional policies, beyond the recommendations provided by the across-economic-sectors Panels, to meet the targets.
- On Monday, September 13, the Council met and received additional information on the Integration Analysis and potential scenarios.
- NYSERDA staff is considering potential scenarios, such as:
  - More storage and offshore wind
  - More transmission and connections with other ISOs
  - Getting to zero emissions five years earlier than the 2040 CLCPA target, although they said this could result in marginal addition benefit at higher risk of technology and cost
  - More rapid electrification
  - Use of hydrogen assumed to be produced using renewables
  - Some use of low levels of renewable natural gas
  - Accelerated transition away from all fuel combustion
  - Going beyond 85 percent economy wide emission reduction in 2050
    - How to go further and deeper and what are risks and costs
  - Uncertainty about technology innovation and sensitivity analysis of more technologies coming forward
- Council Member Gil Quiniones said the analysis needs to see how scenarios perform under reliability and resiliency and state staff should talk to the NYISO, NYSRC, and NPCC.
- NYSERDA staff also is looking at Power Sector modeling sensitivities:
  - With and without moratorium on new fossil fuel capacity
  - With and without upstate nuclear retiring
  - With and without renewable natural gas
  - With and without hydrogen combustion
  - No combustion scenario with proxy

- Long duration storage
- What does all this mean for reliability and cost?
- Next Steps
  - More findings to be shared next month
    - October 1 meeting - Integration Analysis, including technology evolution assumptions
    - October 14 meeting - Integration Analysis with final scenario results, including costs and benefits
  - Initial draft Scoping Plan to be provided to Council in late October
  - November 17 - Initial draft Scoping Plan to be provided to Council for feedback
  - December 10 – revised Scoping Plan to Council
- Roger Clayton – NYSRC presented to the CAC on Aug 2. Our presentation concentrated on impact CLCPA goals; specifically on Resource Adequacy (RA). We used the recent DPS/NYSERDA analysis as part of our presentation. By 2040 Peak Load 38000 MW – need for total resources will be approximately 88k MWs. There is a significant increase in the reserve margin up to over 100%. 50k in reserve margin vs current requirement of 6.6k MW. NYSRC also identified the need for over 20k of ramping technology yet to be developed by 2040. Our presentation is attached. NYSRC is neutral to the technology source.
- **Legislation Session - 2022– Radmila and Chris**
  - **S4264A/a6927 - CCIA Legislation Update** – Ramila/Chris – no development
  - **Peaker Justice Legislation** – no development
  - **Zero Carbon Petition – Aug 18 – IPPNY worked with AFL CIO and Building Trades.** PSC Petition to create a program to demonstrate 1GW zero carbon ramping resources to be operational by 2030. Market spurring PILOT Program. PSC would determine which technologies are eligible going forward. Page 17 of yesterday’s NYS Register (<https://dos.ny.gov/system/files/documents/2021/09/091521.pdf> at sequential page 23) provides the notice of public comment on the petition for “Zero Emitting Electric Generating Facilities That Are Not Renewable Energy Systems.” Comments are due within 60 days (on Monday, November 15, 2021, since November 14 is a Sunday). The PSC case to which this NYS Register comment notice pertains is 15-E-0302 - Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard (<https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=15-E-0302&submit=Search+by+Case+Number>)

The comment notice is not posted in this case. The link to the petition is within the case at:

- <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={F872B30D-6B62-4409-95AC-DCD6D7A6AFD0}>
- **Hydrogen Demonstration – NYPA** – Emma M – hold for next meeting.
  
- **RGGI Update – Part 242 Regulations**, VA Participation, PA Activity, Review Period – Mike Sheehan, NYSDEC – Announced next program review which now includes VA and NJ. PA’s participation early to mid-2022. Review will include modeling analysis, reference case. Oct 5 is the first meeting.
  
- **TCI Update** – Mike Sheehan, NYSDEC – following the progress. MA, and DC still moving forward with state initiatives. Other state involvement is still on hold. NY continues to monitor the activity.
  
- **Status of Air Permits** – Danskammer and Berrians Generating Facility Upgrades – Mike Sheehan, NYSDEC – Comment period ended. Reviewing comments. Greenidge T5 permit also went out for public comment.
  
- **California regulations: Advanced Clean Trucks (ACT), Heavy-duty Low NOx Omnibus, and Phase 2 Greenhouse Gas Standards** – NYSDEC – Proposed Regulation on Sept 8<sup>th</sup>, comment period closes on November 17<sup>th</sup>.
  - Governor Hochul also signed legislation for electric vehicle purchase requirement by 2035.
  
- **EPA Cross State Air Pollution Rule (CSAPR 3) Final Allowance Allocation** – NYSDEC Staff – NYSERDA send out notice of allowance availability. New York Generators confirmed the information was received.
  - Q – Cathy Waxman - How long are allowances kept on the market? NYSERDA is responsible. Cathy Waxman will provide any updated information if available.
  
- **EPA Proposed Methane regulations** – NYSDEC. - Ona – comment period for Part 203 – closed on July 26, 2021. Currently assessing and responding to the comments received. If no significant changes are proposed because of the public comments DEC will finalize the regulations. NYSDEC required to have rule in place soon due to EPA requirements.
  
- **NYISO Update – James Sweeney & Carl Patka**
  - **NYISO Carbon Pricing Update** – no update
  - **BSM & Capacity Accreditation Update** – ISO provided a discussion at the Sept 9 ICAP. ISO will make another presentation tomorrow.
  - **NYISO Long Island PPTN Update** – Solicitation released on August 12. Sixty-day period to respond. The NYISO also released FAQ and posted it on

- their website. August 18 Working presentation that reviewed Facility Upgrades vs New Facilities definitions. Next Steps – developer qualifications due Sept 11. Proposed solutions and Interconnection application due Oct 11. ISO will review proposals. 2H - 2022 timeframe for decision earliest depends on number of proposals received.
- **Interregional Transmission Planning** – Requests for ISOs/RTOs to work together. Regions are considering the potential.
  - **NYSRC Update** – Roger Clayton, NYSRC – working with NYISO on a Wind Lull study. Various scenarios are being considered. One finding is that OSW resources connected to Zones J & K if unavailable - will require more resources in-city (Zones J&K) resources to counter the loss.
    - EPRI – initiating a project – RA for Decarbonized Future. EPRI project – NYPA, Con Ed, ISO and NYSRC are participating. The project will look at the impact of adding renewables to the network. It is also evaluating metrics and criteria.
  - **NYSPSC Staff Regulatory Update - Jonathan**
    - **Clean Energy Standard** –15-e-0302 – PSC issued Tier 2 Implementation Resale Plan. NYSERDA can resale to voluntary purchasers starting Feb 2022. Petition by IPPNY, AFL CIO and others submitted to create 1GW Demonstration Program for 24/7 dispatchable non carbon resources by 2030. This petition is subject to public comment.
    - **Energy Storage Proceeding** – 18-e-0130.- Approved Utility-owned Asset Participation in Wholesale Markets – NGRID Petition – company owned can bid energy storage into NYISO when not needed for reliability requirements (off-peak months). Any market financial gains will go to NGRID customers. The limited participation will provide additional information about how an asset can be used for both local grid needs and participate in the wholesale market, leading up to market-based bulk energy storage projects coming online.
    - **Electric Vehicle Proceeding** – 18-e-0138.- DPS is reviewing comments received the TO managed charging proposals submitted.
    - **Offshore Wind Proceeding** – 18-e-0071.- no report
    - **Energy Efficiency and Heat Pumps** – 18-m-0084 – PSC issued an order on CEF modifications in September 2021. The order better aligns the CES with state initiatives. NY SUN budget approved, and other changes were made in the order.
    - **Resource Adequacy Proceeding** – 19-e-0530 -.no report
    - **PSC’s Transmission Planning Proceeding** – 20-E-0197 – PSC issued an order on T&D Phase 2 TO proposals to meet CLCPA requirements. Order asks for more details and further TO filings to DPS. It will be a coordinated, centralized response by all TOs, and the process will not be part of current rate case processes. The order also requires a filing on improved headroom calculation. Jonathan will provide the various filing due dates contained in the order.

- The Joint Utilities shall file a revised BCA proposal within 90-days.
- The Joint Utilities shall file a coordinated grid planning proposal within 90-days.
- The Joint Utilities shall file a volumetric load ratio share allocation mechanism within 90-days.
- The Joint Utilities shall file a plan for a participant funding agreement for recovery of Commission-approved Phase 2 costs, including the feasibility of using the NYISO to administer such costs, within 120-days.
- The Joint Utilities shall file a coordinated portfolio of Phase 2 projects which meet the requisite investment criteria and benefit cost analysis by January 1, 2023.
- The Joint Utilities shall present a minimum of two alternatives for the identified Areas of Concern for the most cost-effective Phase 2 upgrades within 180 days.
- The Joint Utilities shall provide updated headroom assessments to Staff, NYSERDA, and potential bidders no later than February 1, 2022.
  - Q – Headroom? What do you mean? TOs will identify what headroom is available for the market. Availability on utility substation and lines. Goal is to improve how it is identified and communicated. Goal to have more coordinated and standardized process.
  - Q – What is the base year, and what are the assumptions about what gets built? In the Nov. 2020 Utility Study, each utility had their own assumptions, this proposal is attempting to standardize the process. Assumptions are not firm yet. Due dates within order (Jonathan to provide)
- **NYSDEC Regulatory and State Implementation Plan Update** – NYSDEC Staff – Bob – Ozone 2008 – June 2021 proposed demonstration for NYC was subject to public comment. NYSDEC did receive comments and is currently responding to those comments. A final package for signature should be completed in the next 1-2 months.
  - 2015 Ozone – currently developing demonstration package. It is expected to take at least 2 months to complete.
- **New Business**
- **Next Call – Thursday, November 18 at 9am.**