

NYSDEC/NYSRC Webex Meeting Summary – May 8, 2025, at 9am

- **2025 Legislative Session - Rad**

NYS BUDGET UPDATE

- The Governor previously announced an agreement on key priorities for a \$254 billion NYS Budget, while still negotiating details with the Legislature.
- The finalized Budget Bills are in the process of being introduced and voted upon by the Legislature.
- Review of the available Budget Bills.
 - The Governor's Budget language on the use of ratepayer assessments was included, with the addition of language for a more detailed accounting for expenses for one of the provisions.
 - The Governor's original Budget Memo proposed the use of ratepayer money for the creation of a Master Plan for Responsible Advanced Nuclear Development.
 - Her original Budget Bill language did not include a specific provision for the Nuclear Master Plan, and the adopted Budget Bill remains silent on this point.
- The Governor's earlier announcement of a Budget agreement mentioned a \$1 billion investment in climate priorities for:
 - renewable energy projects;
 - assistance to electrify homes;
 - thermal energy networks; and
 - EV charging infrastructure.
 - This funding originally was proposed by the Governor in her Capital Projects Budget Bill.

LEGISLATIVE UPDATE

- **Permit Modifications, Suspensions, Revocations, and Renewals – S.6833-A (Harckham)**
 - This bill applies to permits, such as those under Title V of the Clean Air Act.
 - The bill states that, if the DEC does not make a final determination on an application within a 24-month period after the effective date of the bill or the date the application is received by the DEC, whichever is later, then the permit holder would pay the amount of the Title V fee into an existing Air Quality Improvement Fund.
 - However, the bill does not make clear what happens after this payment is made.
 - Separately, the bill states that permits for facilities that are continuing to operate under Section 401 of the State Administrative Procedures Act would be suspended two years from the date of the DEC having denied or limited the permit or after the bill's effective date.
 - Under the bill, if the DEC has not made a final determination on the application within 36 months after the effective date of the bill or the date the application is received by the DEC, whichever is later, then the permit is automatically suspended, and the application is denied.
 - The legislation includes reliability protections.
 - The bill states that the permit suspension would not take effect for a two-year period if the NYISO, a utility or the DPS determine that the suspension would compromise reliability and the NYISO has

- selected a permanent reliability solution that is in the process of permitting or construction but is not yet operational.
 - However, the bill does not make clear that a facility can continue to operate until a replacement comes online.
 - The bill has moved from the Senate Environmental Conservation Committee to the Senate Floor.
 - It does not have an Assembly companion bill.
- **“Just Energy Transition Act” – S.5111 (Parker)**
 - This legislation would require NYSERDA to develop a study to facilitate the replacement, redevelopment, and phasing-out of at least a total of 4 GW of New York's oldest and highest-emitting fossil fuel facilities and their sites by 2030, while ensuring resource adequacy.
 - The bill also involves facility owners in the preparation of the study.
 - The Senate has passed the bill, and it does not have an Assembly companion bill.
- **CO2 Programs – Ona Papageorgiou**
 - **Status of NYSDEC Cap & Invest Regulatory Process** – Ona – During the pre-proposal stakeholder process, the NYCI program was introduced as three parts, including three regulations: 1) a mandatory reporting rule (DEC), 2) a cap-and-invest rule (DEC) and 3) an auction rule (NYSERDA).
 - **Part 253 – GHG Reporting Rule** was proposed on April 2, 2025 –The public comment period runs through July 1, 2025. The Department understands that the proposed rule is and has scheduled two identical information sessions planned for May 15 at 1 and 6pm. Sessions are not interactive. Sign up for info webinars and additional information may be found at this link: <https://dec.ny.gov/regulatory/regulations/proposed-emergency-recently-adopted-regulations/air-pollution-regulatory-revisions>
 - Q – will two sessions be different? Same material
 - Q – Very complicated regulation. Will you consider an extension? Ona – recommend submitting a formal request.
 - Q – Rad – statement in Regulatory Impact Statement – trying to bridge a gap? What is the gap? Some entities have experience with reporting while others do not. The Department intends to leverage existing reporting data.
 - Q – Same platforms? DEC is developing a platform.
 - Q – most sectors involved? Do they have CEMs or fuel through a system, etc.? Some sources have CEMS some will report throughputs such as fuel.
 - Q – Verification? We anticipate enough coverage.
 - **Status of RGGI Program Re-Evaluation Process** – Ona – third program review is still underway. Once program review is complete, the next steps include: RGGI Inc announcement – with RGGI model rule. Stakeholder process. After the RGGI Inc. announcement, NYSDEC is ready to move forward with the rulemaking schedule. Anticipate moving quickly.
 - **GHG Programs – Methane** – waste energy charge eliminated earlier this year. Many indicators of backtracking on GHG programs.

- **NYSDEC Update –Bob Bielawa**
 - **Federal Executive Orders** – State Programs, New Generation Resource Expansion – NYSDEC is moving forward with business as usual to date but is closely monitoring the impacts of the Executive Orders.
 - **EPA revisions** – Already Implemented Federal Regulations – Power Plant Emissions Rule, Vehicles. Nothing to report at this time ... NYSDEC continues to move forward with business as usual at this time.
EPA Budget Reduction – possible state funding cuts. While the federal executive branch has proposed state funding cuts through federal agency cuts, nothing final has occurred to date. Congress has final say on federal agency budgets.
C – Bill Slade – Zeldin did presentation yesterday. EPA GHG Office will be eliminated. Bob – EPA has stopped implementing Environmental Justice and Diversity, Equity and Inclusion initiatives.
 - **EPA Revisions to the Air Emissions Reporting Requirements** – Bob – no update.
 - **EPA Cross State Air Pollution Rule (CSAPR 3)** – Bob – On March 12, 2025, EPA announced it will undertake thirty-one historic actions that includes ending the federal “Good Neighbor Plan”. NYSDEC does not expect a replacement. For latest status of the federal Good Neighbor Plan, see <https://www.epa.gov/Cross-State-Air-Pollution/good-neighbor-plan-2015-ozone-naaqs>.
 - **Part 218 Status** – Bob/Bill Slade – NYSDEC will provide more information/answers to Bill Slade’s questions regarding fleet trucks at the next call.
 - **Comment** - A stakeholder informational webinar will be held for 6 NYCRR Subpart 482-3, Ozone Nonattainment Fee Programs, in early June 2025. Subpart 482-3 will be the New York State regulation that implements the requirements of federal Clean Air Act section 185 for ozone nonattainment areas that are classified as “Severe” or higher. The 9-county New York City metropolitan area is designated “severe” nonattainment for the 2008 ozone standard. The regulation will only be implemented if the area does not attain the standard by July 20, 2027. Information on the webinar, once finalized, will be shared with this group.
- **NYISO Update – James Sweeney**
 - **Canadian Tariff Update** – not expecting tariffs to be implemented. April 14 – FERC accepted NYISO filing. MC vote late April 2025 – approved. NYISO will make an additional filing at FERC in the near term.
 - NYISO Presentation to MC - April 2025
 - **NYC PPTN Status Update** – Same place as last meeting. Results expected in June 2025.
Q – do we still need to go back to PSC for final approval? K Lang – still an open issue.
 - **Interregional Transmission Planning Update** – IPSAC – May 2 meeting.
 - Presentations
 - ISO-NE
 - NYISO
 - Queue Interconnection Studies
 - PJM
 - NE Loss of Source Presentation

- **NYSERDA Update – Chris Hall**
 - **State Energy Planning Process** – General Update – no major update. Draft expected later this year. Quantitative work is ongoing and will be part of the final report.
- **NYSRC Update – Chris Wentlent**
 - NYSRC Met on April 11
 - Treatment of firm fuel designations – they will utilize the historical natural gas quantity vs firm fuel designations in the first year and reconsider each year.
 - Next Meeting is Friday, May 9
 - Base case assumption for CHPE will be discussed.
 - Spain – Portugal Blackout will likely become a discussion topic for NYSRC.
 - All materials are on our website www.nysrc.org
- **NYSPSC Staff Regulatory Update – Jerry Mathew**
 - **Energy Storage Proceeding** – 18-E-0130. – April 18: NYSERDA submitted updated Bulk Energy Storage Program Implementation Plan in accordance with the March 21st PSC order. The March 21st PSC Order approved NYSERDA's draft bulk energy storage plan with some modifications. NYSERDA's implementation plan aims to support the rollout of bulk energy storage to achieve NY's 6GW energy storage target by 2030. April 15: DPS published the sixth annual State Storage Report. The report stated that NY has 1.4GW of storage deployed (480 MW), contracted and awarded (924 MW), which amounts to 23.3% of NY's 6GW energy storage by 2030 goal.
 - **Clean Energy Standard - 15-E-0302**
 - *Zero Emissions Resource Proceeding* – Clean Path NY/NYPA Petition Update – comments received on NYPA's proposal to make Clean Path NY a priority project. Many parties opposed the petition stating the project does not fit the requirements for it to be designated as a priority project. – NYSPSC decision pending.
 - **Offshore Wind Proceeding** – 18-E-0071. Empire Wind – Federal Work Stop Order – Lawsuit filed in Federal Court to reverse stop order. Nothing additional to add on this matter.
 - **PSC's Transmission Planning Proceeding** – 20-E-0197 – no update.
 - **Matter of the Advancement of Distributed Solar** - 21-E-0629 – April 24 Order approving NY SUN Modifications funding. Order relates to NYS 10GW+ solar deployment beyond the 6GW target that was already achieved. The Order approved funding numbers proposed by NYSERDA and authorizes \$150M in NY-Sun funds towards Solar for All projects beyond 10GW.
 - **RAPID ACT Implementation** – Case 24-M-0433 Update – April 18 comments received. Public Hearings were conducted. ORES reviewing and considering all the comments and suggestions at this time.
- **New Business** – see last item in the environmental section that is highlighted.
- **Next Call – Thursday, July 17 at 9am.**