

## **NYSDEC/NYSRC March 5, 2026 – Meeting Summary**

- **2026 NYS Budget Process**
  - The Governor’s Budget Bills propose:
    - Expanding DEC staff to address permitting
    - Utility provisions intended to address energy affordability.
    - Expediting SEQRA review only for projects in “previously disturbed areas.”
    - Providing State Building Aid for renewable energy projects installed by schools.
    - Funding for a Radiological Health Protection Program
    - Extension of the residential energy storage Sales Tax exemption until June 1, 2028
  - The Governor’s 30-Day Amendments to her Budget Bills do not include energy related provisions.
  - One House Budget Bills are anticipated to be released in mid-March.
  - The NYS Budget is due to be adopted by April 1.
  - The Legislative Session is scheduled to conclude on June 4.
  
- **Key Reliability Based Legislation – 2026**
  - ***Moratorium on Data Center Permit Issuance - S.9144 (Krueger) / A.10141 (Kelles)***
    - The bill would prohibit data centers from getting permits.
    - The moratorium would be in place for 90 days after the DEC completes regulations and the PSC issues orders.
      - The DEC would not be able to issue regulations before three years after the bill’s effective date.
      - Similarly, the PSC could not issue order before three years after the bill’s enactment.
    - The DEC would work with the NYISO on a GEIS that would inform the DEC regulations and the PSC’s orders.
      - The GEIS would look at electricity consumption by data centers and the impact of data center development on the NYISO’s Interconnection Queue.
    - The DEC’s regulations would cover matters such as requiring that a minimum amount of electricity for data centers comes from PSL Section 66-p renewables and energy storage, but the bill does not say what that amount should be.
    - The PSC’s orders would ensure that costs are borne by data centers, including wholesale electricity market costs.
    - The legislation is in the Environmental Conservation Committee of both houses.
    - The PSC recently has started a new proceeding within its Case #26-E-0045 to address large energy loads, such as data centers.
      - Initial comments on questions, such as the one pertaining to on-site generation, are due by April 13, 2026.
      - Reply comments are due by May 13, 2026.
  
- ***The previous bills, which we have been discussing and which have reliability implications, have not advanced in the process.***

- **Permit Modifications, Suspensions, Revocations, and Renewals – S.6833-A (Harckham) / A.8553 (Wright)**
  - Among other provisions, 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 is in the Environmental Conservation Committee of both houses.*
  - The bill's major provisions are pre-empted by federal law and EPA's regulations:
    - Automatically suspension of permits
    - Establishing a fee to be deposited into the existing Air Quality Improvement Fund
- **Regulation of Energy Consumption by Data Centers – A.9086-A (Kelles) / S.6394-A (Gonzalez)**
  - Among other provisions, this bill would phase-in having data centers be powered by renewable energy pursuant to power purchase agreements:
    - 2030 – one third
    - 2035 – two thirds
    - 2040 – 100 percent.
  - Renewable energy would come from eligible sources under the CLCPA's PSL Section 66-p: solar, wind, hydroelectric, geothermal, tidal, wave, and fuel cells which do not utilize a fossil fuel resource in the process of generating electricity.
  - *The bill is in the Energy Committee of both houses.*
- **“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 includes reliability protections and involves facility owners in the preparation of the study.
  - *The bill is in the Senate Energy and Telecommunications Committee and does not have an Assembly companion bill.*
- **CO2 Programs – Ona Papageorgiou**  
**RGGI – Ona**
  - The comment period for 6 NYCRR, Part 242 has closed.
  - NYSDEC is assessing and developing responses to the public comments received.
  - If no significant changes – the NYSDEC will move toward finalizing the revised rule.
  - The current understanding is that VA intends to region the other RGGI Participating States in the Initiative.  
**Q: do you have a target date for issuing the revised NY RGGI Regulation?**  
**A: Currently, it is expected to occur in late summer if no significant changes are necessitated.**
- **Status of Part 253 compliance outreach – Ona**
  - NYSDEC anticipates that the platform will be available in late fall 2026.
  - First compliance reports are due in June 2027.

- The regulation and citations describe what data is required.
- Part 253 email address is available for stakeholders to ask questions or seek additional information:
  - [DAR.253MRR@dec.ny.gov](mailto:DAR.253MRR@dec.ny.gov)
- Information may also be found on the NYSDEC webpage:
  - [Mandatory Greenhouse Gas Reporting - NYSDEC](#)
- Some compliance sources will require verification, this encompasses sources 25,000 GHG tons and above.
- The NYSDEC expects a late spring verification process outreach will be initiated.
- NYSDEC will conduct a sector specific outreach later in the summer and will include groupings of similar sectors.
- Finally, when the platform is available in October 2026, NYSDEC expects to initiate further outreach.
  - NYSDEC is exploring beta testing options with the consultant.
- **Status of NYSDEC CLCPA & GHG regulations – Ona**
  - No update
- **Status of first annual SF6 supplier reports - Ona**
  - First reports are due March 31<sup>st</sup>.  
**C: B Slade – we are concerned whether entities are registered and how do sources check that.** NYSDEC does not provide a confirmation to the suppliers when they register. However, suppliers can provide customers their submission ID numbers from the reporting system. If needed, NYSDEC can always confirm that this ID is valid.
- **NYSDEC Regulatory/SIP Update – Bob Bielawa**
  - Federal Executive Orders**
    - No updates.
  - EPA Regulatory Actions**
    - **On January 6, 2026, EPA published a final rule revising the current Regional Haze Rule (RHR)** to extend the due date from July 31, 2028, to July 31, 2031, for the third planning period of State Implementation Plans (SIPs). EPA is extending this deadline to ensure that states and regional planning organizations have adequate time to adapt third planning period SIPs to any changes EPA makes to the RHR as part of the ongoing effort to restructure existing regulations, which was announced on September 29, 2025. See: [frl-12160-02-oar\\_hazeextension\\_nfrm\\_123125\\_prepublicationnotice.pdf](#) for the final rule.
    - **On January 15, 2026, EPA finalized amendments to the new source performance standards (NSPS)** for stationary combustion turbines and stationary gas turbines pursuant to a review required by the Clean Air Act (CAA). See: [2026-00677.pdf](#).
    - **On February 10, 2026, several environmental groups signed a letter sent to EPA regarding “Notice of intent to sue under the Clean Air Act for failure to designate areas under the 2024 Particulate Matter National Ambient Air Quality Standards** as required by 42 U.S.C. § 7407(d)(1)(B) & (d)(2). See: <https://earthjustice.org/wp-content/uploads/2026/02/2026.02.10-notice-of-intent-letter-pm-designations-sent.pdf>. New York submitted a statewide designation recommendation of “attainment” to EPA dated February 7, 2025, that has not been acted on. See: [2024 Fine Particulate Matter, National Ambient Air Quality Standard](#)
    - **On February 19, 2026, EPA finalized the repeal of certain amendments finalized in 2024 to the Mercury and Air Toxics Standards (MATS) Rule.** See: [Mercury and Air Toxics Standards | US EPA](#).

- **On February 20, 2026, EPA issued a memorandum clarifying guidance on Regional SIPs** to support the reliability of the electric grid. See: [Update to Guidance on Regional Haze State Implementation Plans for the Second Implementation Period | US EPA](#).
- **NYSDEC Regulatory and SIP Related Actions Since Last Meeting**
  - **On February 3, 2026, NYSDEC submitted "40 CFR 51.1205(b) Report**; Albany, Bronx, Erie, Kings, New York, Niagara, Orange, Queens, Richmond, and Suffolk Counties; Sulfur Dioxide 2010 Primary National Ambient Air Quality Standard; November 2025" to EPA. This report is required annually for any area where modeling of actual SO<sub>2</sub> emissions serves as the basis for designating such area as attainment for the 2010 SO<sub>2</sub> National Ambient Air Quality Standard (NAAQS). See: [40 CFR 51.1205\(b\) Report – Sulfur Dioxide 2010 Primary NAAQS – November 2025](#).
  - **On February 25, 2026, a proposed report intended to fulfill the requirements of paragraphs 51.308(g), (h), and (i) of the RHR** and to serve as a progress report for the second regional haze planning period, which covers the period from 2018 to 2028 was published in NYSDEC's Environmental Notice Bulletin (ENB) thereby starting a public comment period that ends March 27, 2026. See the report here: [State Implementation Plans and State Plans - NYSDEC](#). See the ENB Public Notice here: [Statewide - Five Year Progress Report for Regional Haze Implementation Plan - NYSDEC](#). In this progress report, NYSDEC affirms that its approved regional haze SIP for the second planning period is adequate for making reasonable progress towards the RHR goal of achieving natural visibility conditions at Class I areas by 2064.
- **Ongoing NYSDEC Regulatory and SIP Related Items of Interest**
  - **EPA Cross State Air Pollution Rule (CSAPR 3)** – In 2022 and 2023, EPA initially took action to address the obligations of upwind states under the 2015 ozone NAAQS. This action resulted in the Final SIP Disapproval action (February 13, 2023) and the Final Good Neighbor Plan (March 15, 2023). Following the finalization of the Good Neighbor Plan and the Final Disapproval action, multiple parties challenged both actions through multiple sets of petitions for review in several federal circuit courts. Several courts granted petitioners' requests for a stay of the Disapproval as to their state pending judicial review of the Disapproval action. In addition, the Supreme Court granted an additional stay in June 2024. In response, EPA issued three interim final rules to comply with these court orders in July and September 2023, and in November 2024. The three interim final rules include provisions that ensure that states' obligations to address interstate ozone pollution with respect to the 2008 ozone NAAQS under two prior rules, the CSAPR Update and the Revised CSAPR Update (CSAPR 3), will be met while EPA continues its reconsideration of the stayed Good Neighbor Plan's requirements. See [Interstate Transport for the 2015 Ozone NAAQS | US EPA](#) for Interstate Transport for the 2015 Ozone NAAQS and Additional Resources.
    - **Good Neighbor Plan Update:** On January 27, 2026, EPA proposed phase 1 of its reconsideration of the "Good Neighbor Plan." Under phase 1, the agency is proposing to approve eight states' SIPs (not New York) pertaining to the 2015 eight-hour ozone National Ambient Air Quality Standards (NAAQS). In the near future, EPA intends to take a separate action, consistent with this proposal, to address "interstate transport" obligations for the remaining states covered in the final "Good Neighbor Plan." This includes New York.



- NYSRC reviewed the January 2026 Installed Capacity Subcommittee Report including Winter Fuel Availability Constraints Modeling.
  - Received reports from Reliability Rules Subcommittee, IBR, Extreme Weather, and Large Load Working Groups.
  - Received NYISO Reports on Planning, Markets, and Operations
  - Received Decarbonization and Environmental Status Reports.
  - Next meeting is Friday, March 13, 2026.
  - All Executive Committee materials are available at [www.nysrc.org](http://www.nysrc.org).
- **NYSPSC Staff Regulatory Update – Jerry Mathew**
    - **Interconnection Reform for Large Loads – 26-E-0045** – new proceeding established. Stakeholder comments were requested in the order. This proceeding is directly associated with Governor Hochul’s SOS Address and Energize NY initiative. Aim to modernize how large loads connect while ensuring they pay their fair share of system upgrade costs. Six areas of analysis will occur. A technical conference, comment period, and Whitepaper will be part of the process. The Whitepaper is due in Feb 2027 timeframe.
    - **Con Ed Reliability Contingency Plan – NYC – 25-E-0764** – Jan 20 – IPPNY Rehearing Request filed. IPPNY requested that RFI should include both non-fossil and fossil solutions in line with the SEP “All of the Above Approach.” IPPNY is requesting clarification on possible solution options. IPPNY also requested clarification that the Order should delineate non-emitting solutions. IPPNY also states that the Commission should direct Con Ed to solicit all forms of potential solutions.
    - **Energy Storage Proceeding – 18-E-0130** – no update
    - **Clean Energy Standard - 15-E-0302** –
      - January 22, 2026 – Order Extending ZEC program. The nuclear plants ZEC Program will be extended to 2049. NYSERDA must file an implementation plan within 60 days.
      - January 23, 2026 – Order modifying Maintenance Tier Program. 8/18/2025 – DPS filed proposal to revise calculation of award cap for RES Maintenance Tier Awards. Shift away from Tier 1 average to 75% of VDER Environmental Value (E-Value). Commission approved.
      - January 27, 2026 – Notice soliciting comments on Clean Energy Standard. Commission seeks feedback on utility ownership of renewable generation including (1) potential ratepayer impacts of utility ownership, (2) utility impacts/advantages or disadvantages of renewable generation siting, (3) SIR queue placement/management, (4) solicitation competitiveness, and (5) potential regulatory impacts. Comments originally due 2/27. IPPNY requested extension to 3/27 due to complexity. Commission granted 3/27 extension.
      - January 28, 2026 – Notice soliciting comments on petition for hearing to temporarily suspend or modify REP. Coalition for Safe and Reliable energy requested a hearing to evaluate whether to temporarily suspend or modify targets under the REP of the CLCPA. Coalition claims the 2030 and 2040 CLCPA will not be reached and makes note of decreasing reliability margins and aging fossil fuel generation. Commission seeking comments due 3/30. Multiple parties requested extension to 4/29 due to complexity. Pending Commission decision.
      - Jan 30 – NYSERDA 2024 Annual Report filed – CES Activities in NY State.
      - Feb 13 – NYSERDA Q4 CES Report filed.
    - **Zero Emissions Resource Proceeding Offshore Wind Proceeding – 18-E-0071**.- 10/2/2025 - NYSERDA filed its proposed OSW Implementation Plan. Enables

- NYSERDA to manage the sale of ORECs to third-party purchasers. Three options for OREC contracting being considered: long-term, pre-sale, re-sale. Proposal includes load ratio share for LSE billing and reconciliation process. Commission approved.
- **PSC's Transmission Planning Proceeding – 20-E-0197** – no update
  - **Matter of the Advancement of Distributed Solar - 21-E-0629** – Solar for All Utility Reports filed.
  - **Grid of the Future – 24-E-0165** – no report
  - **RAPID ACT Implementation – Case 24-M-0433** – no report
- **New Business**
  - **Next Call** – Proposed for **Thursday, May 7, 2026, at 9am**