New York State Climate Action Council

July 11, 2022 Meeting 22

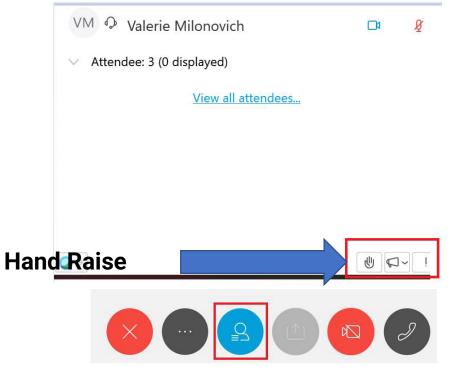


Meeting Procedures

Before beginning, a few reminders to ensure a smooth discussion:

- > CAC Members should be on mute if not speaking.
 - > If using phone for audio, please tap the phone mute button.
 - > If using computer for audio, please click the mute button on the computer screen (1st visual).
- > Video is encouraged for CAC members, in particular when speaking.
- > In the event of a question or comment, please use the hand raise function (2nd visual). You can find the hand raise button by clicking the participant panel button (3rd visual). The co-chairs will call on members individually, at which time please unmute.
- > If technical problems arise, please contact NYS.CAC@cadmusgroup.com.





Agenda

- > Welcome and Roll Call
- > Consideration of May 26, 2022, Minutes
- > Co-Chair Remarks and Reflections
- > Workforce Considerations
- > Disadvantaged Communities Barriers and Opportunities Report
- > Update on Public Comments
- > Subgroup Report Outs
- > Next Steps

Consideration of May 26, 2022, Minutes

Co-Chair Remarks and Reflections

Recent Announcements

Launch of First Statewide Mobile Air Monitoring Initiative

> Hyperlocal Air Quality and Greenhouse Gas Monitoring Underway in Communities Overburdened by Pollution

> \$1 Million Now Available for Capacity Building; Additional \$2 Million Announced Today to Support

Community-Led Air Monitoring

Governor Hochul Signs Legislative Package to Spur Energy Efficiency, Consumer Savings, and Greenhouse Gas Emission Reductions while Supporting Prevailing Wage Measures

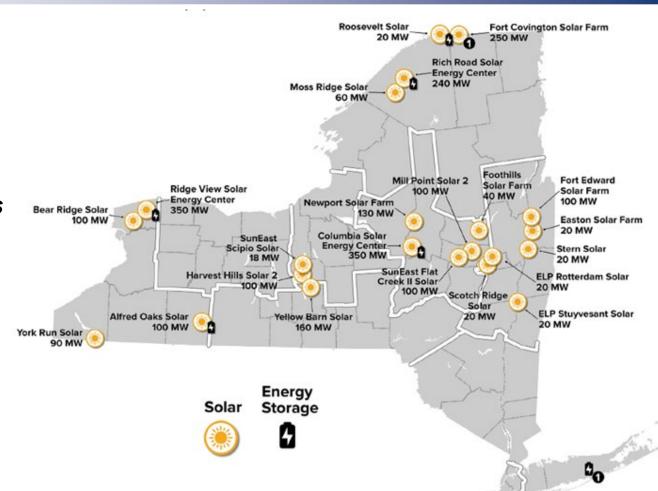
- > Strengthens NY's Building Codes and Appliance Standards
- > Expand Community Heating and Cooling Networks
- > Extends Prevailing Wage Requirements for Renewable Energy Projects One Megawatt and Larger



Recent Announcements

22 Large-Scale Renewable Energy Projects to Deliver Clean, Affordable Energy to New Yorkers

- > Governor Hochul announced historic awards for NY fifth annual solicitation of large-scale renewable energy in June
- > 22 projects total more than 2,400 megawatts and slated to power over 620,000 NY homes upon completion
- > \$2.7 billion in direct investments with \$86 billion in direct investments in underserved communities
- > Spur creation of over 3,000 jobs, generate 4.5 million megawatt hours of renewable energy and reduce carbon emissions by more the 2.2 million tons annually



New York Independent System Operator Control Room Tour

Three calendar options for group tours. The NYISO will also schedule individual tours on request.

July 27th at 10:00 a.m.

August 11th at 10:00 a.m.

September 8th at 10:00 a.m.





What to expect on your tour

- NYISO President & CEO Rich Dewey and Executive VP, Emilie Nelson, will provide an in-depth and real-time look at how control room operators balance the system and maintain a reliable flow of power across the state.
- See how real-time production from renewables, demand forecasting data, transmission constraints, and minute-to-minute system changes influence control room decisions.
- Discuss the role of future planning for grid reliability and how the NYISO is working with stakeholders toward the cleanest, most reliable electric system in the nation.



Workforce Considerations



July 11, 2022

Climate Action Council member briefing – Barriers and Opportunities Report



Report Study Areas

Section 6(1)-(3) of Climate Leadership and Community Protection Act

Report on barriers to, and opportunities for, access to and community ownership of services and commodities in the below areas, in disadvantaged communities

- Distributed renewable energy generation
- Energy efficiency and weatherization investments
- Zero- and low- emission transportation options
- Adaptation measures to improve the resilience of homes and infrastructure
- Other services and infrastructure to reduce risks associated with climate change related hazards

Four Categories of Barriers

Categories of Barriers	Examples of Barriers
Physical and Economic Structures and Conditions	 Building stock may be old and in disrepair Multifamily and rental structures create split incentives
Financial and Knowledge Resources and Capacity	 Community members may lack access to capital Communities have limited programmatic and information capacity
Perspectives and Information	 Communities may be unaware or uncertain of risks and needs Communities may have a lack of trust in the program or service provider
Programmatic Design and Implementation	 Program not well designed for community members Program eligibility requirements may eliminate certain communities

Programmatic Design and Implementation Barrier: Specific Barriers and Scale of Application [Example]

Specific Barrier	Individual and Household level	Community Level	Landlord or Business Level	Affected Services and Commodities
Program eligibility constraints and application requirements may eliminate certain communities.	Programs requiring home ownership or new technology purchase. Income eligibility varies and difficult to navigate; limited access for renters, technologies require capital.	Programs requiring home ownership or new technology purchase. Multiple programs difficult to optimize, variable eligibility. Competitive grant structures favor communities and organizations with grant-writing capacity and experience.	Loan-based programs not accessible to small, cashbased businesses. Application requirements favor firms with resources.	All services and commodities.
Program outreach may be insufficient	Lack of awareness of programs and services	Communities that could benefit from	Lack of awareness of programs and services	All services and commodities.

programs/services aren't

difficulty communicating to

aware; Programs have

residents.

because information is not

provided in the best

language, or format.

channel, source,

because information is not

provided in the best

language, or format.

channel, source,

or misaligned.

Recommendations

Theme	Recommendations
	1. Co-design programs with communities and other stakeholders
Ensure Inclusive Processes	2. Provide meaningful opportunities for public input in government processes and proceedings
	3. Work across intersecting issues and interests to address needs holistically
Streamline Program Access	4. Transition to program models that require little to no effort to participate and benefit
	5. Establish people-centered policies, programs, and funding across local, state, and federal governments
	6. Find and support resource-constrained local governments
Address Emerging Issues	7. Mobilize citizen participation and action
	8. Improve housing conditions and adherence to local building codes

Recommendations and Opportunities

Theme

Ensure Inclusive Processes

Recommendation

Co-design programs with communities and other stakeholders

Opportunities

Staff agencies and fund programs to implement co-design processes with communities

Build trust by dedicating time and resources to develop relationships with communities

Co-design with and for the most vulnerable New Yorkers

Develop wealth-building and asset-building options or pathways

Next Steps...

The Final Scoping Plan will include the recommendations from this report after consultation with the CAC

NYSERDA, DEC, and NYPA will establish a process to make the report a living document

Phase 1: Assessment of Recommendations

Phase 2: Implementing Recommendations

Phase 3: Continued Assessment and Refinement

Next Steps Chapter (cont.)

Phase 1: Assessment of Recommendations		
Sort each recommendation byImplementing agencyPriorityFeasibility	Access the current uptake of clean energy programs in disadvantaged communities and explore current community ownership models	
Accelerate the creation of structures to coordinate interagency collaboration like the Low-Income Energy Task Force and expand engagement with community members and local governments like the EEC, Clean Energy Hubs, DEC Air Monitoring, CSC etc.	Create year-end goals for achieving measurable progress, accountability, and transparency	

Next Steps Chapter (cont.)

Phase 2: Implementing Recommendations

Implement the recommendations based on priority and complexity; Incorporate community member input in this work on an ongoing basis

Make tangible progress towards acquiring the additional resources needed for implementation

Develop a process to record new learnings and insights, which will be used to update the recommendations

Phase 3: Continued Assessment and Refinement

Develop a reporting plan to provide updates on progress

Develop a plan to assess the implementation of these recommendations and use that information to update them in concert with the Scoping Plan Report on progress to NYSERDA, DEC, and NYPA CAC, CJWG, community members, and other relevant stakeholders

Climate Act Requirements

- Led by DEC in cooperation with NYSERDA and NYPA
- Hold two public hearings (completed Nov 2021)
- Submit to the Governor, Speaker of the Assembly, and the Majority Leader of the Senate¹ by January 1, 2022
- Post to the DEC website
- The CAC's Final Scoping Plan must include recommendations from this report
- CLCPA implementation reporting includes an assessment of the report recommendations; must be published every four years

¹Climate Act specifies "Temporary President of the Senate"

Update on Public Comments

Written Comments

Robust level of public comments

- > ~35,000 comments received since January 1, 2022
- > Considerable volume of "form letters"

Planned comment review

- > Every comment will be reviewed
- General feedback will be noted, and specific feedback sorted by topic area (e.g., transportation, buildings)
- > Feedback will be synthesized and presented to Council and subgroups for consideration
- > Based on Council discussions, staff will propose approaches to incorporate/respond to feedback
- > Public comments will also be processed for posting to https://climate.ny.gov

Subgroup Report Outs

Alternative Fuels

Workplan

Planned Meeting Dates	Tentative Agenda
Meeting 1 – June 1	Workplan development, Summary presentation on alternative fuels in the Draft Scoping Plan
Meeting 2 – June 17	Develop definitions of alternative fuels
Meeting 3 – June 29	Health, co-pollutant, and equity considerations, Develop assessment criteria
CAC Meeting – July 11	Provide progress report and seek feedback
Meeting 4 – July 13	Discussion on GHG emissions reductions and accounting
Meeting 5 – July 27	Discussion on public comments on alternative fuels, Finalize assessment criteria
Meeting 6 – August 10	Review and propose revisions, if appropriate, to alternative fuels strategies in the draft scoping plan using assessment criteria
August CAC Meeting (anticipated)	Provide progress report and seek feedback
Meeting 7 – August 24	Review and propose revisions, if appropriate, to alternative fuels strategies in the draft scoping plan using assessment criteria
Meeting 8 – September 7	Review and propose revisions, if appropriate, to alternative fuels strategies in the draft scoping plan using assessment criteria, Finalize recommended revisions for Council consideration
September CAC Meeting (anticipated)	Present recommended revisions for Council consideration

Alternative Fuels Definitions

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	Waste-derived Fuels	
Renewable jet fuel	Renewable jet fuel is a hydrocarbon fuel that can be produced from various feedstocks, including renewable and waste sources.	
Renewable natural gas (biogas)	RNG is a biogas processed to be pipeline grade. Produced through anaerobic decomposition of organic materials such as food waste, sewage, or agricultural (crop or animal) wastes in landfills <u>OR</u> in anaerobic digesters such as at wastewater facilities, farms or food processing facilities.	
Wood-based bioenergy (draft Plan focuses on waste-derived)	This includes bio-oil, syngas, charcoal, pellets, briquettes developed from wood residues, waste materials, and processing.	
Biodiesel	Fatty-acid alkyl esters produced by reacting triglycerides from waste fats and waste oils with an alcohol (usually methanol).	
Renewable diesel	A hydrocarbon fuel that is produced through various biological, thermal, or chemical processes by reacting a feedstock (used oil, animal fats, etc.) with hydrogen. Cellulosic sources (switchgrass, miscanthus) are an emerging feedstock. This is used as a drop-in fuel that can replace fossil diesel.	
Cellulosic ethanol	Non-food based ethanol produced with cellulosic feedstocks such as wood chips and crop residues. It is produced using a biochemical (hydrolysis) or thermochemical (heat) process.	

Hydrogen		
Green hydrogen	Hydrogen formed through electrolysis powered by renewable electricity (without greenhouse gas emissions).	
Low carbon intensity hydrogen	Hydrogen produced with a carbon intensity equal to or less than 2 kilograms of carbon dioxide-equivalent produced at the site of production per kilogram of hydrogen produced, calculated pursuant to CLCPA.	
Crop-derived fuels		
Food crop (e.g. corn) based ethanol	A biomass-based (starch- or sugar-based crops) fuel produced through a dry-milling process. Corn is the leading crop used to produce ethanol in the U.S.	
Oilseed crop (e.g. soy) based biodiesel	Fatty-acid alkyl esters produced using refined vegetable oils, particularly soybean oil, canola oil, and distiller's corn oil.	
, ,	A hydrocarbon fuel that is produced through various biological, thermal, or chemical processes by reacting a feedstock (vegetable oil) with hydrogen. This is used as a drop-in fuel that can replace fossil diesel.	

Draft Alternative Fuels Assessment Criteria

Simplified Threshold Assessment Criteria (in no particular order)	More Complex Assessment Criteria
Does this use existing fossil fuel infrastructure?	Could this use assist with safety, reliability, resilience, and affordability?
As this sector transitions to electrification, can this reduce	Does this allow for the use of existing end-user appliances without modifications?
emissions/fossil fuel use during the equipment's remaining useful life?	Does the potential scale make this worthwhile?
Would this reduce GHG emissions from status quo?	Will it be commercially available on the right timeframe?
	What is the scale of the GHG emission reduction?
Would this reduce co-pollutants from status quo?	Based in IA modelling, will this lead to the use of more fossil fuel than other future scenarios?
	What is the scale of the co-pollutant reduction?
Could this reduce the use of fossil fuels in DACs? Would it reduce emissions of GHGs and/or co-pollutants in DACs?	Is this a priority or preference for DACs or CJWG? How can this be structured to assure the greatest potential for emissions reductions and co-pollutant reductions in DACs? Can it serve to prioritize emissions reductions (electrification) in DACs?
Does this address a challenging-to-electrify use? Or the need for	Will this benefit in-state economic development?
~10% dispatchable zero-emissions generating capacity?	Can this reduce emissions/fossil fuel use while technology advancement and cost declines bring more alternatives to commercialization?

Gas System Transition

Planned Meeting Dates	Tentative Agenda
Meeting 1 – June 2	 Workplan development NYS gas system, end uses, regulatory framework, current gas transition efforts, and statutory provisions
Meeting 2 – June 23	Development of matrix of key considerations for framework
Meeting 3 – July 6	 Affordability, safety, reliability, & just transition considerations Presentation from Utility Consultation Group
CAC Meeting – July 11	Provide progress report and seek feedback
Meeting 4 – July 20	Electric system expansion, alignment with gas system transition
Meeting 5 – August 3	Equity and affordability criteriaInvite Climate Justice Working Group
CAC Meeting – August	Provide progress report and seek feedback
Meeting 6 – August 17	Energy affordability including existing assistance programsContinue discussions on framework
Meeting 7 – August 31	 Policy and program barriers for implementation Role of alternative fuels in gas system planning
Meeting 8 – Sept. 7	Review and finalize recommended framework for Council consideration

Progress

- > Reviewed the subgroup charge/scope and workplan
- > Developed matrix of key considerations for framework
- > Created an inventory of resources on what other states and jurisdictions are doing on gas transition
- Discussions on several of the framework's key considerations including safety, reliability, affordability, and just transition
- > Upcoming meetings will be focused on additional discussions of key considerations and development of the framework

Gas System Transition – Key Considerations

- Ensure gas transition plan meets GHG emission reduction targets
- > Reduce energy burdens and ensure energy affordability
- > Prioritize continued safety and reliability
- > Consider role of alternative fuels and technologies in future gas system planning
- Ensure equitable access to alternative heating options in Disadvantaged Communities
- > Prioritize emissions and co-pollutant reductions in Disadvantaged Communities and ensure no disproportionate burden

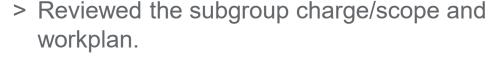
- > Ensure close coordination with electric system expansion
- > Ensure a just transition for gas industry workforce
- > Consider health benefits and cumulative impacts, including historical burdens
- Identify needed changes to laws and regulations for alignment with Climate Act
- > Include a communications strategy and customer education plan
- > Consider use of existing gas infrastructure
- > Identify additional analysis needed
- > Include a detailed timeline for transition

Economywide Policies

Workplan

Planned Meeting Date	Tentative Agenda
Meeting 1 – June 27	Setting the Table for the Work Ahead/Refining and Prioritizing Criteria
Meeting 2 – June 29	RFF Presentation/Identifying Further Clarity Needed
Meeting 3 – July 20	Rationale Discussion/Finalizing & Applying Criteria
Meeting 4 – July 25	Applying Criteria
Meeting 5 – August 8	Applying Criteria
Meeting 6 – August 22	Rationale Discussion/Incorporating Public Comment/Comparing and Contrasting
<i>Tentative</i> Meeting – August 29	Meeting time held for additional discussion if needed
Meeting 7 – September 12	Finalizing Recommendations

Progress





- > Reviewed the three economywide policies in the draft Scoping Plan.
- > Reviewed and have begun revising the criteria.
- > Resources for the Future (RFF) covered lessons learned on carbon pricing from literature review and policy design experience.
- > Upcoming meetings will be focused on applying the criteria to the potential policies.

Next Steps

Next Steps

Subgroups

- > Subgroups continue to meet ~ 2 times/month
- Meeting summaries (decisions, work products, and next steps) continue to be posted on Climate Act website
- > Progress reports to be provided at monthly Council meetings

Public Comments

- > Continued staff review, sorting, and summarizing of comments
- > Plan to bring initial summary to Council by next meeting (August)
- > Start processing comments for posting publicly

Appendix

Subgroup Membership

Gas System Transition

- Doreen Harris
- Roberta Reardon
- Rory Christian
- Donna DeCarolis
- Gavin Donohue
- Dennis Elsenbeck
- Bob Howarth
- Raya Salter
- Paul Shepson
- Mario Cilento

Alternative Fuels

- Doreen Harris
- Mary Bassett
- Richard Ball
- Donna DeCarolis
- Anne Reynolds
- Dennis Elsenbeck
- Bob Howarth
- Peter Iwanowicz
- Rory Christian

Economywide Policies

- Basil Seggos
- MarieTherese Dominguez
- Justin Driscoll
- Gavin Donohue
- Anne Reynolds
- Peter Iwanowicz
- Hope Knight

2022 Workplan

