

ENVIRONMENTAL ENERGY ALLIANCE OF NEW YORK
PO Box 87
Kinderhook, NY 12106



November 2, 2018

Submitted to the New York Independent System Operator
via E-Mail to IPP_feedback@nyiso.com

Re: Carbon emissions measurements and reporting

I am writing on behalf of the Environmental Energy Alliance of New York, LLC (“the Alliance”; see list of generating company members highlighted below on this page) to provide additional suggestions related to the measurement, reporting and reconciliation of carbon emissions necessary for carbon pricing in the New York Independent System Operator (NYISO) market. Alliance members own and operate electric generating and transmission and distribution facilities located throughout New York State and, in some instances, across the nation and the globe. The operations of Alliance members contribute to the reliability of the State’s electric grid and to the economic well-being of New York State.

Alliance members appreciate the change to the initial emissions reporting approach such that the NYISO will calculate the initial emissions values for the hourly data. However, we remain concerned about differences in data submittal schedules comparing the NYISO reporting requirements with our federal and state regulatory compliance reporting requirements. The proposed NYISO data reporting process includes two true-up opportunities to correct errors in the initial hourly emissions estimates. According to the NYISO presentation dated October 22, 2018, the first requirement is to submit emissions true-ups within sixty days of the initial invoice (e.g., by mid-March for the January billing month). The final time sources will be able to further true-up emissions data will be after the 4-month invoice.

Facilities that have EPA reporting requirements and collect CO₂ data using approved EPA monitoring methodologies are required to submit regulatory compliance reports quarterly, 30 days after the end of the quarter. EPA’s extensive quality assurance tests and missing data substitution routines are keyed to quarterly reporting requirements that cannot be finalized and approved by the EPA until the end of the quarter. Until those processes are complete, these facilities cannot submit true-up data that matches approved EPA data. Since facilities have thirty days to submit reports,

Central Hudson Gas & Electric Corporation
*Consolidated Edison Company of New York, Inc.**
*Dynegy Power, LLC**
*Eastern Generation **
*Helix Ravenswood, LLC**
*National Grid **
*New York Power Authority**

New York State Electric & Gas Corporation
*NRG Energy, Inc.**
Orange & Rockland Utilities, Inc.
PSEG Long Island
Rochester Gas & Electric Corporation
*Roseton Generating, LLC**

final EPA-verified data may not be available until the end of the month, thereby missing the mid-month NYISO true up for the first month of a quarter (i.e., final January data may not be available until the end of April).

Alliance members are especially concerned that the NYISO-imposed deadlines are not coordinated with the EPA approval process for the submitted data. There are immediate checks on submitted data which may require corrections and re-submittal. The long-standing process of submitting data to the EPA and the resolution of any identified issues may not allow for compliance with NYISO schedules. Sources cannot submit data until the end of the quarter so these problems cannot be identified early. Of bigger concern is that EPA also does its own verification of the data and occasionally will require a re-submittal to correct a problem months after the 4-month NYISO invoice final deadline schedule. This rarely happens and does not usually make a large change to the emissions mass reported but nonetheless has the potential to interfere with finalizing data.

It is important to understand the perspective of the Alliance vis-à-vis emissions reporting. EPA demands accurate data, full compliance with the monitoring requirements, hardware and data quality assurance requirements, and timely submissions with the threat of felony charges for the company representative responsible for the submittals if there are problems. Alliance members take that very seriously and constantly strive for 100% compliance. Air permit compliance violations threaten serious financial penalties, operating restrictions, and potential facility shutdown. Accuracy means that our fully transparent data submittals are within 0.1 tons of the EPA estimated values. The submittals include all the supplemental quality assurance data necessary to reproduce our reported emissions data. We make every effort to submit data meeting those high standards thirty days after the end of the quarter. Nonetheless, despite our best efforts it is possible that EPA could come back to a source months after the initial deadline and require re-submittal. Language in the NYISO draft proposal noting that “inaccurate, insufficient, or untimely data submissions will be subject to penalties” is concerning if the EPA re-submittal request is interpreted to mean our initial data submittal met those conditions. We request specific penalty relief because we cannot comply with the proposed NYISO data submission schedule and maintain our regulatory obligation to ratify data with EPA.

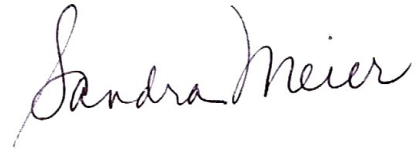
Because of the data quality standards required for the EPA submittals the Alliance members believe that those submissions represent the best emission values available. The NYISO proposed schedule that locks down the data after the final deadline will most likely result in two sets of data. In light of the potential for disparate data sets submitted to the NYISO compared with the EPA-accepted data, we request confirmation source-attributed data will not be made public.

There are also sources covered by the proposed carbon price that satisfy their regulatory reporting obligations on an annual basis. Those sources do not use continuous emissions monitors. Instead they rely on fuel reports that provide the total fuel burned and the carbon content to calculate CO₂ emissions. This manual process is time-consuming and is only done once a year. Furthermore, any

estimated CO₂ emissions based on fuel reporting data could be difficult to reconcile on time periods less than one year due to fuel billing adjustments that can occur throughout the year. If those sources are required to report as proposed they will be subject to a significant additional reporting burden.

Please contact me if you require additional information.

Sincerely,

A handwritten signature in black ink that reads "Sandra Meier". The signature is written in a cursive style with a large initial 'S' and 'M'.

Sandra Meier, Ph.D.
Director, Generation Services
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