

Energy Efficiency Portfolio Standard
Working Group VIII – Demand Response and Peak Reduction

Conference Call with Environmental Justice Groups
September 10, 2008

Minutes to the Meeting

The teleconference commenced at 10:30 am. The agenda was distributed to participants on September 9th (see Attachment A). Approximately 27 people participated in the call. A full attendance list was not created.

John Barnes (NYSDEC) opened the meeting by providing a brief overview of the Energy Efficiency Portfolio Standard (EEPS) proceeding:

- The EEPS proceeding was initiated by Governor Spitzer who set a goal of reducing electricity consumption by 15% from the projected demand in 2015.
- Working groups were formed in mid-2007 to address specific issues. On June 23, 2008, the Public Service Commission issued an order to establish funding for the EEPS through 2011.
- On July 3, 2008, Judge Eleanor Stein (Department of Public Service) issued a ruling in which four additional working groups were established to address issues not addressed in the June 23rd order.
- The charge to Working Group VIII (Paragraph 6 (page 4) of the July 3rd order):

*“Defining the role of demand response and distributed generation in this proceeding is a critical path issue because gains can be made in reducing peak load in constrained areas, while at the same time realizing significant energy savings. The EEPS Order includes consideration of demand effects, in particular in constrained areas, in the criteria for program approval. The principal issue for working group discussion and recommendations is to identify specific measures that are not presently achievable through ISO and SBC programs, utility programs, or EEPS initiatives as recently ordered by the Commission. **In addition, the environmental justice roundtable requested consideration of a study to assess health impacts on communities that host peak generation facilities to a disparate extent, and of opportunities to render those facilities obsolete through the acquisition of energy efficiency resources.**”*

The text highlighted in bold was the primary topic of the teleconference.

Discussion regarding a Health Impacts Study

Background Note: The Environmental Justice (EJ) Roundtable was held on November 6, 2007. The following organizations attended the meeting: UPROSE, WE ACT, Association for Energy Affordability, NYC Environmental Justice Alliance, Nos Quedamos, Sustainable South Bronx and Center for Working Families. (Source: “Report on the Regional Roundtables”, December 17, 2007, page 16.)

John Barnes began the discussion by asking the EJ Community participants what they envisioned should be in the health study referenced in the July 3rd order. Participants expressed a bit of uncertainty with respect to the originally intended purpose of the health study since most did not attend the November 2007 EJ Roundtable. However, they agreed that a health study is necessary. DEC staff agreed to continue to engage those that attended the EJ Roundtable and the “newly” involved EJ advocates as the details of a health study are worked out. DEC staff indicated that a follow up discussion would occur during the September 17, 2008, EJ Advisory Group conference call, which is expected to be attended by some of those that attended the EJ Roundtable. DEC staff also invited members of Work Group 8 and the advocates present on the call to participate in the follow up discussion (see Attachment C for the details of the September 17, 2008 conference call).

DEC staff provided background on the peak generation facilities that are intended to be the focus of the health study (see Attachment B for a list of these sources). These sources were identified during the Ozone Transport Commission’s High Electric Demand Day (HEDD) stakeholder process as sources that tend to operate on days when the ground-level ozone concentrations are high. These sources are approximately 40 years old and do not have post-combustion control. DEC staff mapped these sources and found about 50% of them to be located in potential EJ areas. DEC is working on adding additional information to these maps including residential proximity and megawatt capacity of each facility. These maps may help inform the study. A suggestion was made that the NYPA turbines be added to the list of sources that could be considered during a health impact study. Further, it was suggested that distributed generation and emergency generators should be included in the study parameters as well. A commitment was made to further discuss the scope of sources to include in the study.

EJ participants stated that studies showing negative health impacts from the peak generation facilities currently exist. Jaime Stein of Sustainable South Bronx agreed to circulate such a study to the working group. A proposal was made that the health impact study collate existing data on negative health impacts, link the data geographically with the communities that host the peak generation facilities, and use the conclusions to make policy decisions that retire/repower/replace turbines with other energy efficiency mechanisms. The health impact study would also serve as a tool for accountability of the burdens place on the host communities.

Specific recommendations for the study were discussed. First, the study should include an assessment of health outcome data in the host communities that may show vulnerabilities to asthma or other respiratory health outcomes. The study should also include strict chemical assessment that shows chemical signatures, street level monitoring, consideration of stack heights, impacts relating to elevated PM 2.5 and ozone. It was noted that many of the peaking plants do not operate very often beyond July and August and that should be considered when performing the study.

Dr. Max Zhang (Cornell University) offered to share some preliminary modeling results that he has done regarding the Astoria peak generation facility (see Attachment D).

Two potential funding sources have been identified:

- 1 NYSERDA PON #1193 (\$150,000 maximum) – need to apply by October 15th – possible matching of funds; and
- 2 EMEP – Environmental Monitoring, Evaluation & Protection (funding, if any) would not be available until 2009).

Discussion regarding Residential Combined Heat and Power (CHP)

Ruben Brown and Arthur Pearson (E Cubed Company, LLC) lead a discussion about CHP. Honda has developed a CHP application (1.2 kilowatt output) that can be used for residential applications. These units produce heat and electricity (CHP). These units cost \$11,000 to \$14,000. Approximately 100,000 boilers replaced each year in New York. The incremental cost for replacing a boiler with a CHP system is approximately \$7,000. The capital cost would be recovered via fuel use savings. Some states (e.g., Massachusetts) offer incentives to offset the capital costs for these units.

Deliverables and Schedule

- 1. Those interested in developing the parameters for a health impact study should contact John Barnes of the NYSDEC (jdbarnes@gw.dec.state.ny.us or (518) 402-8396).**
- 2. September 16, 2008: Working Group VIII meeting at NYSERDA.**
- 3. September 17, 2008: EJ Conference Call (see Attachment C).**
- 4. Anyone that has health-related studies pertaining to peak generation facilities is asked to forward electronic copies of the studies to John Barnes for distribution to the working group.**

Attachment A

Energy Efficiency Portfolio Standard

Working Group VIII – Demand Response and Peak Reduction
Teleconference with Environmental Justice Groups

September 10, 2008

Agenda

I – Introductions and Meeting Goals (10:00 – 10:10)

II – Overview of the EEPS Process (10:10 – 10:20)

– Charge to Working Group VIII

III – Health Impact Study (10:20 – 10:50)

- Peaking Units of Concern
- Goals and Purpose
- Existing Studies/Data
- Scope
- Funding Sources
 - NYSERDA PON # 1193 (\$150,000 maximum)
 - Environmental Monitoring, Evaluation & Protection (EMEP) Program

IV – Impact on Dispatch of Peaking Turbines from an Increase in Demand Response (10:50 – 11:00)

V – Combined Heat and Power Applications – Residential Sector (11:00 – 11:20)

VI – Deliverables and Schedule (11:20 – 11:30)

Attachment B

List of High Electric Demand Day Sources Used in NOx
Emission Reduction Analysis

Combustion Turbines	Code	Unit ID
59th Street	2503	CT0001
Arthur Kill	2490	CT0001
Astoria Gas Turbine Power	55243	CT2-1A
Astoria Gas Turbine Power	55243	CT2-1B
Astoria Gas Turbine Power	55243	CT2-2A
Astoria Gas Turbine Power	55243	CT2-2B
Astoria Gas Turbine Power	55243	CT2-3A
Astoria Gas Turbine Power	55243	CT2-3B
Astoria Gas Turbine Power	55243	CT2-4A
Astoria Gas Turbine Power	55243	CT2-4B
Astoria Gas Turbine Power	55243	CT3-1A
Astoria Gas Turbine Power	55243	CT3-1B
Astoria Gas Turbine Power	55243	CT3-2A
Astoria Gas Turbine Power	55243	CT3-2B
Astoria Gas Turbine Power	55243	CT3-3A
Astoria Gas Turbine Power	55243	CT3-3B
Astoria Gas Turbine Power	55243	CT3-4A
Astoria Gas Turbine Power	55243	CT3-4B
Astoria Gas Turbine Power	55243	CT4-1A
Astoria Gas Turbine Power	55243	CT4-1B
Astoria Gas Turbine Power	55243	CT4-2A
Astoria Gas Turbine Power	55243	CT4-2B
Astoria Gas Turbine Power	55243	CT4-3A
Astoria Gas Turbine Power	55243	CT4-3B
Astoria Gas Turbine Power	55243	CT4-4A
Astoria Gas Turbine Power	55243	CT4-4B
E F Barrett	2511	U00004
E F Barrett	2511	U00005
E F Barrett	2511	U00006
E F Barrett	2511	U00007
E F Barrett	2511	U00008
E F Barrett	2511	U00009
E F Barrett	2511	U00010
E F Barrett	2511	U00011
E F Barrett	2511	U00012
E F Barrett	2511	U00013
E F Barrett	2511	U00014
E F Barrett	2511	U00015
E F Barrett	2511	U00016
E F Barrett	2511	U00017
E F Barrett	2511	U00018
E F Barrett	2511	U00019
East Hampton Facility	2512	UGT001
Glenwood	2514	U00020

Glenwood		2514	U00021
Gowanus		2494	CT01-1
	Combustion Turbines	Code	Unit ID
Gowanus		2494	CT01-2
Gowanus		2494	CT01-3
Gowanus		2494	CT01-4
Gowanus		2494	CT01-5
Gowanus		2494	CT01-6
Gowanus		2494	CT01-7
Gowanus		2494	CT01-8
Gowanus		2494	CT02-1
Gowanus		2494	CT02-2
Gowanus		2494	CT02-3
Gowanus		2494	CT02-4
Gowanus		2494	CT02-5
Gowanus		2494	CT02-6
Gowanus		2494	CT02-7
Gowanus		2494	CT02-8
Gowanus		2494	CT03-1
Gowanus		2494	CT03-2
Gowanus		2494	CT03-3
Gowanus		2494	CT03-4
Gowanus		2494	CT03-5
Gowanus		2494	CT03-6
Gowanus		2494	CT03-7
Gowanus		2494	CT03-8
Gowanus		2494	CT04-1
Gowanus		2494	CT04-3
Gowanus		2494	CT04-4
Gowanus		2494	CT04-5
Gowanus		2494	CT04-6
Gowanus		2494	CT04-7
Holtsville Facility		8007	U00001
Holtsville Facility		8007	U00002
Holtsville Facility		8007	U00003
Holtsville Facility		8007	U00004
Holtsville Facility		8007	U00005
Holtsville Facility		8007	U00006
Holtsville Facility		8007	U00007
Holtsville Facility		8007	U00008
Holtsville Facility		8007	U00009
Holtsville Facility		8007	U00010
Holtsville Facility		8007	U00011
Holtsville Facility		8007	U00012
Holtsville Facility		8007	U00013
Holtsville Facility		8007	U00014
Holtsville Facility		8007	U00015
Holtsville Facility		8007	U00016
Holtsville Facility		8007	U00017
Holtsville Facility		8007	U00018

Holtsville Facility	8007	U00019
Holtsville Facility	8007	U00020
Combustion Turbines	Code	Unit ID
Hudson Avenue	2496	CT0005
Narrows	2499	CT01-1
Narrows	2499	CT01-2
Narrows	2499	CT01-3
Narrows	2499	CT01-4
Narrows	2499	CT01-5
Narrows	2499	CT01-6
Narrows	2499	CT01-7
Narrows	2499	CT01-8
Narrows	2499	CT02-1
Narrows	2499	CT02-2
Narrows	2499	CT02-3
Narrows	2499	CT02-4
Narrows	2499	CT02-5
Narrows	2499	CT02-6
Narrows	2499	CT02-7
Narrows	2499	CT02-8
Ravenswood Generating Station	2500	CT0006
Ravenswood Generating Station	2500	CT0008
Ravenswood Generating Station	2500	CT0009
Ravenswood Generating Station	2500	CT0010
Ravenswood Generating Station	2500	CT0011
Ravenswood Generating Station	2500	CT02-3
Ravenswood Generating Station	2500	CT02-4
Ravenswood Generating Station	2500	CT03-1
Ravenswood Generating Station	2500	CT03-2
Ravenswood Generating Station	2500	CT03-4
Shoemaker	2632	1
Wading River Facility	7146	UGT007
Wading River Facility	7146	UGT008
Wading River Facility	7146	UGT009
74th Street	2504	CT0001
74th Street	2504	CT0002
Hudson Avenue	2496	CT0003
Hudson Avenue	2496	CT0004
Hudson Avenue	2496	CT0005

Load Following Boilers	Code	Unit ID
Astoria Generating Station	8906	20
Astoria Generating Station	8906	50
Bowline Generating Station	2625	1
Bowline Generating Station	2625	2
Charles Poletti	2491	1
Dynegy Danskammer	2480	1
Dynegy Danskammer	2480	2
Dynegy Roseton	8006	1
Dynegy Roseton	8006	2

East River	2493	60
East River	2493	70
Load Following Boilers	Code	Unit ID
Lovett Generating Station	2629	3
Lovett Generating Station	2629	5
Northport	2516	1