Connecticut Department of Energy and Environmental Protection
Regulatory Provision
Wearing the Red Shirt

12 April 2018
Merrily A. Gere
SIPRAC

Connecticut Department of Energy and Environmental Protection
The Red Shirt Phenomenon

See the crewman.
What is the crewman’s name?
It does not matter
Why does it not matter?
He is wearing a red shirt.
It is best not to get too attached.
The One-Slide Explanation

• Simple regulation change.
  – From the definition of “emergency,” delete operation under “ISO-NE’s Operating Procedure No. 4” as acceptable emergency operation.

• Need for change results from actions by EPA /U.S. Court of Appeals (DC cir.) and the New England Independent System Operator (ISO-NE).

• Without a regulatory action, we will:
  – Confuse and mislead users of the definition; and
  – Possibly allow for increased emissions on HEDD.

No person will be harmed by adopting this amendment.
Regulating Emergency Engines (EEs)

• Since 1994, DEEP has given special treatment (i.e., less stringent emissions requirements) to emergency engines.
  – Electric system reliability.
  – Nature of emergencies effectively limit overall hours of operation.
• Units that operate during emergencies and other times ≠ EE.
• Beginning in 2004, circumstances defining an emergency were increased to recognize EE in ISO-New England, Inc.’s Real-Time Emergency Generation (RTEG) program.
  – Units operated only during a certain level of capacity deficiency.
  – Level of capacity deficiency made it a true emergency.
An unforeseeable condition that is beyond the control of the owner or operator of an EE that:

- (A)-(D) . . . . (No changes here)
- (E) Requires operation of the EE under an agreement with ISO-NE during the period of time ISO-NE is implementing voltage reductions or involuntary load interruptions within the Connecticut load zone under Action 6 of ISO-NE Operating Procedure No. 4 – Action During a Capacity Deficiency.
RICE NESHAP Activity

- EPA amends the RICE NESHAP. (January 30, 2013, corrections March 6, 2013)
- Three petitions result in a reconsideration of the final amendments. (September 5, 2013)
- EPA did not change the rule as a result of the petitions. (August 15, 2014)
Vacatur of Provisions in RICE NESHAP

• April 15, 2016. EPA releases guidance on the vacatur of 100-hour exemption in the RICE NESHAP.

➤ After May 2, 2016, an EE may not operate
  » for OP4 Action 6 events or
  » for certain voltage reduction criteria
for any number of hours unless it complies with the emissions standards in the RICE NESHAP for non-emergency engines.
ISO-NE Abolishes RTEG Resources

- Demand Response (DR) Resources to be fully integrated into the wholesale energy, reserves and capacity markets.
- ISO-NE removes Real-Time Emergency Generation (RTEG) from the wholesale markets.
  - Engine may participate in ISO-NE programs if the owner converts the unit to a DR Capacity Resource (DRCR).
  - A DRCR operates at times that DEEP does not traditionally consider as emergency operation.
  - ISO-NE is making conforming changes to OP4, Action 6 to be effective 6/1/2018. No draft has been released.
Time to Remove OP-4 from the Regulations

- ISO Tariff and related documents are changing this year so that the reference to OP-4 in the emergency definition will be:
  - Misleading and confusing to staff and regulated community, and
  - Could result in more frequent dispatch of DRCR units.

- Leaving the OP-4 reference in the regulation invites DRCR units to operate as emergency units, possibly increasing emissions on HEDD. Some DRCR units may mistakenly operate under Section 22a-174-3b.

- OP-4 referenced in many regulations (sections 22a-174-22e, -22f, -3b, -42, -18.)

Connecticut Department of Energy and Environmental Protection
What are the Proposed Changes?

- Remove all references to operating per Operating Procedure No. 4.
  - Remove subparagraph (E) in definition of “emergency” in RCSA section 22a-174-22e(a)(12).
  - Minor revision to definition of “emergency engine.” Section 22e-174-22e(a)(13).
  - Delete compliance option in section 22a-174-22e(g)(4)(E).
  - Delete compliance option in section 22a-174-22e(g)(6)(D).
  - Definitions of “emergency” and “emergency engine” in sections 22a-174-22f, -3b, and -42 revised as above.
  - And a few others.

From 22a-174-22e(a)(12)(E):
  — Requires operation of the EE under an agreement with ISO-NE during the period of time ISO-NE is implementing voltage reductions or involuntary load interruptions within the Connecticut load zone under Action 6 of ISO-NE Operating Procedure No. 4—Action During a Capacity Deficiency. [RESERVED]
The regulatory amendment is likely to have little to no impact on any unit owner.

Decisions about changes in unit operations or classification for ISO-NE markets should have occurred or be in process prior to completion of this amendment (expected by summer 2019).
Next Steps

- Draft of proposal to be distributed to SIPRAC electronic mail list.
- Currently under review by the Office of Policy and Management (OPM).
- Once OPM and the Governor’s Office approve the proposal, a notice of hearing and comment will be published.
Questions?

Merrily A. Gere
Merrily.gere@ct.gov
860-424-3416

Trek Illustrations from