

# Connecticut Department of Energy and Environmental Protection





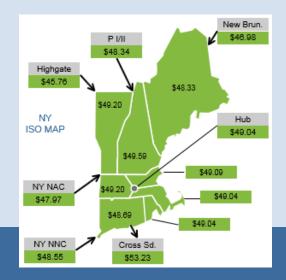






# Regulatory Provision Wearing the Red Shirt





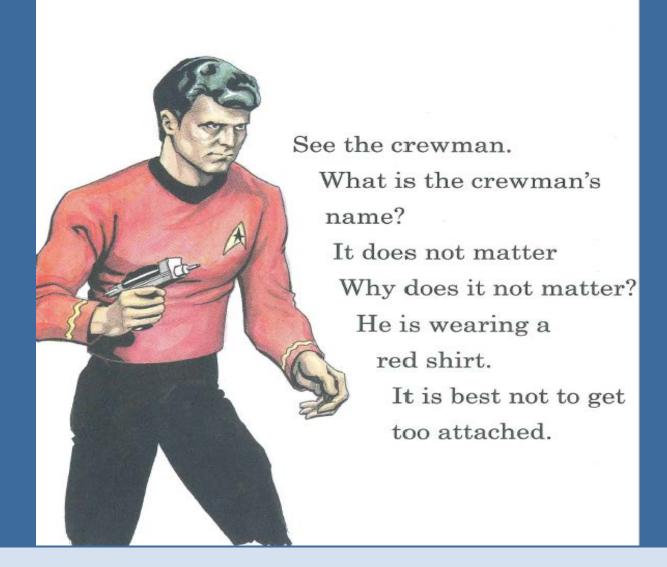
12 April 2018 Merrily A. Gere SIPRAC



Courtesy: Cummins Power Generation



#### **The Red Shirt Phenomenon**





## 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.

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# 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.

Beaming down . . .

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### "Emergency" per 22a-174-22e(a)(12)(E)

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 <u>Action 6 of ISO-NE Operating Procedure No. 4 Action During a Capacity Deficiency.</u>



Beaming up . .



### **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)
- State of Delaware challenges certain provisions in D.C. Circuit Court. D.C. Circuit vacates 100hour/year exemption for emergency generators.

(May 1, 2015)

#### 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.)



#### 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.

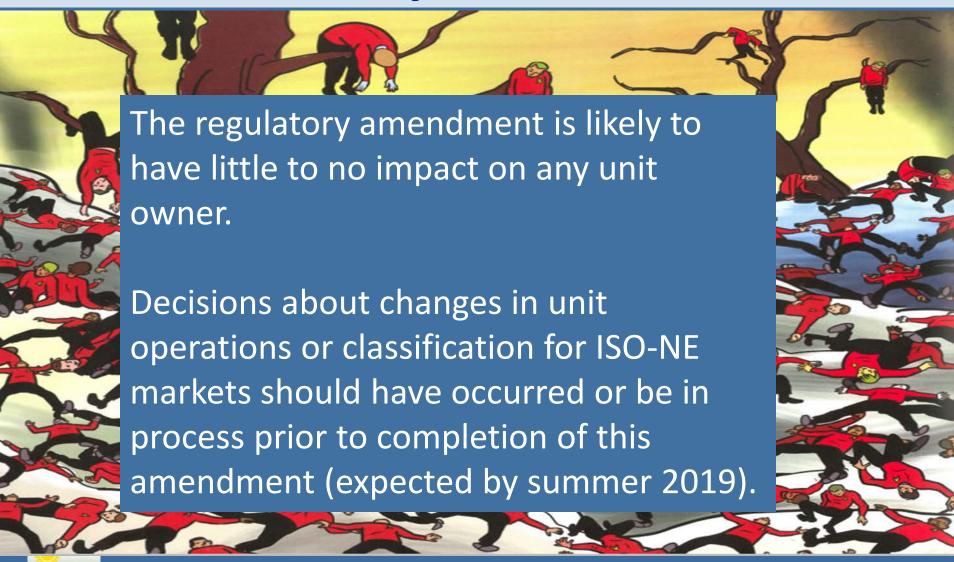
#### From 22a-174-22e(a)(12)(E):

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]



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#### **Impact**



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#### **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?**

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#### Trek Illustrations from

- Pearlman, Robb. 2014. Fun with Kirk and Spock. Cider Mill Press Book Publishers LLC.
- Pearlman, Robb. 2017. Search for Spock. Cider Mill Press Book Publishers LLC.

