

# Simple Cycle Combustion Turbine (Peaking Unit) Stakeholder Draft (June 7, 2018)

The New York State Department of Environmental Conservation has developed the following outline of a draft combustion turbine regulation. The limits on nitrogen oxide (NO<sub>x</sub>) emissions will be phased in over the period 2023-25, as explained below:

- 2023-25: phase-out of system averaging (system averaging allows units to exceed existing emission limits by averaging emissions with other units under the same ownership).
  - Ozone season (April-September): Beginning May 1, 2023, units must meet a NO<sub>x</sub> emission rate of 100 ppmvd (15% O<sub>2</sub>) in the ozone season without resorting to system averaging. Units with emission rates below 100 ppmvd (15% O<sub>2</sub>) may continue to operate during the ozone season within existing system averaging plans through April 30, 2025.
  - Outside of the ozone season, sources may operate in accordance with existing averaging plans until April 30, 2025.
  - System averaging will sunset on May 1, 2025.
- 2025: New emission limits are applicable to all units starting May 1, 2025:
  - 25 ppmvd (15% O<sub>2</sub>) for gas combustion
  - 42 ppmvd (15% O<sub>2</sub>) for oil combustion
- Alternative Compliance options:
  - Shut down by December 31, 2025: Units that commit to shutdown by December 31, 2025 in a federally enforceable permit modification prior to May 1, 2025 may operate in compliance with a system averaging plan until December 31, 2025, without regard to compliance with the 2025 emission limits.
  - Energy storage option: DEC seeks comment on whether to allow units additional time to meet the 2025 emission limits if they site a specified amount of energy storage in the same NYISO zone, including these questions:
    - What amount of storage should be required (e.g. a specified percentage of the peaking unit's capacity)?
    - How much additional time should be provided?
    - Should there be limitations on which facilities are eligible for this option? (e.g. should this provision be unavailable to units located in or adjacent to an environmental justice area?)
- Addressing Electric System Reliability
  - Sources must file a compliance plan with the DEC by March 2, 2020; in order for the New York Independent System Operator (NYISO) to consider these plans in its 2020 Reliability Needs Assessment.
  - The system averaging provision will be extended beyond May 1, 2025 for those sources identified as a short-term reliability solution to any need identified by the NYISO or local transmission owner. Those sources may continue to operate under system averaging until the earlier of:
    - A permanent solution is placed online as determined by the NYISO or local transmission owner; or
    - Two years after the initial designation as a reliability solution.