

NECA Environmental Committee  
Report to the Board of Directors  
April 3, 2008

Each Environmental Committee meeting is conducted in three parts:

- a presentation by a member company or guest speaker about a project, technology, or other timely issue of interest,
- a discussion of recent changes in regulations, policies or guidelines, both Federal and state, and
- other business.

The Committee met on March 25, 2008 at the offices of Epsilon Associates, Inc.

Attendees included Epsilon Associates, EBI Consulting, TetraTech EC, Tech Environmental, AMEC, ENSR, and TRC.

#### Presentation

To paraphrase Secretary Ian Bowles, “the Siting Board won’t be a rubber stamp for the Staff’s recommendations any more”.

Erika Haffner of Keegan Werlin presented the latest developments and changes in procedures/policy of the Energy Facilities Siting Board, followed by open discussion. It appears that the Board is opening up the process in ways that may lead to potentially more delays, and to potential for politicizing it. Changes, which are still in development, appear to heading toward:

1. More direct involvement of the Board, less influence of the staff
2. More permissive intervention criteria
3. Additional hearings which, together with item 2 above, provide more opportunity for misuse, particularly in the media.
4. Possible elimination of tentative decision, resulting in less opportunity for the applicant to participate in the process.

The next power project into hearings will be Billerica Energy Center in May.

This will be a process to monitor for appropriate opportunities for possible NECA advocacy position

#### Regulation

Chapter 91 modifications are expected to be filed with the legislature imminently. These will categorize offshore renewable energy projects that have been approved under MEPA as water-dependent. Water dependency of facilities connecting non-MEPA offshore projects to land (e.g., transmission from offshore wind farm) will be determined by DEP.

DEP has proposed changes to 310CMR7 to provide an adjustment to Combined Heat & Power project emission limits intended to encourage facilities contemplating installation of electricity generating engines or combustion turbines to install CHP systems. In essence, a CHP system will be allowed the same emissions as separate electric generating facilities and heat generators

combined, thus reducing emission control system costs and encouraging CHP installations. Applicability is limited to CHP facilities with engines >50 kW and turbines <10 MW, >55% thermal efficiency, and power/heat ratio of 4.0-0.15. Public hearings will be held April 30 and May 1 in Springfield and Boston, respectively. The comment period ends May 12.

On March 14, DEP issued a Conditional Approval for Braintree Electric Light Department's 116 MW peaking facility comprised of two Rolls Royce Trent 60 CTGs. With the dual permitting required in MA, it's PSD public hearing will be May 28.

CT DEP policy with respect to BACT analysis has changed drastically, becoming more MADEP-like. For gas-fired combined cycle plants, BACT is reportedly approximately 2 ppm NO<sub>x</sub> (but must consider 1.5 ppm), down to 2 ppm NH<sub>3</sub>, and 0.7 ppm VOC. Any project with "uncontrolled" emissions (unclear definition) above 15 tpy requires a full top-down BACT, regardless of hours of operation.

### Other Business

The committee is organizing a ½ day RGGI workshop for June 19, including a related dinner speaker for the full NECA meeting that same evening. A follow-up workshop is under consideration in the fall, once the auction, tentatively scheduled for Sept. 19, gets underway. Session plans for the June event include:

- Compliance Requirements (RGGI 101) – What's required & how do you comply?
- Allowances – Approaches and keys to getting what you need
- Status of state programs - "State of the States"

Weekly planning conference calls have been ongoing since early March. We are the point of identifying speakers and panelists. The next call will be on Monday, Apr 7 @ 2 pm. Contact Don Michael or Dammon Frecker if you wish to participate.

The next committee meeting is planned to be April 29, location and topic TBD. Around the end of May a joint meeting with the REDG Committee is being considered to discuss the Wind Energy Siting Handbook recently prepared for AWEA by TetraTech and Nixon Peabody.