

Maryland Commission on Climate Change

Mitigation Working Group Minutes

February 21, 2020 10:00AM - 12:30PM at MDE

Attendance:

Commission members:, Michael Powell, Bruce Ho, Thomas Walz, Susan Payne, Nancy Kopp, Ryan Opsal, Ben Hobbs, Jana Davis

Phone: John Slocum, Elliott Campbell, Drew Cobbs, Mike Remsberg, Rich, Colby Ferguson

Presenters: David Smedick, Tom Weissinger

Public: Gregg Jones, Eric Coffman, Tim Wisre, Audrey Lyke, John Kumm, David Cramer, Jeff Silva, Donald Goldberg, Nick W

MDE: Secretary Grumbles, Tad Aburn, Chris Hoagland, Brian Hug, Chris Beck, Scott Zacharko, Luke Wiesnewski, Kim Drake

2. Public Comments:

Jeff Silva:

Item 1

Searched of GGRA draft for the word ash using the Ctrl-F method and ash had 4 returns. None mentioned coal fly ash storage ponds generated by the filtering of coal power stations to reduce the particulate. That is a serious defect.

Appendix I titled Just Transitions has the same defect.

The Governor must include the programs to clean up coal's power plant ash storage seepage that has contaminated the adjacent ground water from those power plants' supplemental facilities. The power plant owners must be made to pay for their pollution or Just Transitions is "just a travesty".

Item 2

Searched of GGRA draft for the words "waste treatment" using the Ctrl-F method and the phrase waste treatment had 1 return on page 156 as a source of methane and other GHG. These facilities are crucial to the infrastructure that makes urban and suburban areas home to the majority of Maryland's population but they are not directly mentioned in the GGRA draft plan. Many of these sewage waste treatment facilities are placed in low elevation locations to take advantage of gravity to perform its collection function. In the event of high quantity rain events and prolong periods of precipitation these treatment plants must operate during flood conditions and possible power outages.

I doubt without a direct mention of this requirement within the GGRA draft, the protection of Maryland's urban and suburban population centers will be left to a thin layer of capability that municipal governments have available to meet an increased level of adversity. Maryland should individually assess all waste treatment facilities for resilience and reliability of operation during periods of high participation that are anticipated by our Climate Crisis as part of the final GGRA. After that assessment, the evaluation of sewage treatment plants in major population centers for renovations to capture and use GHG could be performed.

3. CARES Presentation and Discussion:

Chris Hoagland (MDE) Presentation – see PowerPoint

Discussion:

Powell – using market forces to accelerate from coal to renewable. Why not set a date to end coal. RPS incentivizes renewables. RGGI disincentives fossil fuels. Work together to decrease fossil fuel.

Q: What happens to graphs – counting but not crediting Calvert cliffs – will look at what percent CC sells energy. A: The state will backfill electricity if CC closes.

Smedick – Neither plan gets rid of coal burning. Hydro- PPRP study – state can do this w/o black liquor or MSW credits. Hydro might depress the market for land based wind. Inclusion all hydro into tier 1 is concerning.

Q: How much of CARES is from combined heat/power (CHP) vs solar?

A: GGRA assumptions – could be more than CHP, we need more analysis. CHP is economical, but is limited. Not sure how much CHP will be deployed. We are waiting on more analysis. Hoping to find least cost option.

Q: What about neighboring states' in-state resources – should MD talk about regional RPS's with other states? It's more expensive to do by state. DC has an RPS that does include MD. VA doesn't have an RPS. DE & PA have old ones.

A: PJM states with good RPSs– DC, NJ and MD. NJ & MD are more in state focused.

Q: Is this immune to commerce clause? You can't treat identical facilities differently, depends on delivery vs generated.

A: MD resource = Distribution grid serving MD

Q: Counting but not crediting: Calvert cliffs could be open until the 2030's. If closed early, what is the penalty in the law for noncompliance?

A: An alternative compliance payment/fee (ACP) less than \$10/Mw hour. ACP has to be spent by MEA on renewables. The non-carve-out tier 1 PJM recs – would expand if we don't have nuclear.

Q: Why not to provide credit for new nuclear? If you give credit = like a carbon tax.

A: Calvert Cliffs (CC) is most profitable plant in PJM. So they don't need credit. 15MMW/year. Credit doesn't increase generation. If they become financially distressed, we can deal with that.

John F. with Exelon – submitted testimony on CARES bill. PJM analysis on CC – financially stable, but analysis is only until 2021. Trends in demand and power prices – it's not safe to assume CC will make it to the 2030's. He can send his testimony to us.

Secretary Grumbles – MDE recognizes the importance of CC, but not building in a subsidy and credit at this time, we can revisit.

Dr. Hops – Q: who gets the money? Ex. PA/NY – if CC shuts down and that state scrambles to keep it open, doesn't always work. Is it a regulated asset?

A: Cares says we will have to replace those credits – 15 million credits. We can't allow CC to get 1/3 of the program, then the market wouldn't work. CC would have too much and it would affect the prices.

Q: What about out of state nuclear in PJM?

A: John S. – out of state facilities (like peach bottom) wouldn't be eligible.

Q: Smedick – has the dept. considered FERC rulings? It could increase rate payer cost. MD doesn't approve the new FERC ruling

Q: Energy Storage – what about batteries/energy storage?

A: MDE looking at ways to consider this.

Q: Ho – bioenergy – carbon negative – what protections are there?

A: only qualifying biomass, very restrictive...ie waste products. So can't clear cut to burn. C has to be permanently stored.

Q: What about energy efficiency? It is cost effective.

A: EmPower – will continue to do this and expand and increase the length of this program.

4. Coal Generation in Maryland Presentation and Discussion: - see PowerPoint

David Smedick, Sierra Club

Tom Weissinger, Talen Energy

Discussion:

Q: Is coal necessary as a standby energy?

A: Smedick – says no. There is plenty of capacity on PJM. We have 120%. We may need to build more lines. IT will be helpful to know the close dates of coal plants so we can prepare for it. Current requirement is only 90 days – not enough time to build renewable energy sources. Maybe we should ask PJM.

We need a plan to make up for energy that came from coal plants

Q: Aburn: How do we address reliability issues? Clean energy vs. cost? There is a scarcity of capacity.

Clean units aren't being used when needed in 'emergency' need.

Electricity is by zone. During polar vortex –can't use natural gas. Localized issues affect which units are run.

Coal plants that were paid the most to respond, had the worst response during high need/cold weather.

Smedick: 1 coal plant could close in 2030. The rest in MD by 2025 as per IPCC. CEJA – replace coal by 2025 or sooner, maybe be 2023. Capacity requirements must be met and zones taking into consideration.

Hobb – forcing retirement of coal, could increase gas and no net CO2 reductions and methane leakage.

Need integrated resource planning

Ho – we have more than RGGI. When states have strong regulations, it should strengthen RGGI.

Aburn - dealing with urgency, efficiency if done by region.

5. GGRA modeling updates:

Discussion:

- GGRA plan will stay open through MGA session
- Use an average of 2015-2017 for the 2017 reference case power sector emissions adjustment
- Take more gas plants into consideration
- Other renewable energy sources other than NREL? – NREL generally best
- EIA – they put out multiple scenarios – they have low natural gas prices scenario (sensitivity or baseline) high resource case vs base case.
- TCI – sensitivity runs, lower EV costs
- Cost of Inaction: like loss due to sea level rise, fatalities due to heat – find a way to integrate these costs into economic analysis/models (Sci & Tech workgroup)
- Take hotter summers into consideration
- Localization of energy issues – we should map out the siting of renewable energy

6. Other Business - none