

DRAFT

# KEDNY/KEDLI and NMPC CLCPA Studies

Meeting #2 – Scenarios and Assumptions

August 9, 2022

**nationalgrid**



# Agenda for Today's Discussion

DRAFT

- Review project scope and timeline
- Discuss themes from stakeholder feedback
- Provide an overview of detailed scenario parameters and development of draft assumptions
- Discuss next steps

# Overview of CLCPA Study – Key Elements and Deliverables

DRAFT

- The NMPC Joint Proposal provides that the Company will develop a CLCPA Study “**evaluating the Company’s gas business and how it may evolve to support the renewable energy and emission reduction goals of the CLCPA.**”
- **Per the Joint Proposal the study will provide:**
  - A range of strategies for **achieving significant, quantifiable reductions in carbon emissions** from the use of gas delivered by the Company
  - An analysis of the **scale, timing, costs, customer bill impacts and uncertainties** of achieving significant, quantifiable reductions in carbon emissions from the use of gas delivered by the Company in its service territory.

Additional required parameters include:

- An assessment of **direct and indirect GHG emissions, potential CO<sub>2</sub>e reductions** per year, **MMBTU reductions** in billed annual usage, and the **numbers of customers** heating with gas in residential, commercial and industrial classes per year under different scenarios, including a scenario that assumes full electrification where feasible.
- A **pathways analysis** will identify **potential barriers** to achieving the targeted carbon emission reductions and recommended solutions.
- The Companies will respond to any **findings or guidance of the New York State Climate Action Council (“CAC”)** in the CLCPA Study and consider how the Company will take steps to avoid disproportionately burdening disadvantaged communities.
- In their next rate filings, the Companies will detail investments, programs, and initiatives that have been added, altered, or removed to achieve the objectives detailed in the CLCPA Study.

# Schedule and Process

DRAFT

<b>Date</b>	<b>Topic</b>
July 13	<b>Draft Scoping Plan</b> -- Recordings posted to Company website: <a href="https://www.nationalgridus.com">Climate Change Study   National Grid (nationalgridus.com)</a> .
Today	<b>Decarbonization Scenarios and Assumptions</b>
September TBD	<b>Draft Study Results</b> – Will cover pathways results as well as bill impacts and approaches regulatory considerations
November TBD	<b>Draft Report</b>

# Stakeholder feedback themes from meeting #1 and responses (1)

DRAFT

- **Timeline for review and comment**
  - The Companies will provide as much time for review/feedback as possible and be flexible on accepting feedback, though time limits needed for some items given modeling lead-time.
- **Treatment of business/regulatory impacts**
  - Business and regulatory considerations to be addressed later in study process but require results of scenario modeling. To be discussed in more detail at Stakeholder Meeting #3.
- **Inclusion of Clean Energy Vision scenario**
  - Comparison of Clean Energy Vision and CAC scenarios as applied to our NY service territories will enable comparison of impacts in our service territories and inform Companies' proposals. Study will address key uncertainties and tradeoffs across scenario and enable insights on pathways that vary from modeled scenarios.
- **Emissions accounting approach**
  - All scenarios primarily modeled using Draft DEC emissions accounting methodology and 20-year GWP.
- **Sensitivity analysis**
  - Companies will consider targeted sensitivities on key assumptions.

# Stakeholder feedback themes from meeting #1 and responses (2)

DRAFT

- **Benefit cost analysis**
  - All scenarios achieve same climate benefits. Analysis will identify differences in cost and system impacts across pathways.
  - Scope of JP agreement, which focuses on costs, system impact, and customer bill impacts of different pathways to achieve CLCPA targets.. Quantification of other impacts (health, employment, GDP, etc.) would require extensive additional analysis and resources. Study will include qualitative discussion of additional environmental and economic impacts.
  - BCAs relevant to development of specific proposals that emerge from this work.
- **Quantification impacts on disadvantaged communities (DACs)**
  - Pathway study does not provide sufficiently local resolution to assess DAC benefits and impacts. They will be addressed qualitatively, with specific attention to options for ensuring delivery of benefits and impact mitigation. Specific program proposals better suited to address DAC impacts.
- **Need to account for criticality of reliable of electric and gas service and for economic and distributional impacts**
  - Modeling assumes reliability standards are achieved. Reliability considerations to be discussed qualitatively. Study will address economic and distributional impacts quantitatively and qualitatively.

# We want to hear from you

## Learn more

### Website (link below)

- Study overview
- Stakeholder meeting schedule and access
- Stakeholder meeting materials
- Information for filing comments.
- Additional resources to be added

## Tell us what you think

### In writing

- Send comments directly via the New York Public Service Commission (cases 19-G-0309/10 or 20-E-0380 and 20-G-0381); information for how to post comments is included on website.
- Please submit comments by August 19 in order to provide adequate time for consideration for final modeling set-up.

### At today's meeting

- During feedback session

<https://www.nationalgridus.com/climate-change-study>

nationalgrid