



Cap-and-Invest Stakeholder Feedback Session #2: Cap-and-Invest and the Natural Gas System

June 6, 2023

The DEC and NYSERDA hosted their 2nd webinar in their Cap and Invest Feedback Session Series focused on the natural gas system. The webinar began with a detailed summary of the proposed New York Cap and Invest (NYCI) program, which was covered in the first webinar. They reiterated that they are eager to hear from stakeholders to get feedback through this long process. Visit www.capandinvest.ny.gov/meetings-and-events for more information.

Ona Papageorgiou, Chief, Mobile Source & Climate Change Planning at NYSDEC spoke on how New York's economy wide cap and invest program will jump off programs used in other areas of the United States, like California's cap and trade regulation. New York's program will be more expansive and designed for New York's unique situation. Papageorgiou went on to again detail the Cap-and-Invest design elements, emphasizing the importance of applicability and thresholds within the plan. A clarifying question was asked about obligated vs. non-obligated source definitions. While the DEC and NYSERDA do not yet have set definitions, they did state that obligated sources will be identified by regulation, and they will be required to provide (i.e., purchase) allowances equal to the greenhouse gas emissions, while non-obligated source emissions will be accounted for in the overall cap but will not be required to buy allowances. Instead, these allowances will be "retired by DEC." An example of a sector likely to be non-obligated is aviation emissions, as it is either difficult or preempted for a state to regulate. Emissions that are coming out from an individual home, very small-scale emissions, would also be considered non-obligated emissions. At the end of this portion of the webinar, they reported that they are still soliciting opinions on the definitions of obligated and non-obligated sources.

Next Mike Sheehan, Director of the Bureau of Air Quality Planning in DEC's Division of Air Resources, and Nathan Putnam, an engineer for the Division of Air Resources spoke. Sheehan focused on allocation of allowances. Putnam focused on emission reporting, specifically what considerations should be considered for natural gas fuel suppliers, and solicited feedback regarding this question. Putnam then touched on California's reporting requirements for GHG emission reporting. Showcasing California's rule, the speakers are asking for feedback on what New York should implement from the CARB program, and what would not be beneficial for New York.

If you are looking to stay more informed on this NYCI, you can join the mailing list, find webinar recordings and other materials at www.capandinvest.ny.gov/meetings-and-



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