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New England power plant emissions declines have been led by gas and wind

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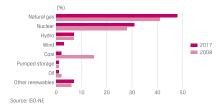
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Despite a spike in fuel oil use for power generation in 2018, ISO-New England's greenhouse gas emissions have substantially decreased over the past decade due to its fuel mix transitioning toward more natural gas and wind generation, the grid operator said.

"During the ten-year period from 2008 through 2017, total system emissions have decreased overall: NOX by 53%, SO2 by 96%, and CO2 by 37%," ISO-NE said in its draft 2017 Electric Generator Air Emissions Report, dated January 2019.

The emissions decline reflects shifts in the regional fuel mix, with increasing gas generation and wind generation offsetting decreases in coal - and oil-fired generation, according to the report.

ISO-NE ENERGY GENERATION BY FUEL TYPE, 2008 COMPARED WITH 2017



From 2016 to 2017, generation from hydro power, wind , and solar resources increased by 20%, while nuclear generation declined by 4%. All fossil generation decreased from 2016 to 2017, with coal -fired generation down by 34%, oil-fired generation down by 16%, and natural gas -fired generation down by 5%, ISO-NE said.

CO2 emissions declined 6.7% from 2016 to 2017, decreasing from 37,468,000 tons to 34,969,000 tons, according to the emissions report.

An environmental regulatory update presented to ISO-NE's Environmental Advisory Group Tuesday showed that from 2017 to 2018 deliveries of coal and natural gas to New England power plants decreased, but fuel oil deliveries climbed by over 40%.

Fuel oil deliveries rose from about 503 million barrels in 2017 to 719 million barrels in 2018, with much of the increase occurring in January when the region was hit with two weeks of extremely cold weather.

During the first week of January 2018, high gas demand for heating caused natural gas pipeline constraints that sent gas prices to record highs at some locations, which in turn drove up wholesale electricity prices offered by gas -fired power plants. As such, both oil- and coal -fired power plants ran "at much higher levels" than normal that week, the grid operator said.

New England power plants received nearly 500 million barrels of fuel oil in January 2018, compared with roughly 130 million barrels in January 2017, according to the update.

New England power plant CO2 emissions were dominated by gas -fired generation in both 2017 and 2018, followed by refuse- and coal -fired plants. CO2 Emissions from gas and coal declined slightly year on year, while emissions from oil-fired units increased.

Marginal units

The environmental regulatory update showed the marginal ISO-NE generation unit in 2017 and 2018 was predominantly gas fired. According to loadweighted real time marginal unit fuel data by month for the two years, on average the marginal unit was natural gas at 75% of the time.

This was followed by pumped-hydro storage (17%); oil (2%); coal (1.9%); hydro (1.9%) and wind (1.1%), according to the update.

Natural gas was the primary marginal fuel type from 2013 through 2017, ISO-NE said in the emissions report. From 2016 to 2017, the percentage of time that gas was marginal decreased by 12%, while the percentage of time that "Other Renewables" was marginal increased by 14%.

This was due to the higher frequency of marginal wind generators and in 2017 wind often displaced gas as the price-setting fuel, ISO-NE said. However, importantly the grid operator noted that wind "predominantly set price in small, local export-constrained areas of the system, as opposed to setting price for large parts of the system."

Though wind in 2017 was marginal 18% of the time, it was generally marginal in a "very local congested area and did not directly impact system price," ISO-NE said. At the system level, wind was the marginal fuel less than 1% of the time.

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