



Testimony to The Environmental Conservation Budget Hearing Executive Budget Appropriations

The Honorable Liz Krueger, Chair, Senate Finance Committee and
The Honorable Helene Weinstein, Chair, Assembly Ways and Means
Committee

Submitted by Alex Beauchamp, Northeast Region Director

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I'm Alex Beauchamp, and I'm the Northeast Region Director at Food & Water Watch. We are a national environmental nonprofit organization with over 120,000 supporters throughout New York State. Thank you for the opportunity to provide testimony at this crucial legislative hearing.

Today, I'll focus my testimony on three key areas: moving the state's buildings off fossil fuels, building public renewables, and making the polluters who've caused this crisis fund the transition away from fossil fuels. I will also note our support for requiring utilities to report more to data. Let's start with buildings.

Moving Buildings Off Fossil Fuels

We urge both houses to include the All-Electric Building Act in the state budget. With Governor Hochul proposing to end fossil fuels in new buildings in her executive budget, the Assembly and Senate must show leadership in requiring a faster timeline for making this necessary transition. The All-Electric Building Act (A920A/S562A) will require all new construction be all-electric throughout the state beginning in 2024 for smaller buildings and in 2027 in large buildings.

While the governor's budget rightly calls for ending fossil fuel combustion in new





buildings, the implementation timeline is unacceptably long. Delaying the requirement that new buildings be fully electrified until the start of 2026 (and 2029 for larger buildings) will result in many thousands of new buildings reliant on fracked gas. All of these will then quickly need to undergo expensive retrofits to comply with the state's climate law.

There also is simply no reason to delay: all-electric building technology is reliable, affordable, and available. The timeline in the All-Electric Building Act is easily achievable. In fact, it matches the timeline already established under New York City law. Cities across the country have adopted ordinances phasing out fossil fuels in new buildings on a faster timeline than that proposed by Governor Hochul. The state's climate action council even recommended a faster timeline in its final scoping plan in December. Now, the responsibility falls to you in the legislature. You must embrace a swift transition off fossil fuels. The legislature must send a statement that we won't stand for years of further, unnecessary delay, and I urge you to do so by including the All-Electric Building Act in each of your one house budgets.

The need is urgent. New York produces more air pollution from our buildings than any state in the country, resulting in about 2,000 premature deaths per year. The impact of this indoor air pollution is even worse in the small apartments where many low-income New Yorkers live. And our most vulnerable bear the greatest risk, with a recent study showing that children in homes burning gas have a 24% higher risk of asthma.

Moving our buildings off fossil fuels also saves New Yorkers money. While everyone's energy bills are spiking this year, New Yorkers are being hit particularly hard. Some regions are seeing 50% spikes in gas prices. Exorbitantly high and unpredictable costs are a result of our dependency on volatile fossil fuels to heat our homes and buildings. In contrast, building all-electric leads to lower and more predictable utility bills. Win Climate's recent report found that residents of new all-electric homes see savings of hundreds of dollars a year on their heating bills compared to buildings reliant on fossil fuels. In some regions, the savings are in the thousands. In rural areas, savings are even higher because of the high price of propane on which many rural buildings rely.

Finally, electrifying new buildings will slash our greenhouse gas emissions while striking a blow against fracking. Right now, 32% of the state's climate-heating emissions come from burning fossil fuels in our buildings – more than any other source. This past





December, New York's Climate Action Council finalized the state's climate plan, as directed by the Climate Leadership and Community Protection Act (CLCPA) of 2019. The plan urges enactment of a ban on the combustion of fossil fuels in new buildings. Without this action, the state cannot meet its obligations under the CLCPA because every new building constructed with new fossil fuel infrastructure risks locks in 15-20 years of new climate-heating pollution.

Continuing to rely on the fossil fuels that are poisoning our communities, costing us money, and destabilizing our climate no longer makes any sense in new construction. We urge you to include the All-Electric Building Act (A920A/S562A) in your one house budgets and to fight for its inclusion in the final state budget.

The All-Electric Building Act is just one piece to cleaning up pollution from our buildings. We also urge you to include Senator Krueger's New York Home Energy Equitable Transition (HEAT) Act (\$2016.) This legislation ends the subsidization of gas infrastructure, saving New York ratepayers \$200 million per year. The costly "obligation to serve" gas doesn't just waste ratepayer money, it also greatly encourages the expansion of gas infrastructure when we should be sprinting away from fossil fuels. The bill also limits households' energy bills to under 6% of their annual income. We urge you to include this legislation in the budget.

Finally, we must ensure that our efforts to transition off fossil fuels don't lead to rent increases for those who can least afford it. Governor Hochul's budget rightly proposed ending the sale and installation of new gas or oil boilers starting in 2030. Food & Water Watch fully supports that effort, but current state law allows landlords to charge higher rents to tenants in rent-regulated buildings for Major Capital Improvements (MCIs), including the replacement of boilers with a heat pump system. As written, the governor's budget would thus likely lead to higher rents in rent-regulated buildings. We cannot allow that to happen, and the solution is obvious: we need funding from the state to make these improvements in rent-regulated buildings and to prohibit MCI rent hikes.

Building Public Renewables

We urge you to include the Build Public Renewables Act (BPRA) (A279/S4134) in the budget. This crucial legislation will enable New York to ramp up the production of renewable energy at the scale necessary to both avoid the worst impacts of climate





change and hit the emissions reduction targets enshrined into law in the CLCPA. Simply put, the private sector has failed to meet the urgency of the moment in New York, where we continue to struggle to build renewable energy projects at the pace that a swift transition off fossil fuels demands. Governor Hochuls' proposed budget takes tiny steps in the right direction, allowing NYPA to finally engage in new renewable projects, but New Yorkers deserve to go all the way. Workers deserve prevailing wages, project labor agreements, and real, meaningful just transition and training funds. All of these mandates are in BPRA but absent in the governor's proposal. We urge you to improve upon the governor's proposal by including BPRA in the budget.

The Climate Change Superfund Act

With the severe impacts of climate change already hitting our communities, it's absolutely certain the state will face enormous infrastructure costs now and in the future to deal with the damage caused by climate change. Who should pay the tab? Our answer must be: the oil industry and other fossil fuel emitters that have contributed to the ongoing crisis. We urge you to include the Climate Change Superfund Act (A3351/S2129) in the budget to make the polluters pay for the costs of dealing with climate change. As the state's Climate Action Council noted in the Final Scoping Plan, the impacts of climate change are already being felt and will accelerate. Mitigation strategies on their own will not be sufficient to prepare for the impacts the crisis will bring. Yet the plan fails to identify a funding source to deal with this challenge. Those who made this mess – the fossil fuel industry – must fund the costs it will inevitably bring us. We urge you to include this crucial legislation in the final budget.

Finally, we urge you to include Senator Parker's legislation (<u>\$1293</u>) requiring the Public Service Commission to collect critical data from water, electric and gas utilities. We can't fix what we don't measure, and right now we don't know how many New Yorkers have lost or are at risk of losing access to water and other essential services. The Legislature must resolve this.

Thank you again for the opportunity to testify today.



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