



Testimony of

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Chair Krueger, Chair Weinstein, and members of the Committees. Thank you for the opportunity to testify before you today. I am Doreen Harris, President and CEO of the New York State Energy Research and Development Authority (NYSERDA). I am pleased to appear here to discuss the many critical climate and energy issues facing our state and nation.

Under Governor Kathy Hochul's leadership and guided by the State's landmark Climate Leadership and Community Protection Act (Climate Act), we have taken significant steps forward in advancing New York's nation-leading clean energy and climate goals.

As you know, the Climate Act established the Climate Action Council (Council) and charged the Council with developing a Scoping Plan to reduce economy-wide greenhouse gas emissions and meet the State's ambitious clean energy goals, all while prioritizing support for, and delivery of benefits, to disadvantaged communities.

I am proud to say, after a robust public comment period that included 11 public hearings across the State and more than 35,000 written comments, the Council achieved a key milestone by approving and adopting the final Scoping Plan on December 19, 2022. This achievement marked the start of an important new chapter in New York's climate journey, one that will shape the State's policy and programmatic priorities for years to come.

The Scoping Plan lays out a far-reaching roadmap which is the result of three years of diligent and inclusive work and builds upon recommendations from seven sector-specific Advisory Panels, the Just Transition Working Group, and the Climate Justice Working Group to provide a comprehensive strategy to achieve some of the most aggressive climate and clean energy goals in the nation, while ensuring a brighter, more just future for all New Yorkers. With our partners at the Department of Environmental Conservation (DEC), we also prioritized work led by the Climate Justice Working Group to put forth comprehensive actions to ensure that the State's transition to a low-carbon, clean energy economy addresses health, environmental, and energy burdens that disproportionately impact our most underserved communities.

Building on the Scoping Plan, the Governor directed NYSERDA and DEC to advance an economy-wide Cap and Invest Program that establishes a declining cap on greenhouse gas emissions to fund a sustainable and affordable future for all New Yorkers. New York's Cap and Invest program design will prioritize five core principles the Governor laid out in the State of the State: affordability; investing in disadvantaged communities; creating jobs and preserving competitiveness; funding a sustainable future; and continuing climate leadership. Consistent with the Governor's core principles, the Cap and Invest proposal in the budget would establish the Climate Action Fund, which would be designed to directly defray the costs of the program to New Yorkers every year and New York's program will be designed to launch new investments in industries and technologies that can lift up entire communities.

Governor Hochul has been clear that we must take bold steps on climate to protect the health and safety of our children. That includes tackling buildings, which account for more than 30% of state greenhouse gas emissions. We understand the tremendous impact inefficient buildings have not only on our planet but on the air we breathe.

Putting New York on the trajectory for a more sustainable future requires making sure that when we build new homes, we are constructing zero-emission buildings. The Governor's Executive Budget includes a three-part strategy for the building sector. First, advancing zero emission new construction, with no on-site fossil fuel combustion by 2025 for residential and low-rise multi-family buildings and by 2028 for commercial and larger multi-family buildings. Highly efficient, zero emission buildings will provide residents with safer, healthier, and more comfortable homes. Second, for existing buildings, the proposal calls for a phase-out of the sale and installation of new fossil fuel space and water heating equipment by 2030 for residential and low-rise multi-family buildings and 2035 for commercial and larger multi-family buildings. To be clear: these proposals will not ban existing gas cooking equipment and will include an allowance for exemptions of commercial kitchens, hospitals and health care facilities and certain other areas. Finally, to help target investments and equip building owners with the data they need to reduce energy costs, the proposal includes a grading system for large buildings statewide based on their energy usage. Making available accurate, actionable data and information is proven to help building managers make informed choices that reduce bills and emissions.

Another of the Governor's proposals, focused on helping consumers, is the launch of a first-of-its-kind \$200 million EmPower Plus home retrofit program, which will help 20,000 low-income families retrofit their homes by adding insulation, installing energy efficient appliances, and switching from inefficient fossil fuel heating systems to clean, efficient electric alternatives or preparing the home to do so.

As we look ahead, advances in renewable energy, energy storage, and clean transportation will provide new opportunities to fulfill New York's ambitious clean energy and jobs agenda.

NYSERDA is rapidly advancing work to achieve the state's 70 percent by 2030 renewable electricity goal, through the development of 9,000 megawatts of offshore wind, 3,000 megawatts of energy storage and an increased goal of 10,000 megawatts of distributed solar.

While we work to transform the way we power our homes and businesses, New York State is currently managing a portfolio of 120 large-scale solar, onshore, and offshore wind, and new transmission projects, totaling more than 14,200 megawatts, that will be capable of powering 66 percent of state's electricity once operational and directly supporting over 23,000 jobs. This portfolio includes the largest transmission development in New York State in the last 50 years with the Clean Path New York (CPNY) and the Champlain Hudson Power Express (CHPE)

projects that will deliver renewable energy from upstate New York and Canada to New York City. I am pleased to inform you that the CHPE project started construction at the end of last year following the execution of a major project labor agreement with the New York State Building and Construction Trades while the CPNY project continues to advance through the Article VII permitting process. In addition, the Public Service Commission is considering a new framework, submitted by NYSERDA and the Department of Public Service last December, for the State to achieve a nation-leading six gigawatts of energy storage by 2030, which represents nearly 20 percent of the peak electricity load of New York State. And last month, NYSERDA received a robust response to New York's third offshore wind solicitation, with more than 100 total proposals for eight new projects from six offshore wind energy developers –a record-setting level of competition among East Coast states. This progress will be further bolstered by at least another 2,000 megawatts of land-based renewables that will result from NYSERDA's sixth annual procurement for large-scale renewable energy projects which is also underway.

The State's NY-Sun program, which makes solar more accessible, has positioned New York as the number one community solar market in the nation and among the national leaders in distributed solar development overall. 2022 was indeed a record-setting year with over 850 megawatts of projects completed. With the Public Service Commission's approval of the framework to achieve at least 10 gigawatts of distributed solar by 2030, the NY-Sun initiative will spur approximately \$4.4 billion in private investment and create 6,000 additional solar jobs across the state by 2030.

Transportation accounts for more than three-quarters of the petroleum used and nearly 30% of greenhouse gases generated in New York State. Therefore, with the adoption of the Advanced Clean Car II regulations, all new passenger cars and trucks sold in the state must be zero-emission vehicles by 2035. To further support 100 percent zero emission vehicles, the Governor recently announced more than \$12 million in additional funding for the Drive Clean Rebate program to help consumers save on the purchase of electric vehicles. There are now more than 127,000 EVs on the road – up from 24,000 just five years ago – and more than 11,000 EV charging stations installed statewide. With the passage of the Bond Act, \$500 million will be provided to school districts to ensure their school buses are all-electric by 2035. I am also proud to say that the NY Green Bank, a division of NYSERDA and a State-sponsored investment fund, has invested \$1.8 billion, to support clean energy and sustainable infrastructure in New York State – and this critical investment will certainly continue as we move forward with this important work.

To ensure there are union labor opportunities, support for existing and new energy workers, and hiring in disadvantaged communities embedded within our green economy scale up, the Governor's budget will establish The Office of Just Energy Transition. New York stands to see hundreds of thousands of jobs created through the implementation of the Climate Act, but we

cannot reach our clean energy goals without the trained professional workforce required to translate these goals into action. Our efforts are centered on career pathway programs that provide education, training, and services to help place new workers in clean energy occupations where demand for workers is growing across all sectors of the economy. NYSERDA's inclusive efforts also prioritize training programs for the State's most underserved populations – low-income individuals, veterans, disabled workers, single parents, formerly incarcerated persons, and individuals from disadvantaged communities, and will also help integrate displaced workers into the clean energy industry.

This year's Executive Budget also recommends \$25.8 million for ongoing nuclear waste cleanup and additional activities such as the preparation of the environmental studies needed to evaluate options to complete the West Valley site cleanup, monitoring and maintenance, regulatory compliance and public health and safety protection. Over the past four decades, NYSERDA has managed and protected New York State's interests at West Valley. Demolition, remediation, and containment work on the West Valley Demonstration Project is ongoing in partnership with the federal government and this funding is critical to ensure responsible decommissioning of this facility. Our costs at West Valley are determined by a federal match requirement and this amount reflects the funding level necessary to meet the federal appropriation and NYSERDA's other commitments at West Valley during the 2023-2024 federal fiscal year.

This concludes my opening remarks.