

Testimony of Urban Green Council before the NYS Joint Legislative Committees on Environmental Conservation

Re: Support for building decarbonization proposals in Part WW of Proposed FY24 NYS Executive Budget

February 14, 2023

Dear Chair Kreuger, Chair Weinstein, Chair Harckham, Chair Glick, and the Joint Legislative Committee members:

My name is Danielle Manley and I am the Policy Manager at Urban Green Council, a nonprofit based in New York City with a mission to decarbonize buildings for healthy and resilient communities. We have a 20-year track record of driving policy with data and practical solutions for buildings.

We helped shape many of New York City's laws to improve energy use and lower carbon – including establishing [benchmarking](#) requirements, [Local Law 97](#) to place carbon caps on NYC's largest buildings, and a law that will phase in [all-electric new construction](#) starting in 2024.

Across the state, buildings are the largest source of carbon emissions – they're responsible for nearly a third of New York's total greenhouse gasses – and they're a critical component in the Climate Action Council's recently released [Scoping Plan](#) for meeting the state's climate targets.

Urban Green is very supportive of the elements in the proposed FY24 Executive Budget that facilitate climate progress in buildings. In particular, two proposals in Part WW are absolutely cornerstone to moving the needle on decarbonizing our buildings:

1. Annually tracking energy use in buildings through benchmarking; and
2. Ensuring that new buildings in the state don't combust fossil fuels.

Here's why.

Benchmarking

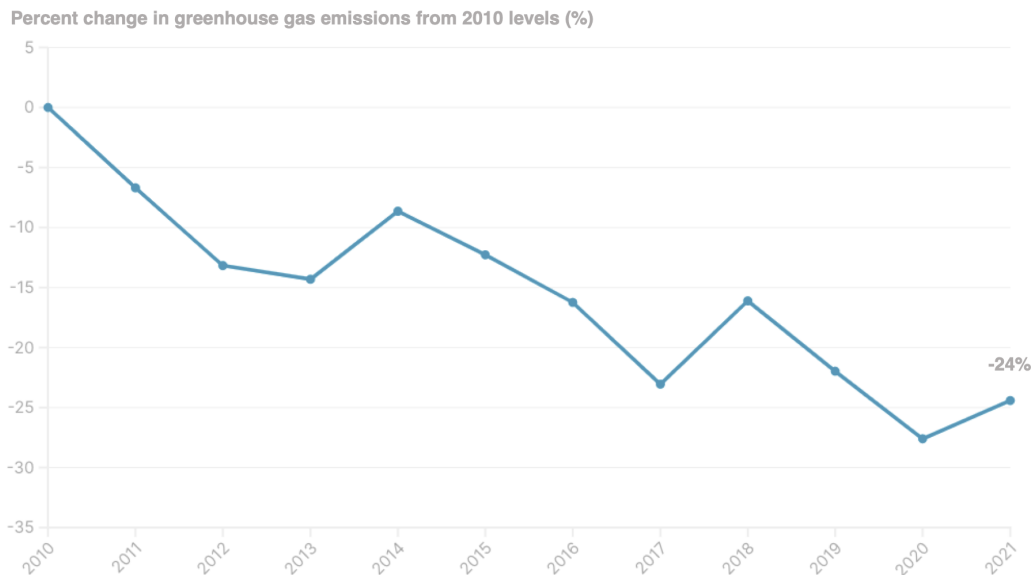
Benchmarking refers to the requirement to report a building's annual energy and water use. It's important because it lays the foundation for how much energy – and carbon – we know buildings are using in the first place. Not only does it reveal insights that can help owners and tenants

improve efficiency and save money – the data sets a crucial baseline for managing and measuring climate progress, promotes accountability and better informs policy.

There’s an adage that you can’t manage what you don’t measure, and it’s particularly apt here. With a third of all statewide emissions coming from buildings, we simply cannot measure progress to decarbonize them without tracking their energy use. For example, we know that carbon emissions from New York City buildings that are required to benchmark have [dropped 24%](#) since they started doing it in 2010. While benchmarking alone isn’t responsible for that progress, we would not know this information without it!

The data entry for benchmarking is easy to do – especially when combined with the automatic upload of utility data – and the tools to do it already exist with [Energy Star’s Portfolio Manager](#). California, Washington and Colorado [already require statewide benchmarking](#), and New York should too.

Figure 1. Benchmarked emissions trends from New York City buildings 2010-2021.¹ NYC buildings over 25,000 square feet are required to benchmark annual energy and water use. Explore other building energy data that benchmarking reveals [here](#).



All-Electric New Construction

An ambitious, equitable and affordable transition for New York’s buildings from fossil fuels to clean electricity is a key strategy to decarbonizing our buildings stock. And new construction is the most practical, feasible and cost-effective starting point.

The benefits of high-performing, electrified new construction are significant: cleaner, more efficient and healthier buildings for New Yorkers, and reduced greenhouse gas emissions for the planet.

¹ Data: LL84 2010-2021 filtered for properties that regularly submitted data across eleven years.

Our perspective is informed by the following considerations from Urban Green’s research, data analysis and expert network:

1. **Efficient electrification is crucial to reaching New York’s climate targets.** More than half of all building emissions in New York come from onsite combustion of fossil fuels.² To reach the State’s climate targets, almost every new building built with fossil fuels today will need to be retrofitted in the next 25 years. It is far more sensible – and far more cost-effective – to build all-electric now than to retrofit down the line.
2. **Heat pumps work in cold climates and save carbon today.** Advances particularly over the past decade have brought a new generation of cold-climate heat pumps that perform well in very cold weather.³ Paired with efficient construction, they can keep residents comfortable from New York City to the North Country. And heat pumps are so efficient that they save carbon today compared to oil and gas heating, even with our fossil fuel-heavy downstate grid.
3. **All-electric new construction is cost competitive.** NYSERDA’s recently released [Carbon Neutral Buildings Roadmap](#) found that constructing a new all-electric, efficient multifamily building is nearing cost parity with conventional gas construction. Our own research also showed little to no additional upfront cost to build all-electric low-rise multifamily buildings statewide, and a small additional construction cost – four to seven percent – for high-rise multifamily, that is getting smaller.⁴
4. **The grid is ready for all-electric new construction.** Building electrification primarily adds winter demand, while most of New York’s grid is built to serve a summer peak that is much higher. For example, New York City’s grid is designed for a summer peak that is 40 percent higher than winter.⁵ And new construction is naturally incremental, representing just a tiny fraction of New York’s 7 and a half million households. So, we can start today, with a reasonable planning horizon for future load growth.

These two steps will go a long way towards providing a foundation of data for building energy use, and ramping up the market and workforce for efficient electrification of our building stock.

Thank you for your time today and the opportunity to weigh in on the state’s climate progress.

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Contact

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² NYS CLCPA Climate Action Council [Scoping Plan](#), p. 175.

³ See, for example, a [recent study](#) prepared for Northwest Energy Efficiency Alliance showing cold climate heat pumps performing well at -10°F.

⁴ NYSERDA, [Buildings of Excellence](#). See, also, Urban Green Council, [Low-Carbon Buildings of Excellence Coming Soon to a Neighborhood Near You](#).

⁵ Urban Green Council, [Grid Ready: Powering NYC’s All-Electric Buildings](#).