



Comments on the NYS Climate Action Council's Draft Scoping Plan

July 1, 2022

We thank the Climate Action Council (CAC), as well as the Advisory Panels, Climate Justice Working Group, Just Transition Working Group, and the staff of NYSERDA, Department of Environmental Conservation, and other departments and agencies for the time and effort that went into developing the Draft Scoping Plan. Association for Energy Affordability (AEA) strongly endorses an overall strategy focused on energy efficiency and beneficial electrification of the buildings and transportation sectors, powered by a clean, renewable grid. Referred to as Scenario 3 in the Integration Analysis for the Scoping Plan, this approach is the most cost-effective, technically feasible, and environmentally-sound pathway to achieving the State's climate goals.

For 30 years, AEA's mission has been achieving energy efficiency in new and existing buildings in order to foster and maintain affordable and healthy housing, especially in low-income communities. Increasingly, we know that we also must electrify buildings to reduce greenhouse gas emissions that are causing the climate crisis, as well as to reduce air pollution that is damaging public health. The comments below are focused on the building sector but successful implementation of the Climate Act depends upon public support and engagement to meet climate goals. It also depends on inspiring young people to pursue clean energy careers and create the workforce needed to transform New York's economy. The Final Scoping Plan should:

- Direct NYSERDA to support a well-funded statewide public information/education campaign, utilizing all forms of media. Engage partners in direct outreach, including Clean Energy Hubs, educational and community-based partners.
- Direct the State Education Department to develop climate change curricula & clean energy jobs training and opportunities in K-12 schools.

Buildings

The Final Scoping Plan must articulate a clear strategy to transition off utility gas and electrify buildings with energy-efficient heat pumps in conjunction with weatherization, energy efficiency and other building improvements. The Draft Scoping Plan does not adequately plan for the necessary building improvements that must first be made in existing buildings, the financing of building decarbonization, and the public education necessary to help New Yorkers make the right choices and decisions at the right times. Our state's building stock is old--about three-quarters of buildings were constructed before there were any energy codes--and it is critical that weatherization and other improvements are made prior to electrification to ensure the right-sizing of systems and to reduce monthly utility bills.

AEA offers the comments, below, on key sections of the Draft Scoping Plan related to buildings.

1. Include zero-emissions standards for end-of-life replacements of fossil equipment in conjunction with financing and education programs to affordably weatherize and upgrade buildings.

AEA supports the Draft Scoping Plan's recommendations and 2030/2035 timeframe for zero-emissions standards to replace fossil fuel equipment in existing buildings at the useful life, with qualification: The Final Plan must include provisions that support and encourage the necessary investments in weatherization and building improvements, and ensure that compliance with zero-emissions standards does not create an undue financial burden, particularly for low- and moderate-income households.

- **The lowest hanging fruit at present are buildings that are reliant on oil and propane, accounting for about 19% of buildings.** A strategy that specifically targets these building owners with information and improved incentives would decarbonize the largest number of homes at the lowest cost by 2030. This group, together with low- and moderate-income households, should be the priority near-term focus.

2. Prohibit fossil fuel heating & equipment in new buildings.

AEA strongly supports the Scoping Plan's recommendations for all-electric codes for new construction, with one modification regarding mixed-use buildings:

- All new residential and **mixed-use (residential/commercial) buildings** under five stories should be required to be all-electric, beginning in 2024;
- All-electric codes should be extended to all residential and commercial building types by 2027.

Many buildings in cities and villages across the state are mixed-use, with commercial spaces on the ground floor, and should be explicitly included with residential buildings under five stories within the 2024 timeframe.

3. End fossil fuel infrastructure expansion.

AEA supports the Draft Scoping Plan's recommendations to align Public Service Law and Transportation Corporation Law with the Climate Act, eliminating the requirement of utilities to supply gas service to anyone who requests it, **and urges that the Final Scoping Plan include a clear directive to the Legislature to make the necessary amendments early in the 2023 legislative session.** We further recommend that the Final Scoping Plan **direct the Public Service Commission to prohibit utilities from expanding the gas distribution system into new geographic areas**, which is clearly contrary to the emissions reduction requirements of the Climate Act. The Commission should be directed to do so as soon as the PSL and TLC are amended.

4. Initiate a managed transition from utility gas to clean heating and cooling in existing buildings to be completed by 2050, with an interim target of 2 million decarbonized buildings by 2030.

AEA supports the Draft Scoping Plan's recommendation to develop a plan for a managed and equitable transition to clean, efficient heating and cooling systems that maintains affordable, safe, and reliable utility service and protects low- and moderate-income households from an undue burden in the transition. We urge the Climate Action Council to include in the Scoping Plan the provisions of **Gas Transition and Affordability Act (S.8198)** to inform the planning processes underway in the CLCPA and Gas Planning proceedings of the Public Service Commission.

We urge the CAC to explicitly reject false solutions like renewable natural gas (RNG) and hydrogen as a replacement for fossil gas in building equipment and appliances. RNG contributes to air pollution and cannot be produced in sufficient quantities in New York to replace fossil fuels, increasing our state's dependence on imports and potential supply price volatility. The production of hydrogen is polluting, its distribution would require costly new pipeline infrastructure to deliver to buildings, and critically, it is infeasible to build out the substantial renewable energy resources that would be required on top of what is already needed to decarbonize the electricity grid. Both RNG and hydrogen are being promoted by utilities and the fossil fuel industry as solutions for buildings in an effort to prolong use of fossil fuels and related infrastructure, and should be rejected.

5. Commit at least \$1 billion annually to support energy efficiency and electrification for Disadvantaged Communities and low- and moderate-income households.

NYSERDA has estimated that \$1 billion annually is the minimum investment required to ensure an equitable and affordable clean energy transition. The \$250 million in current State and utility spending is inadequate to meet the need. In addition to evaluating the impacts of a carbon tax and cap-and-invest program, progressive taxation should also be considered to raise the necessary revenue. A pied-a-terre tax, alone, which is directly tied to over-consumption in the buildings sector, is projected to raise a minimum of \$650 million a year or more.

AEA also supports the Draft Scoping Plan's recommendation to create a revolving loan fund for building decarbonization and the reuse of buildings and building materials, modeled on the Clean Water State Revolving Fund.

Public Education & Engagement

To support households and businesses in this transition, we urge the Climate Action Council to include recommendations in the Final Scoping Plan to:

- **As soon as possible, launch a major, sustained statewide public education and information campaign to support climate-friendly choices by consumers for building improvements and equipment.** Most people are unaware of the benefits of these improvements in terms of economic savings, health, and comfort, and are also unaware of existing state and utility incentives.
- Immediately ramp up easily-accessible incentive programs to encourage households and residential building owners to weatherize and undertake electrical upgrades in preparation for future electrification.
- Require an energy audit and basic weatherization and electrical service upgrades as a condition of home sales.
- Ensure cost parity with fossil systems before 2030 in upfront costs for electrification, with incentives and financing assistance as necessary. The Integration Analysis concludes that 1-2 million buildings will need to be electrified in the next eight years to stay on track to meet emissions reduction goals. This will not happen without the necessary financial incentives.

Workforce Development

The Jobs Study of the Just Transition Working Group estimates that meeting New York's climate goals would result in a net increase of 179,000 jobs by 2030, with the vast majority (140,000) related to decarbonizing buildings. Yet unless New York begins now to develop this workforce, trained workers will not exist to fill these jobs, making it impossible to shift to a clean energy economy in the timeframe under the climate law.

As a member of the Climate and Clean Energy Education and Careers Working Group, AEA supports the following comments in support of a massive scaling up of climate and clean energy education and workforce training in order to achieve New York's ambitious climate goals.

1. Prioritize climate education and awareness-raising about the benefits of renewable energy. Successful implementation of the Climate Act depends upon public support and engagement to meet climate goals. It also depends on inspiring young people - and many others - to pursue clean energy careers and create the workforce needed to transform New York's economy. The Final Scoping Plan should:

- Direct NYSERDA to support a well-funded, long-term statewide public information campaign, utilizing all forms of media as well as outreach by the Clean Energy Hubs in partnership with schools and community-based organizations.
- Direct the State Education Department to develop comprehensive, globally relevant, interdisciplinary, justice-centered climate education and workforce development programs for New York State's 2.6 million K-12 public school students, in close consultation with stakeholders as discussed in the next point.
- Engage the NYS Education Department, the SUNY and CUNY systems, NYSERDA, DOL, ESD, labor, community-based organizations, cultural institutions such as museums, zoos and aquariums; and workforce development and private sector partners to form an official working group to develop and implement a strategy to recruit, train, and skill up the clean energy workforce required to decarbonize key sectors of New York's economy including buildings, transportation and the power sector.
- Fill gaps in climate and clean energy apprenticeships, pre-apprenticeships, certificate programs, internships and pathways. Streamline and expand programs to make them more accessible.
- Immediately begin to identify workforce development needs and develop a plan to scale up the workforce for building decarbonization. The Jobs Study of the Just Transition Working Group estimates that meeting New York's climate goals will create 140,000 jobs related to buildings by 2030. Yet unless New York begins now to develop this workforce, trained workers will not exist to fill these jobs.
- The Scoping Plan must include a requirement to map out workforce development assets and needs for building efficiency improvements and electrification statewide, and to engage the NYS Education Department, SUNY/CUNY system, community-based organizations, and workforce development, labor and private sector partners to develop and implement a strategy to recruit, train, and skill up the clean energy workforce required to decarbonize the building sector. Specific job tasks, skill sets and qualifications must be included as well as the creation and implementation of a system for tracking those educated and trained over time. This study should be publicly released.

3. As the need is immediate, expedite funding for innovative programs and projects focused on climate change and clean energy education and careers. These can be identified and supported through a process laid out by the newly proposed Climate and Clean Energy Education and Careers Working Group. Some examples include:

- the Roots of Success workforce readiness program pilots in high schools, prisons, and communities, such as the Ithaca Program.
- Clean Energy High School Innovation Centers such as the one hosted by the Waverly School District.
- Internships such as the Energy Corps program hosted at the Network for a Sustainable Tomorrow.

4. Assure that the new climate education and clean energy workforce system is inclusive, accessible, and leads to living-wage jobs and careers available to all New Yorkers.

- In order to have a holistic, strategic, successful implementation of the Climate Action Plan, the state must have an Office of Just Transition and Green Jobs Development with appropriate expertise that can coordinate across all the agencies involved.
- Aim for a focus on careers with broad skill sets rather than narrow training for specific jobs.
- Ensure that strong labor standards and protections exist across all clean energy sectors--including wind, solar, battery storage, EVs, geothermal, and other emerging technologies. For example, utilization of apprenticeship and pre-apprenticeship programs to conduct targeted recruitment of women, people of color, veterans, and members of frontline communities for training in construction and related occupations, creating pathways to middle-class careers and strong implementation of the state's labor-peace requirement for operations and maintenance work in renewable energy projects over 5 MW.
- Fund wraparound support (e.g. childcare, mentoring, transportation, etc) & stipends for WFD programs, prioritizing disadvantaged communities (mirroring CLCPA requirements) frontline community members, and people whose jobs in extractive industries who may need retraining (just transition).

Thank you for your time and consideration. We look forward to working together to achieve New York's climate goals, create green jobs and healthier homes and communities.