

June 28, 2022

NY State Climate Action Council
NYSERDA
17 Columbia Circle
Albany, New York 12203-6399

Re: Draft Scoping Plan Comments re: Climate Action Plan

Boston

Los Angeles

New York

San Francisco

Washington, DC

BXP (Boston Properties LLC) is a publicly traded REIT with holdings over 55M sf. and a national player in the development, ownership and management of CBD and suburban commercial office buildings.

Since 1985 to current we have acquired, developed and currently own and operate a portfolio of Class A commercial office properties here in Manhattan. In our NY Region, we also own and operate Carnegie Center, a 2.4M sf. 18 building office park, in Princeton NJ.

Many of our projects have encompassed public improvements including transit hub enhancements and public places, which have been very impactful and additive for NYC and the population served in these communities.

BXP is committed to achieving carbon-neutral operations, or net-zero carbon dioxide equivalent emissions, by 2025. Our emissions reduction target ambitions is in line with a 1.5° C trajectory, the most ambitious designation available at the time of submission under Science Based Targets initiative. BXP was the only North American office company with this distinction at the time of approval.

Although we seek to take the highest road of sustainability, we, as our esteemed peer companies, are both thoughtful and pragmatic which has largely contributed the success of our projects and their positive impact in the communities in which we own and operate.

After thoughtful consideration, we respectfully wish to point out some of the challenges facing commercial real estate in New York City related to the proposed changes put forth by the CLCPA.

- Electrical heating equipment will require a significant amount of building space to accommodate the equipment, which in effect may cause a diminution of space available for tenant occupancy. This will increase the complexity and construction cost of development projects as we enter times of economic uncertainty.
- We currently participate in winter and summer electric demand response programs, and the grid is equally taxed both winter and summer. A winter blackout or service interruption could be devastating for an electrically heated building without significant contingent systems.
- Zone J is already at peak loads in the summer and the addition of winter electric heating and vehicle charging will further tax the grid. We have serious concerns about the ability of the “last mile” of the electrical grid to meet the new loads.
- To date, there are no large-scale heat pump heating projects operating in our industry sector thus there is no track record. While they may look good in theory, they have limitations that would require significant and expensive contingencies during extremes of weather. In effect, a developer would likely be compelled to install two heating systems (the primary a heat pump and the secondary/contingency would be a traditionally fueled platform) to account for conditions outside the operating envelope limitations of heat pumps currently and foreseeably available.
- Solar, wind turbine and grid construction is not progressing at a rate that will offset the planned obsolescence of fossil generation.

We would like to offer the following suggestions for the CLCPA.

1. Establish realistic dates for carbon reduction, based on what can be achieved without adversely diminishing the local economy. These must be comprehensively supported by fact based engineering and economic analysis that is transparent and shared with all stakeholders.
2. Understand and account for the physical limitations of retrofitting existing buildings to have all electric heating.

3. Have absolute certainty of meeting target dates for bringing solar and wind online before any action can be taken to retire existing power generation.
4. Commission a comprehensive and independent study on the Con Ed grid Zone J to fully understand and quantify upgrades and improvements that will be required to meet the future electrical demands on the system.

While Boston Properties is committed to a carbon reduction program for NYS/NYC, we urge that the plan be forward looking and thoughtfully prepared in a manner that will promote and support the common economic and environmental benefit for its citizens and businesses.

Sincerely,



Thomas L. Hill
SVP Property Management



Kevin McGrath
Director of Engineering (ret)