May 12, 2022

NYS Climate Action Council Draft Scoping Plan Comments NYSERDA 17 Columbia Circle Albany, NY 12203-6399

RE: Climate Action Council Draft Scoping Plan

Dear Members of the Climate Action Council:

On behalf of the Capital Region Chamber, I am writing to provide you with our comments on the Climate Action Council's Draft Scoping Plan. The Capital Region Chamber represents 2,800 businesses and organizations from throughout the Capital Region that employ more than 160,000 area residents. As New York State considers its long-term energy policies, it is critical that any such policies include a focus on maintaining a secure, reliable, accessible, and affordable energy supply for business and residential consumers.

I would also like to take this opportunity to thank the members of the Climate Action Council for their time and effort in crafting the Draft Scoping Plan. Clearly, each of you have a commitment to reducing the state's carbon footprint.

As you are aware, New York State consumers pay some of the highest energy prices in the nation. Converting to all-electric is without question an expensive proposition and there is a real danger that transitioning to an all-electric economy could negatively impact the security, reliability, and affordability of our state's energy supply. Renewable sources alone cannot meet the state's energy demands. Reliance on an all-electric system that is completely dependent upon renewable energy will cause system failure when supply does not meet demand and alternative sources have been abandoned. It is imperative that any energy policies that transition the state to a clean energy future do not undermine energy security and reliability, do not hinder economic growth, and do not increase consumer costs.

Our Chamber has long supported energy policies that promote access to affordable and reliable energy, protect energy consumers, and produce meaningful environmental progress including the reduction of our economy's carbon intensity. Several of our member portfolios include wind, solar, NG, RNG, and Green Hydrogen. In fact, the Chamber, and our affiliate the Center for Economic Growth (CEG) have been deeply involved in ensuring that the Capital Region emerges as the manufacturing hub for component parts to serve the offshore wind industry in New York State and beyond. The Ports of Albany and Coeymans will be critical to the wind industry and have received significant investments. Unfortunately, the energy policies included in the Climate Action Council's Draft Scoping Plan do not meet each of the above-mentioned goals. It is with this in mind that we offer the following recommendations for the retention, removal, and addition of certain core principles to the Draft Scoping Plan.

The following should be retained in the Draft Scoping Plan:

- Consumer-focused energy transition targeted at lowering emissions;
- Expanded energy efficiencies;
- Utilization of Renewable Natural Gas and green hydrogen for heat and electric.

In order to maintain cost, consumer choice, and ensure continued access to multiple energy sources, we believe the following should be removed from the Draft Scoping Plan:

- Prohibition on new gas service to existing buildings beginning in 2024;
- Prohibition on natural gas within newly constructed buildings beginning in 2024;
- Prohibition on propane, natural gas, and oil equipment in new homes in 2024;
- Prohibition on traditional heating systems in existing homes in 2030;
- Prohibition on new natural gas appliances for home heating, cooking, water heating, and clothes



drying beginning in 2030;

- Prohibition on the sale of gasoline vehicles in New York State beginning in 2035;
- Decommissioning of existing gas networks.

The following should be amended and/or added to the Draft Scoping Plan:

- Impacts and costs of each proposal should be fully disclosed, transparent and incorporated into the plan. The public cannot make an informed analysis of the plan without access to this critical information;
- More attention should be given to grid resiliency and redundancy;
- Existing gas networks should be retained and maintained to ensure that NG, RNG and Hydrogen continue
 as options. In particular, policies that abandon NG will inhibit the growth and attraction of manufacturers
 that do not have an alternative to natural gas, which leads to potential job loss or missed opportunities
 for job creation. It is worth noting that in a 2016 order, the NYS Public Service Commission held that
 "natural gas "act(s) as a catalyst for economic growth by attracting businesses to New York. Individuals or
 corporations considering locating or expanding business in New York will contemplate the availability of
 gas infrastructure. If infrastructure is not available, those businesses, and the jobs associated with them,
 may not choose New York" [NY PSC, 6/15/16].
- Electrification should be one of many options for the reduction of carbon emissions. To ensure consumer choice, energy reliability, affordability, security and redundance, more options should be included. These options should include, but not be limited to, Natural Gas, Renewable Natural Gas and Green Hydrogen. The failure to plan for more options and include alternative energy sources has resulted in the growing energy crisis now faced by several European countries. New York State's energy plan must ensure that our consumers are never placed in a similar situation.
- Clean energy requirements must be coupled with managing total peak via the use of low carbon fuel. At various points, and often beyond our control, demand will outpace supply. During these times, it is critical that our energy grid has access to multiple alternative sources. Again, New York State's energy plan must not replicate the European model.

While our Chamber supports efforts to reduce the carbon intensity of our economy, we believe that the state's energy policies must ensure access to secure, affordable, and reliable energy, protect energy consumers and their choices, and provide meaningful environmental progress. I respectfully request that you consider our Chamber's perspective and proposed recommendations to improve the current Draft Scoping Plan.

Sincerely,

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Mark N. Eagan, CCE President and CEO

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