

The Honorable Kathy Hochul
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

October 16, 2023

Dear Governor Hochul,

We the undersigned 219 organizations, representing tens of thousands of New Yorkers, thank you for your leadership in committing to 2 million climate-friendly homes by 2030, working with the legislature to pass the first-in-the-nation zero emissions new buildings law and the Utility Thermal Energy Network and Jobs Act, and creating funding programs to decarbonize the building sector.

Our organizations are, however, deeply concerned about the rising cost of energy driven by irresponsible fossil fuel investments, and we call on you to lead New York toward a more affordable energy future. Gas utilities are increasing their profits by saddling New Yorkers with the costs of extending the lifespan of antiquated pipeline infrastructure and dangerous technology, all while making New York more expensive and polluted. As a result, 1.2 million households and 127,000 small businesses are behind on their energy bills. After suffering the hottest summer on record globally, millions of New Yorkers will soon face freezing temperatures without adequate insulation or affordable energy. We need your leadership to implement New York's nation-leading Climate Leadership and Community Protection Act (CLCPA), protect New Yorkers from unnecessary energy costs, and ensure safe, comfortable homes year-round.

We urge you to ensure your upcoming State of the State and Executive Budget accomplish the following priorities:

- **Put money back in New Yorkers' pockets by ending wasteful spending of customer funds used to subsidize new fracked gas hookups *by finally eliminating the '100-foot rule'***
- **Improve access to cost-saving energy efficiency measures and heat pumps *by directing your agencies to create a retrofit readiness fund to fully achieve your Climate Friendly Homes commitment***
- **Enable utilities to opt for cleaner, more cost-effective options rather than unnecessary gas pipelines *by amending the obligation to serve gas so that utilities can pursue neighborhood-scale building decarbonization projects***
- **Make energy bills affordable and fair for low and middle-income New Yorkers *by ensuring no residential customer pays more than 6% of their income for energy.***
- **Hold gas utilities accountable for reducing climate and air pollution *by directing your agencies to set and enforce CLCPA-compliant building sector emission limits.***

While the cost of living has been rising across the economy, recent rate hikes approved for utilities push energy bills up faster than the rate of inflation. The cost of gas utility pipeline expansion and maintenance is a major driver of these gas rate hikes. These costs continue to burden us at a time when we know we need to rapidly reduce fossil fuel use to meet our climate goals. Without your intervention, this problem will worsen because current laws, energy policy, and incentives favor utility investments in unnecessary infrastructure over more cost-effective programs, energy sources, and technologies. Thankfully, the Final Scoping Plan approved by your Climate Action Council provides a roadmap to the changes and investments that will set New York on the responsible path to lower costs for both individual energy bills and the system as a whole.

Our Building Electrification and Equity Platform for 2024, many provisions of which are included in the NY HEAT Act, provides the pathway for necessary climate action that creates more affordable energy bills, cleaner air, and more comfortable, livable homes for New Yorkers:

1. Put money back in New Yorkers' pockets by ending wasteful spending of customer funds to subsidize new fracked gas hookups. Outdated Public Service Law requires utilities to use our money to subsidize the cost of new gas hookups within one hundred feet of an existing gas line (the '100 foot rule'). This policy costs New Yorkers hundreds of millions of dollars per year and is not aligned with our climate mandates. For example, the recently filed rate request from National Grid calculates the cost of subsidizing new customer connections and reinforcing the system to serve those new customers at \$210 million for 2024. You can free us from these unnecessary costs by ending the 100-foot rule. This statute change is called for the Final Scoping Plan on page 357.

2. Fund retrofit readiness to improve access to cost-saving energy efficiency and heat pump installations. We commend your commitment to 2 million climate-friendly homes by 2030, including 1 million electrification-ready homes, 800,000 of which would be for low-income households. While many programs are available to help weatherize and electrify homes, New York's most vulnerable households are locked out of these cost-saving measures. They are being forced to battle extreme heat and cold, plus high energy bills because their homes are not "retrofit-ready." They need pre-retrofit investments (i.e., structural upgrades, electrical upgrades, and lead, mold, and asbestos remediation) to address deferred maintenance and health hazards that block weatherization and electrification projects from moving forward. The Final Scoping Plan, page 199, calls for a "Retrofit and Electrification Readiness Fund for LMI households, affordable housing, rent-regulated housing, public housing, and residential buildings in Disadvantaged Communities." We are counting on you to identify the funds for these necessary improvements and to direct your agencies to incorporate these measures into their weatherization and electrification programs.

3. Enable utilities to opt for cleaner, more cost-effective options rather than unnecessary gas pipelines. Outdated Public Service Law saddles New Yorkers with wasteful spending on the antiquated gas system rather than investing in building improvements and the clean heating and cooling technologies called for in the Final Scoping Climate Plan, including heat pumps and thermal energy networks. We urge you to amend the obligation to serve gas so that utilities can pursue the union-friendly neighborhood-scale building decarbonization projects called for on page 205 of the Final Scoping Plan, which will improve health, safety, and comfort.

4. Ensure no residential customers pay more than 6% of their income for energy by making rates more fair. Your administration has taken important steps to improve energy affordability by providing utility debt relief, expanding the utility energy affordability program, and piloting an energy affordability guarantee for customers who electrify through NYSERDA's Empower+ program. Nevertheless, too many households still struggle to afford their bills because utility rates are rising so dramatically. The policies described above, along with important changes in your Public Service Commission's energy efficiency programs through the New Efficiency New York proceeding, will help reduce system-wide energy costs. More relief is needed, however, to protect the lowest-income New Yorkers, who pay an average of 10% of their income on energy (as compared to higher-income households who typically don't pay more than 2% of their income on energy). By guaranteeing residential customers pay no more than 6% of their income on energy, you can save the average low-income household \$75 per month.

5. Hold utilities accountable to New York's nation-leading climate law. New York's gas utilities, which represent a significant opportunity to reduce building sector emissions, are continuing to pump money into their gas pipeline networks – including billions of dollars of customer money on expanding and extending the life of their gas infrastructure – without viable plans to reduce fossil fuel usage and corresponding emissions to levels commensurate with CLCPA mandates. The gas utilities need clear direction to rein in fossil fuel spending and guide their long-term planning efforts. We therefore call on you to direct the Department of Environmental Conservation to set sector-specific GHG emission limits for the buildings sector, and to direct the Public Service Commission to set declining emission limits, in line with the CLCPA, for each gas utility and to enforce these limits through the gas planning process.

Prior commitments and actions have set you and your administration up for success in achieving these goals. The Final Scoping Plan describes a transition to well-insulated homes and buildings, powered by clean energy, that will result in lower bills and cleaner air that drives a healthier, more prosperous New York for all. But profit-seeking investments by gas utilities stand in the way of that transition being implemented equitably and affordably. We celebrate the progress that has been made with the passage of all-electric new construction, funding for the EmPower+ program, expansion of the Energy Affordability Program, and your commitment to two million climate-friendly homes by 2030. But now New Yorkers need you to take the next steps outlined in the Final Scoping Plan and stop utilities from dumping money into short-sighted investments in fracked gas pipelines that we no longer need.

New York has set the standard for transitioning to clean energy in buildings nationally, as demonstrated by your leadership with 24 other Governors in calling for quadrupling heat pump deployment by 2030. New York must continue to lead by enacting cutting-edge policies that will deliver the energy savings, comfortable homes, and a livable planet promised by your Final Scoping Plan. Passing these policies will build on your legacy of leadership and make meaningful progress toward a better New York.

Thank you for your consideration of these recommendations. We look forward to continuing this work with you toward improving living conditions, health, economy, and climate for all New Yorkers.

Sincerely,

Alliance for a Green Economy
Natural Resources Defense Council
New York League of Conservation Voters
WE ACT for Environmental Justice
Building Decarbonization Coalition
ALIGN: The Alliance for a Greater New York
Association for Energy Affordability
Building Performance Contractors Association of
NYS Inc.
Climate Solutions Accelerator of the Genesee-Finger
Lakes Region
Environmental Advocates NY
NY Renews Coalition
Regional Plan Association
Concerned Health Professionals of New York
Earthjustice
Environmental Defense Fund
Food & Water Watch
Long Island Progressive Coalition
NYC Environmental Justice Alliance
Citizen Action of New York
Urban Green Council
True Building Performance
Wise Home Energy
Aztech Geothermal, LLC
350Brooklyn
350NYC
American Association of University Women-
Kingston
All Our Energy
Alternative Carbon Energy Systems Inc
Beacon Climate Action Now
Bedford 2030
Bethlehem Morning Voice Huddle
Big Reuse
Bronx Climate Justice North
Bronx Jews for Climate Action
Brooklyn for Peace
Buffalo Energy, Inc.
Buffalo Geothermal LLC

New York Geothermal Energy Organization
NYPIRG
Renewable Heat Now
Rewiring America
Sierra Club Atlantic Chapter
Vote Solar
Adirondack Voters for Change
E2 Environmental Entrepreneurs
Dandelion Energy
Frack Action
For the Many
Mothers Out Front
New York State Public Health Association
New Yorkers for Clean Power
New York Sustainable Business Council
Partnership for the Public Good
South Bronx Unite
SunCommon
TREEAge
HIGHMARK | Building Efficiency
Halco
Energy Catalyst Technologies
El Puente
Sane Energy Project
Jewish Climate Action Network NYC
Justice Ministries Committee, Presbytery of
NYC
Urban Homesteading Assistance Board
Church Women United in New York State
Campaign for Renewable Energy
Climate Change Awareness and Action
Climate Change Resources, Inc.
Climate Control Group
Climate Families NYC
Climate Justice Cornell
Citizens' Climate Lobby of New York State
Citizens' Climate Lobby- Brooklyn
Citizens' Climate Lobby- Mid Hudson
Citizens' Climate Lobby- New York City
Citizens' Climate Lobby- Rochester

Citizens' Climate Lobby- Staten Island
Citizens' Climate Lobby- Westchester
ClimateMama
Climate Master, Inc.
CNY Solidarity Coalition
Coalition Against the Rockaway Pipeline
Coalition for Outreach, Policy & Coordination
Coalition for Wetlands and Forests
Coalition to Protect New York
Color Penfield Green
Color Rush Henrietta Green
Committee to Preserve the Finger Lakes
Communities for Local Power
Community Advocates for a Sustainable Environment
Congregation Tikkun V'Or, CJ Council
Ecosave
Elmirans and Friends Against Fracking
Energy Allies
Energy Catalyst Technologies
Extinction Rebellion Mid-Hudson
Finger Lakes Climate Fund
Fossil Free Tompkins
FrackBusters NY
Grassroots Environmental Educaiton
Greater Syracuse Tenants Network
Green Choices Consulting
Green Ossining
Green Party of Onondaga County
Green Team LI
Greening USA
HabitatMap
Indian Point Safe Energy Coalition
Indivisible Brooklyn
Indivisible Harlem
Indivisible Mohawk Valley- Climate Crisis Working Group
Indivisible New Rochelle
Indivisible Scarsdale
Inwood Indivisible
Kinetic Communities

Long Island Activists
LaMorte Electric Heating and Cooling
Melissa Carlson, Architect
Metro Justice
Mothers Out Front- Tompkins
Mothers Out Front- Dutchess County
Mothers Out Front- Westchester Rivertowns
Nassau Hiking & Outdoor Club
Network for a Sustainable Tomorrow
New York Climate Action Group
New York Climate Advocacy Project
New York Interfaith Power & Light
New York Lawyers for the Public Interest
New York Progressive Action Network
New York Youth Climate Leaders
No North Brooklyn Pipeline
North American Climate, Conservation, and Environment
North Bronx Racial Justice
North Country NYPAN
Northwest Bronx Indivisible
NP Environmental, LLC
NYC 2030 District
NYCD16 Indivisible
NY Energy Democracy Alliance
NYPAN of the Southern Fingers Lakes
Outdoor Promise
Pace Energy and Climate Center
Pachamama Alliance of the Rochester Area
PathStone Corporation
Peace Action Bay Ridge
Peace Action New York State
Peekskill Progressives
People for a Healthy Environment
Peoples Climate Movement- NY
Plant Native NW Bronx
Possible Rochester
Progressive Schenectady
Putnam Progressives
Queens Climate Project
Ratepayer and Community Intervenors

Renewable Energy Long Island
Residents Allied for the Future of Tioga
Rise and Resist
Rivers & Mountains GreenFaith
Riverside Salem UCC/DoC
RocACTS Climate Justice Task Force
Rochester Area Interfaith Climate Action
Rockaway Women for Progress
Roctricity LLC
RPI Sunrise Movement
Safe Energy Rights Movement
Salas O'Brien
Sanfilippo Solutions Inc.
Seneca Lake Guardian
Sisters of St. Dominic of Blauvelt, NY
Sixth Street Community Center
Solarize Albany
South Asian Fund for Education Scholarship and
Training
South Shore Audubon Society
Start:Empowerment
Staten Island Urban Center
Stop NY Fracked Gas Pipeline
Stop the Algonquin Pipeline Expansion
Students for Climate Action
Sullivan Alliance for Sustainable Development
Sunrise Movement NYC
SUNY New Paltz Environmental Task Force
Supporters of Horseshoe Solar
Sustainable Fingers Lakes
Sustainable Putnam
Sustainable Saratoga
Sustainable Warwick
Sustainable Westchester
Syracuse Cultural Workers
Syracuse Peace Council
Syracuse United Neighbors
Taitem Engineering

The Climate Reality Project, Capital Region
Chapter
The Climate Reality Project, Finger
Lakes Greater Region Chapter
The Climate Reality Project, Hudson Valley &
Catskills Chapter
The Climate Reality Project, Long Island
Chapter
The Climate Reality Project, NYC Chapter
The Climate Reality Project, Westchester
County
The Climate Reality Project, Western New
York Chapter
The Insulation Man, LLC
The Park Church in Elmira
Third Act Upstate New York
Tompkins County Climate Protection Initiative
Tompkins County Progressives
Transition Town Port Washington
United for Action
United for Clean Energy
Urban Jobs Task Force of Syracuse
Urbecon LLC
UU Congregation of Binghamton, Green
Sanctuary
WESPAC Foundation
Westchester Alliance for Sustainable Solutions
Westchester for Change
Western New York Environmental Alliance
Win Climate
WNY Drilling Defense
WNY Youth Climate Council
Yorktown 100