



Testimony of Patrick McClellan, Policy Director, New York League of Conservation Voters

Senate Standing Committees on Finance, Energy and Telecommunications, and Environmental Conservation Hearing on Implementation of the Climate Action Council Final Scoping Plan

January 19, 2023

My name is Patrick McClellan and I am the Policy Director for the New York League of Conservation Voters (NYLCV), a statewide environmental advocacy organization. Thank you to Chairs Krueger, Parker, Harckham and all of the committee members for holding this hearing and for the opportunity to testify today.

On the whole we are pleased with the Climate Leadership and Community Protection Act (CLCPA) final scoping plan that the Climate Action Council (CAC) adopted in December 2022. I would like to highlight a few recommendations in the plan that we believe are particularly important to begin work on with all due haste.

NYLCV is conceptually supportive of the cap-and-invest program recommended by the CAC. The scoping plan does an admirable job of grappling with some of the equity and transparency concerns that are rightfully raised in response to cap-and-invest approaches and we eagerly await more details on how the State might proceed with this program so that we can comment in more depth. Since the scoping plan seems to envision cap-and-invest as one of the primary revenue raisers to fund implementation of the plan, it is important to work out the details of this program as soon as possible, and we are encouraged that Governor Hochul appears committed to doing so in this legislative term.

Transportation

We also support moving forward with a clean fuel standard (CFS), or clean transportation standard as the plan calls it, a sector-specific program to reduce transportation emissions that could complement cap-and-invest. We are confident that these two programs could each make the other more effective and more cost-efficient and would be happy to share research that has been conducted on this topic with you. Similarly to cap-and-invest and other market-based mechanisms that the CAC considered, I understand that some environmental justice advocates are skeptical of a CFS. We take those concerns seriously, if you compare the draft scoping plan to the final plan it is clear that the CAC took those concerns seriously as well, and we strongly

support centering equity in program design for every program that the State implements pursuant to the CLCPA.

Successful implementation of the CLCPA will undoubtedly require significant direct investment by the State and by local governments throughout the state. It will also require rapid shifts in private markets, and the most efficient way to achieve those shifts is through market-based mechanisms like cap-and-invest and a clean transportation standard that use price signals to make the market appropriately internalize the social cost of carbon.

We support the recommendations in the transportation chapter of the plan. One early investment in low-carbon transportation alternatives that the State should make is a rebate for pedal-assist electric bikes (e-bikes), which have a well-documented track record of significantly reducing automobile vehicle miles traveled for their owners. And while the scoping plan is of course correct that strategies to improve public transit should be context- and community-specific, the planning process for those public transit improvements should begin as soon as possible. For a start, the State should make sure that the MTA has the operating aid it needs to not just maintain current service levels, but to boost rush hour headways to no more than six minutes on all subway lines.

Housing, Buildings, and Development

We are pleased that the scoping plan recognizes the importance of smart growth and active transportation - not only are dense, walkable, transit-oriented communities with safe streets for pedestrians and cyclists an easy way to reduce our average carbon footprint, but extremely high housing costs in communities in New York State that offer these amenities also prove that there is significant pent up demand for living in these types of communities. The State should adopt legislation this year that requires minimum zoned density levels near public transit stations, legalizes accessory dwelling units, and continues to explore ways to make buses faster and streets safer for people who are not traveling by automobile.

While it is important to note that multi-family housing in walkable, mixed-use neighborhoods that are well-served by public transit has a considerably lower carbon footprint than a sprawling suburban neighborhood regardless of how it is powered and heated, technology has advanced such that we can require all new buildings in the State, regardless of size, to have zero on-site fossil fuel combustion before the end of this decade without significantly increasing construction costs. The State should adopt legislation this year banning the use of on-site fossil fuel combustion in new construction no later than 2025 for small buildings and no later than 2028 for larger buildings, with limited exemptions for special use cases.

While requiring new buildings to be highly energy efficient and have no on-site greenhouse gas (GHG) emissions is achievable in the near term, decarbonizing our existing building stock will be massively more complex and expensive. There are now state and federal incentives in place that make replacing fossil fuel appliances and heating and cooling systems in otherwise well-maintained homes cost-competitive with making a like-for-like replacement. But of course

many buildings are not “otherwise well-maintained.” For instance, a house that has not been renovated in 50 years may need a roof replacement, new electrical wiring, and structural work done before it is suitable for weatherization and the installation of a heat pump system. Existing incentives are woefully inadequate to help a homeowner who is living on a fixed income and lacks access to capital make these updates to their home. So we urge the Legislature to hold further hearings focused on the gaps in the market for building decarbonization incentives, and as an organization NYLCV is currently researching this topic and aims to have recommendations that we can present to you ahead of next year’s budget cycle.

The State can and should be a leader in decarbonizing existing buildings. NYLCV is working with other environmental advocates, environmental justice advocates, and labor unions to urge the State to set a goal of decarbonizing all State-owned buildings by 2040, using union labor to do the work and recruiting and training the next generation of union laborers from disadvantaged communities to learn the skills that are necessary to decarbonize our building stock. In particular, we believe that many State-owned facilities, by nature of having multiple buildings on one site, are good candidates for thermal energy networks, and the scoping plan seems to concur.¹ Using State-owned facilities to develop the workforce and supply chain for this type of work will make it easier to decarbonize other large facilities like New York City Housing Authority (NYCHA) developments, Mitchell-Lama housing, and private universities.

Energy and Utility Planning

New York is on the right path to achieve the CLCPA’s 100% clean energy by 2040 mandate. It is important in this and every subsequent State budget that we ensure the New York State Energy Research and Development Authority (NYSERDA), the Office of Renewable Energy Siting (ORES), and the Department of Public Service (DPS) have the staff they need to identify appropriate sites for renewable energy facilities, issue RFPs, sign contracts, and work with both local communities and renewable energy developers in a timely manner. Given the scoping plan’s identification of the need for between 16-19 GW of offshore wind by 2050, NYLCV is also asking the State to adopt legislation this year increasing our statutory offshore wind goal from 9 GW by 2035 to 20 GW by 2050.

It is critically important that utilities, both electric and gas, start planning now for the CLCPA’s statutory requirements relating to 100% clean energy by 2040 and an 85% reduction in GHG emissions by 2050. In practice, this means that electric utilities have to plan for a grid with a winter peak, a much higher percentage of buildings using electric heat, and nearly all on-road vehicles running on electric batteries. This will require not just new transmission lines but also higher capacity at, for example, truck depots that may require grid upgrades in order to host multiple high-speed chargers for heavy-duty vehicles. Gas utilities will have to plan for a future in which most of their customers move off of gas and remaining gas customers will be served by gas that has a much lower carbon intensity than the fracked natural gas that is predominantly in use today. That is why we are calling on the State to adopt legislation requiring utilities to plan for this transition and repealing certain aspects of the Public Service Law, such as the

¹ Chapter 12, Strategy B6

requirement that gas utilities bear interconnection costs for any new customers who are within 100 feet of an existing gas line, that are not compatible with the CLCPA. While we believe that this legislation is a necessary complement to the CLCPA, I would like to note that many utilities in New York have already begun this work and are taking their obligations under the CLCPA seriously.

Waste

Finally, we are grateful to the CAC for focusing a chapter of the scoping plan on waste management, which is an often overlooked part of the climate crisis. Building a truly circular economy will take time, but there are a few things to get us started that New York can do this year:

- Establish a statutory goal of reducing the amount of solid waste sent to landfills statewide by 90% (otherwise known as Zero Waste) by 2040.
- Hold an oversight hearing on implementation of the Food Scraps and Food Waste Recycling Law to determine if sufficient organic waste recycling capacity exists to expand the law's threshold to cover more waste generators.
- Adopt a product stewardship (or extended producer responsibility) law to cover paper and packaging waste.
- Consider standardizing a statewide list of items that are and are not recyclable in order to lessen confusion for consumers. This should be paired with programs to ease the operating burdens of municipal recycling programs.

Conclusion

Thank you again for the opportunity to testify today. As you well know, the CLCPA scoping plan is breathtaking in scope and will require many years to fully implement. My testimony today does not fully capture NYLCV's thoughts on CLCPA implementation and I welcome the opportunity to answer any of your questions or discuss any aspects of the plan that I did not touch on in my testimony.