BUILDING DECARBONIZATION COALITION

26 September 2025

Legislative Roundtable on New York's CLCPA Targets

Thank you for the opportunity to participate in this Roundtable today. My name is Allison Considine, I am the Senior Campaign Manager for NY for the Building Decarbonization Coalition. On behalf of the BDC, I want to especially thank Senator Krueger, Senator Harckham, and Senator Parker who have been real champions of thermal energy networks (TENs) and neighborhood scale building decarbonization, from Senator Parker's sponsorship of the Utility Thermal Energy Network and Jobs Act, to Senator Krueger's sponsorship of the 100' rule repeal bill and the NY HEAT Act, and the leadership of all your offices and the full Senate and Assembly in securing funding for thermal energy networks at State campuses, including the exciting announcement from the Governor this week that SUNY Purchase, Buffalo, and Stony Brook can begin their construction of TENs with $140 million of Sustainable Futures Fund funding.

To meet New York's CLCPA greenhouse gas reduction target of 85% by 2050, New York must decarbonize millions of buildings in just 25 years. A house-by-house, patchwork approach isn't going to cut it. It will be too slow, costly, and inequitable. New York's legislature needs to remove barriers that are preventing it from advancing building decarbonization at a neighborhood-scale, and the legislature, agencies and Public Service Commission must simultaneously advance solutions that will deliver rapid, equitable building decarbonization. With strong collaboration and planning, New York can do this in a way that protects ratepayers and is aligned with the State's holistic clean energy transition.

By focusing decarbonization efforts on street segments and entire neighborhoods, we can strategically retire aging gas infrastructure, redirect billions of dollars into clean energy systems, and deliver solutions that are faster, fairer, and more affordable. As neighborhood scale transitions unlock economies of scale, we will be better able to protect low-income households while creating clean energy union jobs. This requires both gas system reform, and investment in neighborhood-scale solutions like thermal energy networks and neighborhood-scale weatherization and heat pump upgrades.

New York cannot meet the CLCPA GHG reduction requirements without steep emissions cuts from existing buildings, and in particular, a sharp reduction in the dependence on methane gas for heating and other uses. Due to utilities' near-monopoly on residential and commercial gas supply and their incentive to continue making capital investments in the gas distribution system, **State Agencies must set and enforce clear emissions reduction targets and a timeline for gas system downsizing and transition for gas utilities to ensure equitable and lowest-cost reductions in emissions consistent with the CLCPA targets.** In the

immediate term, New York's Governor Kathy Hochul must sign **A.8888/S.8417, removing the 100' rule line extension allowance**, and that reform must advance to implementation at the Commission. **New York's legislature must amend the utility obligation to provide gas service** so that ratepayer affordability can be protected against the risks of stranded assets and expensive gas pipeline replacements, and so utilities can redirect those investments to neighborhood-scale decarbonization projects instead. We are very concerned that the Public Service Commission's gas planning process is failing to protect ratepayers and achieve alignment with CLCPA targets in the absence of these reforms.

Any actions by Agencies and the Commission that incentivize continued investment in the gas system will not only set us back from achieving our targets, but put low-income gas ratepayers at risk, facilitating a crisis that will skyrocket gas rates to cover the high costs of gas pipelines with fewer and fewer customers paying for them. In addition to these cost concerns, the consumption of fossil methane gas delivered through distribution pipeline networks to residential and commercial buildings accounts for approximately 25% of New York's economy-wide emissions. Utilities will need to reduce and eventually eliminate their use of fossil methane gas in order to comply with the Climate Law. A strategic, managed downsizing of this system is the only way New York will achieve it's CLCPA targets while protecting ratepayers.

On the solutions side, thermal energy networks are a prime example of neighborhood-scale decarbonization that reduces demand on the grid while building resilient communities. To meet CLCPA goals and ensure New York is building a vibrant decarbonization economy that works for workers and advances a decarbonized model for utilities, **the PSC needs to approve the 6 UTEN pilots currently before the Commission to construction, and work with utilities to ensure more projects move to construction.** Again, we want to thank the Legislature and Governor for their leadership in investing in shovel-ready thermal energy network projects at State campuses, and at the municipal level. The State leading by example in showing how to efficiently decarbonize at scale with unionized labor is key to meeting CLCPA mandates. **Next year's legislative budget presents a further opportunity to invest in capital projects that will bring thermal energy networks to fruition,** and we look forward to working with your offices and the Governor to build on this success within the Sustainable Future Fund and capital budgets. Within the State Energy Plan and through administrative or legislative action, New York should **regulate waste heat**, and maximize the potential of TENs to be a grid resource by **doubling the State's storage target to 12 GW, with half dedicated to thermal storage.**

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Neighborhood-scale decarbonization is the only way New York will meet its climate goals on time while building healthier, more resilient, and more affordable communities. BDC is enthusiastic about working with your offices to set up any briefings on these topics, and are seeking your support to make sure the Commission does advance UTEN pilots, and we will share our comments on the Energy Plan with the legislature.

Sincerely,

Allison Considine

NY- Senior Manager, Campaigns & Communications
Building Decarbonization Coalition
aconsidine@buildingdecarb.org