MEMORANDUM IN OPPOSITION

LEGISLATIVE REFERENCE:

A4592B – AM Fahey

Assembly Corporations
Authorities & Commissions

S2016B – Senator Krueger

Passed Senate

TITLE:

AN ACT to amend the public service law, the public authorities law, the transportation corporations law and the labor law, in relation to aligning utility regulation with state climate justice and emission reduction targets; to repeal section 66-b of the public service law relating to continuation of gas service; and to repeal section 66-g of the public service law relating to the sale of indigenous natural gas for generation of electricity.

SUMMARY OF PROVISIONS:

This bill provides the Public Service Commission (PSC) with the authority and direction to align gas utility regulation and gas system planning with the Climate Leadership and Community Protection Act (the "CLCPA") mandates. To this end, the legislation includes provisions to: remove residential and non-residential customers' legal entitlement to utility gas services, while maintaining this entitlement for electric service; direct the PSC to regulate for the continued provision of gas service to existing residential customers; acknowledge gas service may be limited or discontinued to facilitate achievement of the CLCPA climate justice and emission reduction mandates; charge new gas customers for the full installation of all gas lines leading to the building; and grant the PSC authority to order the curtailment or discontinuance of the use gas for any customer, group of customers, or section of the gas distribution system, where the commission has determined that such curtailment or discontinuance is reasonably required to implement state energy policy.

REASONS FOR OPPOSITION:

Plumbers Local 1 acknowledges the need to address climate change but asserts that New York needs a measured approach that ensures the State has the renewable energy and grid capacity to sustain service and the skilled labor to safely and effectively manage the transition.

The *NY Heat Act* seeks to end New Yorkers' legal entitlement to gas services, financially disincentivizes gas hookups, and creates uncertainty as to the long-term availability of gas service. It undermines the current gas distribution services which over 60% of New Yorkers currently use to heat and cool their homes. Not only will the *NY Heat Act* increase costs to New York consumers, it aims to eliminate the availability of fossil fuels—very likely sooner than there will be alternative options to replace them. In response to a recent storm in Upstate in which over 200,000 residents were without electricity, representatives from National Grid estimated that the

current electric grid would have to be two to three times larger to accommodate a mandated switch from gas to electric.

As reported by *Politico*, former PSC Commissioner Diane Burman noted that it is "very dangerous to start talking about taking away the obligation to serve that does not fully understand the unintended consequences."

"We saw when we had moratoriums downstate, the reaction to that was very negative — as it should be — and there was swift action taken to try to rectify that," she explained. "The lessons learned from that is really something that people should be focused on."

With *New York Heat Act*'s transition slated to begin in 2026, where is the renewable energy to triple the electric grid? It is unacceptable to risk the lives of New Yorkers without ensuring that the new heating infrastructure is functioning, safe, and reliable.

To facilitate the transition, New York must implement an "All the Above" approach that includes alternative clean options such as bioenergy, nuclear, and combustible hydrogen power, in addition to hydroelectric, wind, and solar. This must be complemented by "just transition" for workers currently employed in New York's fossil-fuel with training and jobs available to them in the clean energy economy with comparable wages and benefits.

New York deserves an energy policy that promotes a continuous supply of reliable, affordable power for all of its residents, not a policy that denies the limitations of its delivery systems. And New York needs to stand by the skilled labor that is intrinsic to this transition.

Accordingly, we urge your opposition to this legislation.