

Upstate United Written Testimony
All Electric Buildings Hearing
Submitted on 5/11/2022
Assembly Standing Committee on Energy
Assembly Standing Committee on Governmental Operations
Assembly Standing Committee on Environmental Conservation
Assembly Climate Change Work Group

My name is Justin Wilcox, I am the Executive Director of Upstate United – a non-partisan, pro-growth advocacy coalition made up of business and trade organizations from Upstate New York.

I want to thank the Assembly Climate Change Work Group and the Assembly Standing Committees on Energy, Governmental Operations, and Environmental Conservation for the opportunity to voice our concerns about proposals that would ban natural gas from new buildings.

There have been several proposals that would, as of a certain date, prohibit infrastructure, building systems, or equipment used for the combustion of fossil fuels in new construction statewide. If enacted, these proposals would remove consumer choice and force New Yorkers to pay more when it comes to heating their homes, drying their clothes, or cooking a meal.

These proposals move us down the path of banning natural gas and, as a result, puts all our energy eggs in one basket. Relying on one or two technologies is a bad idea when it comes to building and maintaining an affordable and reliable energy system. Lack of diversification in energy generation can allow a single systemic vulnerability to result in catastrophic loss and death.

Why the focus on catastrophic events? Because like the New York Independent System Operator, and the Empire Center¹, Upstate United is very concerned about future grid failure and the impact that could have on the health and safety of New Yorkers. Upstate New York is no stranger to cold and stormy winter seasons that have knocked out power to millions of residents. Under an all-electric system, grid reliability would become a matter of life and death; placing additional stress on the grid without a smart and sensible plan is simply dangerous.

We know from the work of the NYISO and the Empire Center that New York State does not have a plan to meet energy needs consistent with the CLCPA. Regrettably, that hasn't stopped the Legislature, or the CAC from moving forward NYISO is the entity responsible for planning the power system to prepare for future reliability. NYISO's latest study of NYS grid reliability states²:

The latest study demonstrates that our reliability margins are thinning to concerning levels beginning in 2023. We have to move carefully with the grid in transition in order to maintain reliability and avoid the kind of problems we've seen in other parts of the U.S.

¹ <https://www.empirecenter.org/publications/cold-and-dark/>

² <https://www.nyiso.com/documents/20142/26735166/CRP-Study-Examines-Power-Grid-Reliability-Risks.pdf/b34771e4-7f34-aea5-d277-52e9a5966adc?t=1638540792179>

The system may cross a reliability “tipping point” in future years such that the transmission system could not fully serve the demand.

Here is what the NYISO has to say about the CLCPAs impact on reliability:

To reflect compliance with the CLCPA, all of the existing fossil-fueled generating resources were removed from the resource mix that was analyzed. However, to preserve reliability, the study included an undefined “backstop resource” to supply the grid whenever wind, solar, and energy storage resources were insufficient to meet demand. Since the backstop resource must be fully dispatchable to balance the system effectively, the study referred to these resources as “Dispatchable Emissions-Free Resources,” or DEFRs.

Resources with this combination of attributes are not commercially available at this time, but will be critical to future grid reliability. In order to phase down the fossil fuel resources currently providing these services, new technologies are needed.

While NYISO is rightly pointing out that there are problems with grid reliability as early as 2023, and that no technology currently exists to meet the demands of decarbonized energy production, the legislature continues to put additional strain on the grid by proposing and passing mandates that increase electricity usage. Proposals to require all-electric buildings may be well intentioned but solutions are supposed to solve problems, not create them. Upstate United believes that additional time is needed for the CAC to focus on grid reliability since the safety of New Yorkers should be paramount. A delay in implementation will have no impact on climate change since the CLCPA goals if completely met only reduce global greenhouse gas emissions by less than half a percent. Focusing on the ends and not the means, is unsustainable and dangerous.