



EPIC FAIL: CUOMO ADMIN IGNORES CLIMATE LAW FOR GAS UTILITIES

Governor Cuomo's Department of Public Service (DPS) has finally released its proposal for how gas utilities should plan to meet New York's legally mandated greenhouse gas reductions. Unfortunately, the plan is that there is no plan. Join us to tell Governor Cuomo and his appointed Public Service Commission that **we must have an orderly, affordable, and equitable process to phase out gas for heating and cooking in New York. Anything less sets us on track to miss New York's 2030 climate goals.**



HERE'S WHAT YOU NEED TO KNOW

May 15, 2019: Activist pressure successfully blocks Transco's permit to build fracked gas Williams pipeline, which would have run through waters off of Staten Island, Brooklyn, and the Rockaways.

May 29, 2019: National Grid retaliates by refusing to hook up new customers in need of heating to gas service. (This is the third gas moratorium declared by a utility in New York.)

July 18, 2019: The Climate Leadership and Community Protection Act passes, setting a statewide goal to reduce emissions to 40% below 1990 levels by 2030 and then to 85% below 1990 levels by 2050.

September 2019 - February 2020: Activists show up at the Public Service Commission (PSC) six months in a row to protest the lack of a plan to get off gas.

March 19, 2020: The PSC launches Gas Planning proceeding to develop a planning process that will align gas utilities with the CLCPA and avoid unplanned moratoria.

July 17, 2020: Renewable Heat Now files comments requesting that the utilities be held to clear emissions reductions goals via a managed, just, affordable transition off gas to beneficial electrification and energy efficiency measures.

December 2020: 190 elected officials join the demand for an orderly, affordable, and equitable transition to renewable heating.

Today: The proposal (called a "White Paper") from the Department of Public Service Staff (career professionals who work for the PSC) does not meet the demands of our elected officials, communities, and renewable heat experts. **We need to tell the PSC exactly what the white paper is missing in order to meet the goals of the CLCPA.**



**CALL TO
ACTION:
SUBMIT A COMMENT**

We're flooding the PSC with our demands for a safe transition off of gas. Join us and file your own comment by May 3rd using this form: <https://renewableheatnow.org/we-need-a-real-plan-to-get-off-gas/>.

We need an orderly transition away from gas in order to ensure that our most vulnerable households have affordable access to energy throughout this period of change.

The gas planning proceeding could be the foundation of a just transition off of gas, but as the current proposal stands, we see several glaring areas for improvement:

No mention of equity and affordability in the white paper presented by DPS staff.

No expectation that utilities will ensure that low income communities, who face the greatest energy burdens, have affordable options for renewable heating and cooking.

Gas is still treated as the default service and is expected to keep growing.

No gas reduction milestones that the utilities must meet. This gives the utilities permission to continue selling gas indefinitely.

Fails to address the risks and harms to our health, our climate, and our future of the existing gas system.

Heat pumps are still characterized as an alternative.

Only proposed to replace gas investments when deemed "economic" under a "benefit-cost analysis" tightly controlled by the utilities and regulators, when we know a rapid scale up of building electrification is the path to reducing emissions.

No requirement for gas utilities to plan with electric utilities to ensure there is sufficient renewable electricity to meet our heating and electricity needs under the CLCPA.



Talking Points for Comments and Letters in Response to the Public Service Commission Gas Planning Proceeding Order.

Re: Case #20-G-0131 - Proceeding on Motion of the Commission in Regard to Gas Planning Procedures

We support this proceeding. In the aftermath of chaotic gas moratoria declared in 2019 by utilities, the State must require utilities to plan better for the future, and this planning must take climate goals into account. Such chaotic situations impose an extra cost to local governments and residents.

In order to meet the necessary goals of the Climate Leadership and Community Protection Act, we need to shift from fossil fuel heating to renewable sources of heat (for space heating, water heating, and cooking), such as heat pumps and induction stoves (a process called “Beneficial Electrification.”). This will require real planning for an orderly transition of customers off of the gas heating system and onto renewable alternatives.

This proceeding must impose measurable emissions reduction requirements on gas utilities to achieve the goals of the CLCPA.

- Climate change is rapidly exceeding worst case predictions; aggressive goals and benchmarks for energy transition are needed to get ahead of the escalating speed of the climate emergency.
- If we do not set requirements in this proceeding, utilities will not have clear direction and the State will not be able to enforce the Climate Leadership and Community Protection Act.
- Goals must take into account out-of-state gas extraction and transmission emissions and gas combustion.

Traditional utility business models must change. The Public Service Commission should send a signal to utility investors by decreasing the allowable rate of return on gas investments.

Investor-owned utilities make money for their shareholders by investing their money in expensive capital projects and earning a rate of return from customers. Allowing high rates of return on gas assets encourages utilities and their investors to keep pushing gas investments. It’s time to reduce the rate of return allowed on gas investments and to encourage utilities to invest in energy efficiency, heat pumps, and other renewable energy assets.

Halt new fossil fuel infrastructure investments.

- New construction of fossil fuel pipelines and fossil fuel power plants is inconsistent with the State’s necessary climate goals and climate law. Furthermore, these investments are likely to become stranded assets as we phase out fossil fuels, which will leave customers or taxpayers holding the bag.
- Halt any new investments in fossil fuel infrastructure. It’s time to stop going in the wrong direction.
- Each proposed investment in the repair of the gas delivery system needs to be scrutinized for alternatives and opportunities to phase out segments of gas pipelines in favor of renewable thermal energy technologies. Only investments necessary to preserve safety and reliability -- where no alternative can be found -- should be allowed.
- The utilities should be required to create a plan for the full phase-out of the gas infrastructure system by 2050 and the provision of renewable thermal energy to all customers. The utility plans should be designed to make sure the interim goal of 40% greenhouse gas reductions by 2030 is also achieved.

The gas system planning process must incorporate principles of environmental justice.

- Communities of color and low-income communities are disproportionately impacted by fossil fuel pollution and the resulting illnesses. This injustice must end, and improving health must be a goal of this proceeding. Attention must be paid to the poor indoor air quality caused by on-site combustion of fossil fuels in the home, especially from gas stoves, and the impact on childhood asthma. Attention must also be paid to the health impacts of fossil fuel extraction, and the dangers posed by leaking and exploding pipelines.
- Funding must be provided to all communities to transition themselves from fossil fuel dependence. Heat pumps and induction stoves must be available and affordable to people of any income, not just the wealthy. The gas planning proceeding should require utilities to prioritize disadvantaged communities for renewable thermal investments and jobs.
- The Climate Leadership and Community Protection Act states: "All state agencies, offices, authorities, and divisions shall also prioritize reductions of greenhouse gas emissions and co-pollutants in disadvantaged communities".
- The cost of energy transition must be shared fairly across communities. As more and more buildings transition off gas, the upkeep of the gas transmission system could fall on fewer and fewer ratepayers.
- The energy transition must meet the needs of every segment of the housing market, to include urban communities, rural communities, rental housing and public housing.

Provide guidance and resources to cities and towns for responsible development.

New construction is one of the drivers of gas expansion, but it is often more economical for new buildings to go "all electric" with energy efficiency, heat pumps, and induction stoves, rather than investing in outdated fossil fuel combustion technologies. Local municipalities and cities need planning resources to help their local residents and businesses avoid costly retrofits, stranded assets, crises due to gas moratoria. The Public Service Commission should instruct NYSERDA to create and fund a division dedicated to working with local governments around building codes and financing that will support beneficial electrification.

Require steps to ensure affordability and resilience of the electric grid

- As heating costs shift from the gas bill to the electric bill, the Commission must work to make electricity more affordable to customers, especially those struggling already to pay their bills. Strategies to reduce electricity bills include: increasing renewable energy on the grid through streamlined and expedited siting, requiring utilities to invest in all cost-effective energy efficiency, setting progressive electricity rates with better discounts for low-income customers, rejecting costly subsidies to keep uneconomical nuclear generators open (currently \$7.6 billion over 12 years), and rejecting the proposed "carbon charge" in the NYISO market (a ploy by the nuclear industry to jack up the cost of electricity without recognizing the fossil fuel content of gas used for heating).
- In order to adopt beneficial electrification at scale, we need reliable, smart, efficient, affordable, low carbon electricity delivery. This will require gas and electric utilities to plan comprehensively together so that as customers are shifted to renewable thermal energy for heating and cooking there is a renewable-based electricity supply to provide the power for those uses.
- As we move to fully electric heating and cooking, consequences of outages will become more severe. The Commission must direct the utilities to invest in electric grid resilience and reliability, such as through buried power lines in areas with high outages, distributed electricity generation, and renewable-based microgrids.

Direct utilities to stop marketing gas and incentivizing conversions from oil to gas.

- Despite a state law that will require the elimination of nearly all fossil fuels by 2050, utilities are still marketing "natural gas" as clean and beneficial -- and they are using customer money to do it. The Public Service Commission should limit utilities to marketing non fossil fuel energy efficiency, beneficial electrification, and renewable energy only.
- Utilities should also be disallowed from spending customer money on incentives for oil-to-gas conversion. All customer incentives should be reserved to support energy efficiency, beneficial electrification, and renewable energy.
- While utilities are currently required by law to hook up new customers within their territory to the gas system, utilities should be required to encourage customers to consider alternatives to gas and should be held to benchmarks for reducing new gas hookups.