

Public Hearing Statement

Joint Public Hearing: To examine the legislative and budgetary actions necessary to implement the Climate Action Council Final Scoping Plan

Submitted by National Grid

Read into the Record January 19, 2023

By: Raziq Seabrook, Manager, Government Relations

Good afternoon, my name is Raziq Seabrook, Manager of Government Relations for National Grid in New York. In addition to investments in a wide range of renewable energy projects, National Grid operates electric and gas networks throughout New York State that serve more than 4.2 million customers.

The Company is committed to a clean, just, and affordable energy transition that leaves no one behind. We recognize the critical need to take action on climate change and are committed to meeting the goals established by the Climate Leadership and Community Protection Act (CLCPA) and the recommendations of the Climate Action Council (CAC) contained in the Final Scoping Plan. The Senate has the opportunity to act now to implement the Scoping Plan's recommendations to achieve New York's bold and essential climate action requirements, and National Grid is eager to support your work to make significant and equitable decarbonization a reality for all New Yorkers.

An equitable transition to a clean energy future requires sweeping emissions reductions across all sectors including how we generate electricity, fuel our vehicles, and heat our homes; while at the same time, maintaining safe, reliable, and affordable energy for all – particularly for the New Yorkers who already struggle with energy costs. We must not underestimate either the scale or the importance of the economy-wide transformations necessary to make this happen.

As it relates to the topic of this hearing, National Grid has identified four immediate policy priorities that are essential for implementing the Final Scoping Plan and achieving New York's bold climate and environmental justice goals:

- 1. Accelerate a coordinated electric system modernization and expansion to connect renewables and enable electrification of transportation and heating.**
- 2. Expand energy efficiency strategies and programs to increase customer adoption and help decarbonize homes and businesses.**
- 3. Implement new policies to decarbonize heat for buildings and industry, the largest segment of New York's energy economy, and help enable innovative clean energy options to do so.**
- 4. Ensure families and businesses can afford their energy bills and easily access available energy savings and assistance programs.**

While there is broad consensus around technologies and policies necessary to accelerate the greening of our power grid and expansion of energy efficiency, the Scoping Plan acknowledges much work is left to be done to identify optimal pathways for decarbonizing heat for buildings and industry. National Grid urges the Committees to act now so that the innovations necessary to provide for net-zero buildings and industry can be coordinated, take hold, and that we build the foundation for an affordable, equitable transition.

The Scoping Plan identified key challenges to effectively decarbonize our buildings and industry so that all New Yorkers can afford to stay warm in the winter, and New York businesses like our high-tech manufacturers and other essential industries can continue to grow and contribute to our diverse, world-leading economy, while achieving the requirement of net-zero emissions by 2050. National Grid supports the Scoping Plan's findings that rapidly accelerating energy efficiency and electrification must be the cornerstones of decarbonization policy in New York. And National Grid supports the Final Scoping Plan's acknowledgment that electrification alone cannot meet all of New York's needs for building heat and industrial energy now or in 2050.

Electrification will play a crucial role in meeting our climate goals to be sure, **but the enormous challenge in front of us demands a range of feasible, cost-effective solutions that address the disparities in access to clean, affordable energy pervasive throughout our state.**

Achieving meaningful decarbonization will require every tool in the toolbox. A coordinated, diversified energy strategy that deploys all available solutions and engages a broad coalition of private industry, government, non-profits, organized labor, and other trusted partners, presents the best way to tackle the daunting challenges of the clean energy transition.

We are pleased that the CAC recognized the importance of decarbonizing the gas system in a way that does not impose undue cost burdens on customers who rely on gas to heat their homes and power their businesses. We are also encouraged that the plan recognizes the role that innovative technologies such as Renewable Natural Gas and Green Hydrogen can play in this decarbonization. In many ways, the CAC's proposal aligns with National Grid's Fossil-Free Vision – the company's plan for achieving the goals of the CLCPA. Reliability and decarbonization are not mutually exclusive and we must ensure that both are sufficiently prioritized as we transition the future gas and electric systems.

Leveraging existing networks – the assets we have already built over decades – simply makes sense for New Yorkers. In the same way we are decarbonizing the electric network through adoption of renewables, **we will decarbonize the gas system with cleaner fuels, like renewable natural gas and hydrogen, so that families and businesses for whom electrification is not an affordable option aren't left behind.**

We have enormous opportunity to advance clean energy technology, already in use globally, here in New York, by leveraging Renewable Natural Gas and Green Hydrogen. To more affordably reduce, and ultimately eliminate fossil fuels from our energy networks without slowing the pace of electrification, we must establish fuel procurement standards for gas utilities that will drive the delivery of clean energy to families and businesses who need it.

Prioritizing affordability is key to delivering a just energy transition for all. We must balance the costs associated with developing the infrastructure to combat climate change with the responsibility to keep bills as affordable as possible. Leveraging the highly resilient and reliable gas network – which on a peak day delivers more than three times the amount of energy as the electric grid – to deliver clean, renewable energy has the potential to enhance the affordability and equity of the clean energy transition, consistent with the Scoping Plan.

As we move forward with the implementation of historic climate legislation, **it is imperative that we consider the cost of inaction on lives of everyday New Yorkers – particularly those of color who reside in historically underinvested, frontline communities.**

As the provider of life-sustaining energy to more than four million customers in New York, we know that effective climate solutions must be affordable, safe, and reliable. **We urge the Legislature to consider a pathway that prioritizes energy efficiency and leverages existing energy networks and recommend the adoption of fuel standards to support innovative fossil free solutions in New York.**

Thank you.

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