



NEW YORK STATE BUILDERS ASSOCIATION, INC.

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October 6, 2025

Comments on the New York State Draft Energy Plan

Submitted by:

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The New York State Builders Association (NYSBA) appreciates the opportunity to submit comments on the Draft Energy Plan. As the statewide voice of New York's homebuilding industry and an organization whose members employ tens of thousands across New York, we understand how energy policy directly affects housing affordability, construction timelines, and the state's ability to meet its housing and economic development goals.

Supporting a Balanced, Reliable, and Affordable Energy Future

We support a plan that prioritizes **energy reliability, affordability, and an all-of-the-above approach** to meeting the state's climate goals. We share New York's commitment to reducing emissions and transitioning to cleaner energy sources. Still, this transition must be carried out in a manner that protects ratepayers, ensures reliability, and supports continued housing production.

We appreciate that the Draft Plan reflects a growing recognition of the challenges New York faces in upgrading the grid and expanding capacity to meet the current rising and future energy demand. That acknowledgment is essential. However, we must also be mindful that overreliance on any single energy source, or moving too quickly without adequate infrastructure and an accelerated phase-out of proven systems, risks destabilizing both reliability and affordability.

Recent experiences, both at home and abroad, should serve as cautionary lessons on what happens when a system moves too quickly toward a single energy solution without maintaining sufficient backup resources. California's repeated rolling blackouts and Spain's rapid push toward renewables outpaced its infrastructure and capacity, resulting in grid failures that left millions in the dark. New York should heed that lesson and avoid "flying too close to the sun," pushing electrification and renewables beyond what existing infrastructure can reliably support.

The Role of Existing Infrastructure and an All-of-the-Above Bridge

New York must retain diverse energy options as a **bridge to our clean energy future**. That means leveraging and modernizing our existing infrastructure, not dismantling it. Decommissioning the gas delivery system would be an overreach that would severely limit energy choice and ignore decades of investment by taxpayers and ratepayers. This infrastructure is a strategic asset that can and should be part of New York's decarbonization solution.

Rather than eliminating it, the state should explore how this system can be utilized to deliver renewable natural gas (RNG), hydrogen blends, and support hybrid heating systems that integrate both electric and gas technologies for optimal efficiency, thereby helping to decarbonize New York's energy system. This

approach can help alleviate pressure on the electric grid, particularly during peak demand, while supporting decarbonization goals.

It simply does not make economic sense, nor does it align with the 'all of the above' approach philosophy to dismantle infrastructure that is paid for and fully functional, particularly when it can be adapted to serve as a conduit for renewable energy sources in the future. Preserving this system maintains flexibility, strengthens resilience during natural disasters, and helps ensure that households, particularly in New York's coldest regions, have access to dependable and affordable heat during winter outages and peak demand.

Housing and Affordability at Risk

New York's housing crisis is worsening, and energy policy has become a significant driver of construction costs. The all-electric mandate for new homes, set to take effect at year's end, is expected to add tens of thousands of dollars per unit, often \$25,000 or more, when factoring in heat pumps, electrical upgrades, and related utility delays. **Every \$1,000 increase in home prices pushes nearly 7,000 New York families out of homeownership.**

Builders are already struggling with three-year wait times for essential equipment, such as transformers, and high costs for upgrading power capacity infrastructure. These challenges threaten to delay or cancel projects across the state. Without a functional and reliable grid, the all-electric mandate could deepen the housing crisis and make homeownership unattainable for thousands of New York families.

The Importance of the PSC's Decision on Reliability

The recent decision by the Public Service Commission (PSC) to approve National Grid's Long Term Gas Plan and affirm the reliability need for the Northeast Supply Enhancement (NESE) project was a significant step forward. The PSC recognized that maintaining an adequate natural gas supply is critical to ensuring safe, reliable, and affordable service for millions of New Yorkers, especially as the state transitions to cleaner energy sources.

The increased supply capacity that the NESE project provides will bolster reliability for essential energy needs in Brooklyn, Queens, and Long Island, while potentially saving New Yorkers up to **\$6 billion in electricity costs** over the next 15 years. This is precisely the kind of pragmatic, balanced decision-making that should guide New York's broader energy strategy.

Recommendations for a Responsible Path Forward

To achieve a reliable and affordable clean energy transition, the final Energy Plan should:

- Maintain an **all-of-the-above energy strategy** that includes renewables, renewable natural gas, hybrid heating, nuclear, and efficient natural gas as bridge resources.
- Phase in electrification responsibly, ensuring infrastructure and supply chains can support the transition.
- Preserve and modernize existing gas infrastructure for renewable integration and resiliency.
- Prioritize **energy affordability** to protect households and prevent further escalation of the housing crisis.
- Coordinate energy planning with housing production goals to avoid conflicting mandates.
- Retain incentives for energy efficiency, weatherization, and oil-to-gas conversions, while rejecting policies like eliminating the "100-foot rule."

Conclusion

The New York State Builders Association supports the state's clean energy goals and appreciates the shift toward a more inclusive, all-of-the-above approach. We urge policymakers to continue refining this plan with a clear focus on **reliability, affordability, and housing production**. Decommissioning existing infrastructure and moving too quickly could jeopardize the progress we all want to achieve.

A pragmatic and balanced path forward will keep New York competitive, resilient, and affordable, ensuring that the lights stay on, homes remain within reach, and our shared energy future is both sustainable and secure, and keeps opportunity alive for all New Yorkers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mike Fazio', with a stylized, looping flourish at the end.

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Submitted via email to nysenergyplan@nyserda.ny.gov