

INCREASING INEQUALITY, RISKING RELIABLE ELECTRICITY: NEW YORK'S NATURAL GAS BAN PLAN

New York's government is expected to revisit a plan to ban natural gas connections in new buildings across the state, with a target of fully electrifying 2 million homes by 2030.

State officials have vowed to bring the plan back even though the U.S. Energy Information Administration forecast a sharp increase in energy prices over the winter, which is expected to add [\\$14.1 billion more than last year](#) to Americans' winter energy bills. A product of the state's Climate Leadership and Community Protection Act (CLCPA) and Governor Kathy Hochul's office, the plan died during legislative budget negotiations.

If policies to ban natural gas service and use come back, they can be expected to cost a typical Syracuse household as much as **\$27,878** to retrofit existing appliances, according to a cost calculator developed by [Consumer Energy Alliance](#) (CEA) using open-source consumer data. The final figure depends on the appliance models, home configuration, labor, and reliance on natural gas for specific uses in the home.

That finding dovetails with updated CEA [research](#) which pegs the cost to replace solely major gas appliances in homes nationwide at **more than \$258 billion**.

Further, a tremendous amount of new transmission infrastructure will need to be built at significant cost to New Yorkers to meet the demands to "electrify everything." While CEA supports voluntary efforts by consumers to use the appliances and services they prefer, the price tag of forcing actions on them must be balanced against costs to households and real-world, practical considerations that can help lower emissions today.

Already, New York City is the largest U.S. city to impose a ban on natural gas connections for newly constructed buildings, which a separate [CEA analysis](#) found would cost each city household more than \$25,000 when put in place. This is on top of other policies issued a year before that would ban fossil fuels in large commercial buildings by 2040 as well block any new pipeline infrastructure to serve the city's energy or reliability needs.

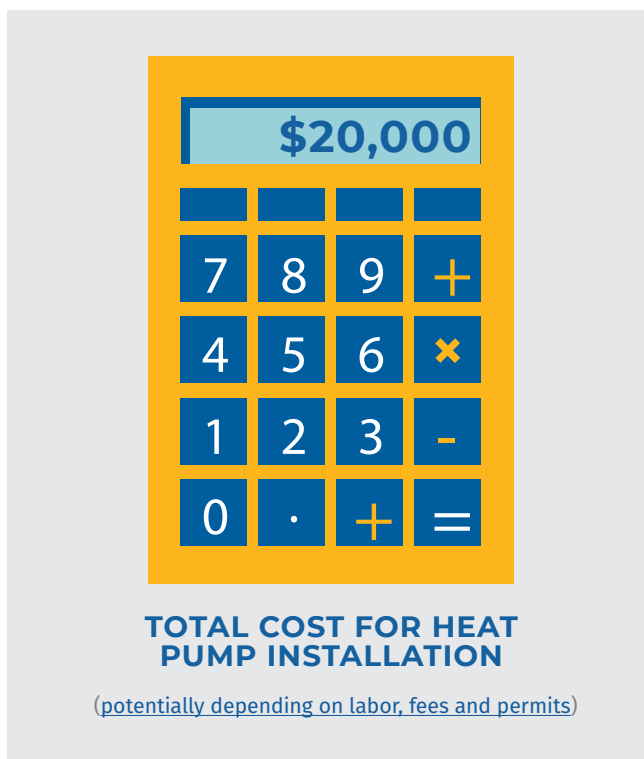
CEA supports smart efforts to reduce our emissions footprint and enhance environmental stewardship which balance the need for families and small businesses to have reliable, affordable energy. However, New York's proposed plans unnecessarily penalize natural gas and overlook the fact that prohibiting access to affordable energy jeopardizes those who can least afford it, while increasing the likelihood of power disruptions.

These efforts also fail to consider three very important issues: a) the significant progress that has already been made to improve our overall environmental footprint b) the likelihood that emissions will actually increase as less reliable and clean power becomes the only option, as we have witnessed in Europe and parts of the U.S. over the past year and c) the impact that transmission construction will have on the environment, communities and land access.

BANS EQUAL BAD CONSEQUENCES

Consumers need always-on options like natural gas to support wind and solar power deployment, to ensure there is enough power on peak demand days when the weather or sunlight may be inadequate for the need at hand. This became evident when Texas suffered blackouts and brownouts during the February 2021 freeze, which [killed nearly 250 people](#).

Upstate and Western New York are home to many communities that rely heavily on natural gas and exceed the state average for home heating use during its cold,



snowy winters. [Three in five homes use natural gas](#) for heating in the winter.

Natural gas bans deny homeowners and businesses the service they need, want and most commonly use to power their lives, heat their homes and run their operations. They dictate choices to the public and limit options, which increases the exposure everyone has to price swings for specific forms of energy.

Supporters of these government-knows-best plans ignore science and leave out pertinent facts – especially how expensive it will be to force people to change all their appliances to electric-only. In neighboring New Jersey, the state has [declined to reveal how costly](#) a similar energy plan will be.

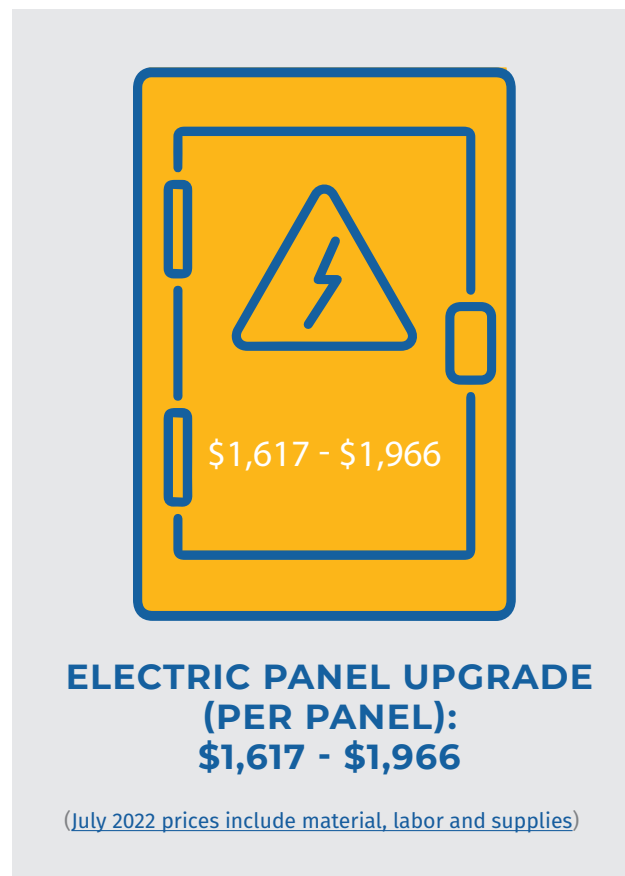
Arbitrarily limiting energy choice would increase costs and disproportionately affect consumers and households on fixed and low incomes, including those in poverty and older Americans. In July 2021, the U.S. Census estimated that [13.9% of New York residents](#) lived at or below the poverty line. More than 405,000 New Yorkers remained [unemployed](#) as of September 2022.

About 40% of New York’s [electric power generation comes from natural gas](#). Banning natural gas hookups could lead to huge sticker shock on future energy bills. That’s something no household with a stretched budget needs to face. A recent [Bankrate](#) survey found that only 44% of Americans have enough savings to cover a \$1,000 emergency.

According to the consumer website Homewyse, a [new heat pump](#) in Syracuse, New York would currently cost

homeowners at least \$4,800. “After labor, fees and permits, costs can hit [\\$20,000 or more](#), not including ducts,” according to consumer website HomeAdvisor.

That is just to replace a natural gas furnace and does not include other appliance replacement costs nor the re-wiring needed for electric conversion. Further, heat pumps can be more expensive to use because they require electricity to operate. They also work better in warm or temperate regions of the country and are not as effective as furnaces during severe cold snaps and the long winters Western and Upstate New Yorkers frequently experience.



CLEANER FUTURES WITHOUT ECONOMIC PAIN

CEA wants to see a clean future with lower emissions in New York. We can get there without dictating energy choices to families, small businesses, seniors and neighbors along the way.

Natural gas is helping New Yorkers clean up the air and chart a path for a more sustainable future. From 1990 to 2019, total emissions from the electricity generation sector [fell 65%](#) while natural gas use for power generation increased [more than 135%](#) during

that same period, according to data from the New York Department of Environmental Conservation.

Based [on data](#) from the Environmental Protection Agency, New York State's emissions of key pollutants have decreased across the board from 1990 to 2021, with a:

- **80.5% reduction in nitrogen oxides (NOx)**
- **77.5% reduction in volatile organic compounds (VOCs)**
- **98.3 % reduction in sulfur dioxide (SO2)**

Even more remarkable – [energy-related carbon emissions](#) dropped 30.8% from 1990 to 2020. These reductions came as natural gas use grew, infrastructure expanded, and New York's economy surged. Usually, economic growth and emissions increase in parallel.

Exciting technologies like renewable natural gas (RNG) and blending hydrogen into the natural gas stream can help reduce potent methane emissions and improve water quality all while still using existing infrastructure. RNG captures harmful methane emissions from landfills, municipal water systems or farm operations and transforms them into useable fuel that can be transported in our existing pipeline network.



**ELECTRIC WATER HEATER:
\$1,621 - \$2,032**

(July 2022 prices include material, labor and supplies)



**ELECTRIC RANGE:
\$959 - \$1,943**

(July 2022 prices include material, labor and supplies)

Renewable energy and other sources can be used to split water molecules and create hydrogen that is converted into energy which can be used in fuel cells, electricity generation, industrial processes or blended into our natural gas pipeline systems to reduce emissions. Large-scale renewable opportunities from offshore wind and hydropower, along with battery storage technology, are other options on the horizon that will help further drive down the Empire State's emissions profile.

Natural gas infrastructure can help integrate and optimize these renewable energy options into the grid. As policymakers consider next steps to implement the emissions reductions targets of the CLCPA, they should consider this infrastructure as part of the solution rather than a barrier to helping meet public policy goals.