New York State Association of REALTORS®, Inc.

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MEMORANDUM IN OPPOSITION

S.8421 by Senator Liz Krueger
Status: Senate Rules Committee

A.8889 by Assemblymember Jo Anne Simon
Status: Corporations, Authorities & Commissions Committee

Date: June 2025
Contact: Michael Kelly

RE: Customer Savings & Reliability Act

The New York State Association of REALTORS® **strongly opposes A.8889/S.8421**, dubbed the Customer Savings & Reliability Act, as it would make homeownership even less affordable in New York by authorizing the Public Service Commission (PSC) to discontinue portions of the gas distribution system without affordable and reliable replacements. Passage of this bill would be ill-advised, at a time when the New York State Independent System Operator (NYISO) continues to forecast declining and dangerously thin electric reliability margins[1], a statewide electrification mandate for new homes is slated to begin in 6 months, and the inability of clean energy generation to keep up with energy demand persists. The affordability issues plaguing New York State are driving New Yorkers away with homeownership, rental costs and energy costs being major drivers of this problem.

NYSAR recognizes the seriousness of climate change and supports the generation of cleaner energy, however we remain concerned with the pace of the state's decarbonization and electrification efforts. This bill attempts to effectuate the goals of the Climate Leadership and Community Protection Act (CLCPA), however several issues stemming from the passage of the CLCPA have yet to be addressed. The State has yet to produce a full accounting of the costs and ratepayer impacts of the CLCPA. It would be imprudent to move ahead with authorizing the PSC to dismantle the gas distribution system, even on a regional basis, until the full cost impacts are studied and made public. How can state government authorize communities to vote on discontinuing gas service, without being transparent regarding the cost of replacing it? This bill would seemingly increase energy costs to New Yorkers by reducing the availability of natural gas, which roughly 60 percent of the state relies on.

In an effort to democratize the discontinuation of the natural gas system, this bill would allow neighborhood gas distribution systems to be discontinued if a simple majority of residents within a given neighborhood vote in favor of discontinuing gas. The bill fails to lay out a process by which votes would be cast to discontinue or preserve the gas distribution system within a given neighborhood. To be clear, the Public Service Commission is a utility regulator, not an administrator of local elections. This process has the potential to be not only disruptive from an energy reliability and affordability standpoint, but from

[1] https://www-timesunion-com.translate.goog/capitol/article/ny-s-power-grid-operator-warns-declining-20357270.php?_x_tr_sl=auto&_x_tr_tl=en&_x_tr_hl=en&_x_tr_pto=wapp&_x_tr_hist=true

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a community perspective, as it makes a public policy issue as critical as energy supply, affordability and reliability a political issue subject to a simple majority vote of a neighborhood community.

NYSAR is deeply concerned about the impact of the proposed Customer Savings & Reliability Act on existing and prospective homeowners, given the high cost of living in New York State, ongoing outmigration problems and declining electric reliability. For these reasons, NYSAR **strongly opposes S.8421/A.8889.**

The New York State Association of REALTORS® is a not-for-profit trade organization representing more than 61,000 of New York State's real estate professionals. The term REALTOR® is a registered trademark, which identifies real estate professionals who subscribe to a strict code of ethics as members of the National Association of REALTORS®. These REALTORS® are also members of the New York State Association of REALTORS® as well as their local board or association of REALTORS®.

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