New York State Association of REALTORS®, Inc.

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MEMORANDUM IN OPPOSITION

S.4158 by Senator Liz Krueger
Status: Senate Calendar Number 1485

A.4870-A by Assemblymember Jo Anne Simon
Status: Corporations, Authorities & Commissions Committee

Date: June 2025
Contact: Michael Kelly

RE: NY Home Energy Affordable Transition (HEAT) Act

The New York State Association of REALTORS® **strongly opposes** the NY HEAT Act, as it would authorize the Public Service Commission (PSC) to discontinue portions of the gas distribution system. Giving the PSC the expansive powers outlined in the bill would jeopardize the ability of property owners and tenants to receive reliable natural gas service for heating and cooking. Additionally, the NY HEAT Act seeks to protect low-to-moderate income households with a "goal" of a 6% cap on the "energy burden" and places a cap on ratepayer collections, which could ultimately force middle income ratepayers to pay more for their already high energy bills.

NYSAR opposes this bill because it would eliminate consumer choice among existing homeowners with regards to natural gas. More than 60 percent of New Yorkers rely on natural gas. In portions of the state such as western, central and northern New York, having access to natural gas can be the difference between life and death during a power outage. The criteria by which the PSC would be empowered to discontinue gas service is broad and ambiguous.

This bill could result in transitioning entire neighborhoods away from natural gas at the discretion of the PSC. There are various questions left answered with giving the PSC this authority. For example, what role would local and community input play in these decisions? Historically, local communities have had to approve pipelines that run through their neighborhoods. Local communities should be given the same opportunity and weight when the PSC is considering removing access to natural gas.

NYSAR recognizes the seriousness of climate change and does not oppose the use of cleaner and greener energy, nor the state's efforts to reduce greenhouse gas emissions, however we remain concerned with the pace of decarbonization, including the reliability of the grid with increased electrification of homes and businesses. Multiple reports from the New York Independent System Operator (NYSIO) over the last few years have documented declining electric capacity across the state, highlighting the increased potential for capacity shortages and more power outages in the coming years. This bill would appear to reduce reliability for consumers as the State rapidly pursues electrification.

Additionally, the bill fails to consider who will pay for the forced transition to electric heat for New York State homeowners and businesses. While the legislation seeks to protect low to moderate income

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ratepayers, the costs of developing and siting alternative energy sources to natural gas will have to be borne by some persons or entities. The legislation fails to address this reality.

NYSAR is deeply concerned about the impact of the proposed NY HEAT Act on residents and businesses, given the high cost of living in New York State, ongoing outmigration problems and declining electric reliability. For these reasons, NYSAR **strongly opposes S.4158/A.4870-A.**

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