



**TESTIMONY
OF THE
NEW YORK PUBLIC INTEREST RESEARCH GROUP
BEFORE THE
DEPARTMENT OF BUILDINGS
ON THE
Proposed Rule Amending Article 320 of Chapter 3 of Title 28
October 24, 2023
New York, N.Y.**

Good afternoon. My name is Meg Ahearn, and I am the Program Director for NYPIRG, the New York Public Interest Research Group. NYPIRG is a non-partisan, not-for-profit research and advocacy organization. Environmental protection, public health, consumer protection, higher education equity, and civic empowerment are our principal areas of concern. Thank you for the opportunity to testify in support of Local Law 97 by strengthening the draft rules proposed by the City.

NYPIRG works with students at college campuses across New York, including 10 here in New York City. Generational climate justice is an issue that's front and center for the students we work with. Today's college students are seeing more severe storms and flash floods, they are reading dire climate reports, and grappling with what their future will look like.

Local Law 97 is the world's most important city-level climate and jobs law and is one of the best tools NYC has to combat the climate crisis. For the future of our city, we need it to remain strong and implemented fully. 70% of New York City's climate-heating pollution comes from buildings, with the majority of that pollution coming from large buildings (over 25,000 square feet). By requiring owners to reduce their building's emissions, and upgrade their energy efficiency, Local Law 97 will be creating tens of thousands of good, green jobs, improving local air quality, and cutting utility bills and operating costs.

Urban Green Council (UGC) estimates that the building energy improvements mandated by Local Law 97 can produce tens of thousands of jobs.¹ Architects, engineers, sustainability consultants, building tradespeople and HVAC professionals will all see direct industry growth from the needed planning, efficiency, and infrastructure enhancements. The jobs growth associated with Local Law 97 is an important issue for many of our members who are students at Pratt Institute and CUNY in relevant programs such as Building Trades, Construction, Building Management & Sustainability, Architecture, and others.² A growing industry in energy design, construction, and renovation is just what CUNY needs

¹Urban Green Council, Retrofit Market Analysis, June 18, 2019, https://www.urbangreencouncil.org/sites/default/files/urban_green_retrofit_market_analysis.pdf.

²Niche.com, <https://www.niche.com/colleges/search/best-colleges-for-building-and-construction/s/new-york/>.

to attract new enrollment. But these jobs will only materialize if Local Law 97 is not gutted by delaying pollution reductions or allowing a wide “buy-out” loophole.

We urge the Department of Buildings to update their draft regulations in two major ways:

1. Amend the “Good-Faith” Delay Program to Make-Up for Increased Emissions During the Two-Year Window.

The proposed regulations allow two more years to make the same pollution cuts that were mandated in the original law in 2019 for the years of 2024 and 2025. While some have shared the refrain “we want your carbon, not your money,” the truth is that by delaying emissions reductions by two years, the city will lose out on two years of cleaner air and tenants and homeowners will lose out on two years of lower utility bills. A simple solution is to increase the pollution reductions to “make up” for the two years of delayed pollution reductions. For example, a lower pollution limit for 2026 - 2029 for buildings that get a delay for 2024 and 2025 would be easily achievable for those owners, and can be planned for now.

Local Law 97 is not only necessary to reduce emissions from the City’s top climate polluters, but it is reasonable and achievable; 90% of buildings who fall under Local Law 97 are already in compliance. Further, the administrative burden of having to review two-year delay plan submissions during a citywide hiring freeze and ongoing PEG cuts is worrisome. The Adams Administration is behind the ball on many administrative applications, from affordable housing to food benefits.³ While we appreciate the work of Department of Buildings staff who are taking on this major matter, there are simply only so many hours in the day at current staffing levels and looking at current City government output.

2. Further Limit Renewable Energy Credits to Close “Buy-Out” Loophole

Across the board, environmental organizations are concerned that overuse of RECs imperils the law and puts real estate profits over climate pollution reductions. The Administration’s responsibility to properly limit and regulate REC use remains incomplete. Allowing for unlimited RECs for electricity-use means losing the air quality benefits, the job creation, and the quality of life and utility benefits of upgraded efficiency. Local Law 97’s Advisory Council recommended RECs be further limited to off-setting only up to 30% of the pollution by which a building is over its pollution limit. This further limit has been well-analyzed and should be adopted immediately.

The Cost of Inaction

Building owners must confront the cost of their inaction. Now, under Local Law 97, owners can employ the most cost-effective energy efficiency upgrades they prefer. More than just heat-pump installations, upgrades include a goodie bag of choices: better insulation, tighter air sealing and better ventilation, tuning boilers, upgraded HVAC systems, efficient lighting, and modern sensors and software to optimize

³ New York City Mayor's Management Report (MMR), <https://www.nyc.gov/site/operations/performance/mmr.page>.

building systems. An added benefit to these upgrades, is that most buildings will save money through lower utility bills and operating costs. Cutting energy waste is good for the environment, public health, and your wallet.

Unfortunately, the fossil fuel and real estate industry tactic to delay climate action is an old story. And the public pays for it with respiratory disease, a narrowing window to avoid climate devastation, and by footing the bill for disaster clean-ups which are costing New York billions every year. Over the past year, reviewing news releases issued by Governor Hochul from August 2022-September 2023 by NYPIRG, New York taxpayers have been burdened with \$2.7 billion in climate change-related damage repair and resiliency costs alone.

The cost of inaction – or delayed and weakened action – is simply too high.

Thank you.