

## **Local Law 97: Proposed Rule Changes by New York City Department of Buildings**

By Donald Chahbazpour, National Grid

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The Brooklyn Union Gas Company d/b/a National Grid NY submits these comments to New York City Department of Buildings on proposed amendments to Local Law 97 (LL97). These comments supplement our previous comments dated November 14, 2022.

National Grid supports New York State's emission reduction mandates established in the Climate Leadership and Community Protection Act (CLCPA), and New York City's mandates to achieve net zero emissions by 2050. We are firmly committed to New York City's success in the energy transition, and we recognize that LL97 is an important step toward reducing buildings-generated emissions in the City of New York. The proposed amendments to the City's Administrative Code clarify what is needed to demonstrate compliance with the emissions limits of LL97, and steps building owners must take to mitigate penalties for noncompliance with the law. Achieving target emissions reductions across the large number and variety of buildings in the City will require significant effort and resources, and the amendments proposed by the Department recognize the practicalities facing building owners that are making good faith efforts at timely, effective compliance.

To achieve the City's emissions reduction goals, building owners also need access to a variety of practical and cost-effective solutions to reduce energy consumption that meet varying building typologies and energy system considerations. To enable timely, cost-effective emissions reductions, the City should look to integrate the overall energy system to enable decarbonization, including the value of transforming the utility gas distribution network to deliver clean energy and support the overall reliability and affordability of the entire energy system. Analyses like those presented at the State level (National Grid's CLCPA study filed with the New York State Public Service Commission March 17, 2023, and available at: <https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=19-g-0309&CaseSearch=Search>) as well as the study the Company conducted in partnership with the Mayor's Office of Sustainability and Con Edison in 2021, *Pathways to Carbon-Neutral NYC* (available at: <https://www.nyc.gov/assets/sustainability/downloads/pdf/publications/Carbon-Neutral-NYC.pdf>), show that a hybrid approach to decarbonizing buildings which leverages the gas network to deliver increasingly greater proportions of alternative low-carbon fuels like renewable natural gas (RNG) and clean hydrogen over time, while also accelerating building electrification and energy efficiency, is the lowest cost path to economy-wide net zero compared to all scenarios considered. The *Pathways* study concluded that "a low carbon gas network improves overall system reliability by offering optionality and flexibility within the energy system." The cost savings realized by this hybrid approach are related to reductions in peak electricity demand, and correspondingly lower demand for electric infrastructure development. On a peak day in winter, today's gas network delivers more than three times the amount of energy the electric grid delivers on a peak day in summer. Replacing the energy delivered by the gas network, while also meeting electric vehicle charging needs and implementing effective solutions for buildings using fuel oil, will require costly infrastructure upgrades to integrate large

amounts of new clean power resources. Simply put, utilizing a decarbonized gas network reduces the incremental demand for clean power resources and helps make the 2050 emission targets more achievable.

Thank you to the Department of Buildings for the commitment to address and combat climate change through developing these rules. We urge the Department to consider polices that enable a hybrid pathway that includes low carbon fuels. We look forward to working with you to meet the important goals established in Local Law 97.

Thank you.